

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009  
Performed as Special Assistant Auditors  
For the Auditor General, State of Illinois

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

**TABLE OF CONTENTS**

	<u>Page</u>
Center Officials	1
Management Assertion Letter	2
Compliance Report	
Summary	3-4
Accountants' Report	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	5-8
Schedule of Findings	
Current Findings	9
Prior Findings Not Repeated	10
Supplementary Information for State Compliance Purposes	
Summary	11
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	12-13
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	14
Description of Locally Held Funds	15-16
Schedule of Locally Held Funds – Cash Basis	17-18
Schedule of Changes in State Property (not examined)	19
Comparative Schedule of Cash Receipts and Deposits	20
Analysis of Significant Variations in Expenditures	21-23
Analysis of Significant Lapse Period Spending	24-25
Schedule of Changes in Inventories (not examined)	26
Analysis of Accounts Receivable	27
Analysis of Operations	
Center Functions and Planning Program	28-29
Average Number of Employees	30
Employee Overtime (not examined)	31
Contractual Payroll Employees (not examined)	31-32
Shared Resources (not examined)	32-33
Center Utilization (not examined)	34-35
Annual Center Statistics	
Cost Per Year/Day Per Resident (not examined)	36
Ratio of Employees to Residents (not examined)	36
Reported Employee Job Injuries (not examined)	37
Food Services (not examined)	37
Service Efforts and Accomplishments (not examined)	38

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

**CENTER OFFICIALS**

Center Director (04/08/08 to present)	Mr. Joseph Turner
Center Director (07/27/07 to 04/08/08)	Mr. Arthur Holmberg
Assistant Center Director (11/1/08 to present)	Vacant
Assistant Center Director (07/05/05 to 10/31/08)	Ms. Carol Wade
Assistant Center Director (1/1/09 to present)	Vacant
Assistant Center Director (07/01/05 to 12/31/08)	Mr. David Piotrowski
Acting Business Office Director (08/15/09 to present)	Ms. Siony Pullins
Business Office Director (07/16/07 to 08/15/09)	Mr. Wendell Westbrook

The Center is located at:

7600 West 183<sup>rd</sup> Street  
Tinley Park, IL 60477



Pat Quinn, Governor

Illinois Department of Human Services

Michelle R.B. Saddler, Secretary

Howe Center  
7600 West 183rd Street, Tinley Park, IL 60477

April 26, 2010

Duffner & Company P.C.  
12400 South Harlem Avenue Suite 205  
Palos Heights, IL 60463

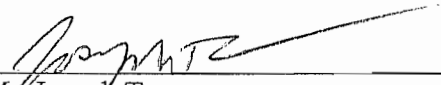
Ladies and Gentlemen:

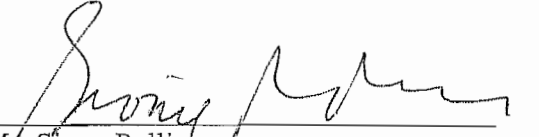
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Center. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Center's compliance with the following assertions during the two years ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2009 and June 30, 2008, 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,

William A. Howe Developmental Center

  
\_\_\_\_\_  
Mr. Joseph Turner

  
\_\_\_\_\_  
Ms. Siony Pullins

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

**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" (*Audit Guide*) which are identified in the Report as having compliance testing performed and does not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	1	2
Repeated findings	1	0
Prior recommendations implemented or not repeated	1	1

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

**SCHEDULE OF FINDINGS**

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	<u>Finding Type</u>
09-1	9	Decertification of Center as Medicare Services Provider	Material Weakness

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

**COMPLIANCE REPORT**

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>	
A	10	Inadequate Control Over and Maintenance of Time and Attendance Records	Significant Deficiency

**EXIT CONFERENCE**

Center management waived having an exit conference per a correspondence dated April 12, 2010. Responses to the recommendations were provided by Michelle R.B. Saddler, Secretary, Illinois Department of Human Services per correspondence dated April 8, 2010.

# Duffner & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS  
12400 S. HARLEM AVENUE  
SUITE 205  
PALOS HEIGHTS, ILLINOIS 60463  
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## 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 have performed a limited scope compliance examination of the State of Illinois Department of Human Services – William A. Howe 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 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 – William A. Howe 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 – William A. Howe Developmental Center's compliance based on our examination.

- A. The State of Illinois Department of Human Services – William A. Howe 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 – William A. Howe 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 – William A. Howe 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 – William A. Howe 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 – William A. Howe Developmental Center on behalf of the State or held in trust by the State of Illinois Department of Human Services – William A. Howe 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 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 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 – William A. Howe Developmental Center'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 – William A. Howe Developmental Center's compliance with specified requirements.

As described in Finding Code No. 09-1 in the accompanying Schedule of Findings and Recommendations, the State of Illinois Department of Human Services – William A. Howe Developmental Center did not comply with requirements regarding conditions of participation as a Medicare Services Provider established by the federal government. Compliance with such requirements is necessary, in our opinion, for the State of Illinois Department of Human Services – William A. Howe Developmental Center's to comply with requirement C 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 – William A. Howe Developmental Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2009.



## **Internal Control**

The management of the State of Illinois Department of Human Services – William A. Howe 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 – William A. Howe Developmental Center’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 – William A. Howe 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 – William A. Howe Developmental Center’s internal control over compliance.

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 over compliance such that there is a reasonable possibility that 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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 a material weakness. We considered the deficiency in internal control over compliance as described in the accompanying Schedule of Findings as finding 09-1 to be a material weakness.

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

The State of Illinois Department of Human Services – William A. Howe Developmental Center’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 – William A. Howe Developmental Center’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 Employee Overtime, Contractual Payroll Employees, Shared Resources, Center Utilization, Annual Center Statistics and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 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, 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.

*Duffner & Company P.C.*

April 26, 2010

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES  
For the Two Years Ended June 30, 2009

**Current Findings**

**09-1 Finding:** Decertification of Center as Medicare Services provider.

The Center for Medicare & Medicaid Services conducted a survey of the Center in August 2006 and identified that the Center failed to meet certain Federal Conditions of Participation.

All providers of services under the Medicaid program are required to meet all of the conditions set forth in the Medicaid Provider Agreement and requirements established under Title XVIII of the Social Security Act. There are eight conditions of participation which apply to an intermediate Care Facility for the Mentally Retarded. As a result of surveys conducted the Center was found to be out of compliance with the following conditions of participation:

- Client Protection
- Governing Body & Management

On March 14, 2007, the Illinois Department of Public Health performed another certification survey as part of a settlement agreement signed with the Center for Medicare & Medicaid Services on February 21, 2007. The survey identified that the Center did not meet the Federal Conditions of Participation in the areas of Governing Body and Management and Client Protections. The Illinois Department of Public Health notified the Center on March 15, 2007 of the Center's immediate termination as a Medicaid provider. The Center's attempts to regain certification were not successful and subsequently, the State of Illinois directed that the facility cease operations. The Center is scheduled to close in May 2010.

Inadequate staffing and the failure to meet all the conditions of participation were primarily the result of staff reductions, job assignment transfers and inadequate training of personnel.

The failure to comply with the federal Conditions of Participation placed the health and safety of the Center's patients at risk and resulted in a loss of revenue to the State. (Finding Code No. 09-1 and 07-1)

**Recommendation:**

Given the direction by the State that the facility cease operations, we recommend that the Center orderly conclude its business - transferring patients and staff, preserving State records and property, and terminating nonessential contracts and leases.

**Department Response:**

Agree. The Center is following the developed corrective action regarding transferring patients and staff. The Center has been working with the Department of Human Services, Central Office in connection to the disposition of state records and property. Records are being handled per direction from the Central Office. Physical inventory of property is currently in process. The Center is performing ongoing review of its contracts. The disposition of lease equipment is also being reviewed.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES  
For the Two Years Ended June 30, 2009

**Prior Audit Findings Not Repeated**

**A**     **Finding:** Inadequate Control and Maintenance of Time and Attendance Records.

For 54 of 240 (23%) of “Monthly Attendance Record Reports” selected for testing, the reports were not included in the Center’s timekeeping files. For 63 of 240 (26%) of “Monthly Attendance Record Reports selected for testing, the reports were not signed by the employee’s supervisor. (Finding code No. 07-2)

**Status:** Not Repeated as a Center Finding

Substantial non-compliance with the maintenance of attendance records was noted in the current examination period. These exceptions will be consolidated with similar exceptions at other Centers and be reported as a Departmental level finding in the Center Office.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
LIMITED SCOPE COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2009

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

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

Fiscal Schedules and Analysis

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

Analysis of Operations

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

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For the Fiscal Year Ended June 30, 2009

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2009	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2009	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2009	BALANCES LAPSED AUGUST 31, 2009
PUBLIC ACTS 95-0734					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 41,676,800	\$ 39,346,272	\$ 1,745,959	\$ 41,092,231	\$ 584,569
Retirement contributions	8,642,500	8,246,733	366,323	8,613,056	29,444
State contributions to Social Security	2,990,300	2,863,207	125,848	2,989,055	1,245
Contractual services	4,564,300	3,334,684	1,123,854	4,458,538	105,762
Travel	2,800	2,315	468	2,783	17
Commodities	723,100	611,052	50,192	661,244	61,856
Printing	6,900	6,801	-	6,801	99
Equipment	25,700	13,639	5,767	19,406	6,294
Telecommunications services	216,200	131,984	81,928	213,912	2,288
Operation of auto equipment	205,700	173,702	27,009	200,711	4,989
Expenses related to living skills program	11,100	6,000	5,100	11,100	-
Total	<u>\$ 59,065,400</u>	<u>\$ 54,736,389</u>	<u>\$ 3,532,448</u>	<u>\$ 58,268,837</u>	<u>\$ 796,563</u>

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

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For the Fiscal Year Ended June 30, 2008

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2008	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2008	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2008	BALANCES LAPSED AUGUST 31, 2008
PUBLIC ACT 95-0348					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 39,286,900	\$ 37,289,361	\$ 1,836,851	\$ 39,126,212	\$ 160,688
Retirement contributions	6,521,600	6,143,820	302,465	6,446,285	75,315
State contributions to Social Security	2,840,200	2,709,443	130,738	2,840,181	19
Contractual services	4,118,700	3,546,202	546,623	4,092,825	25,875
Travel	9,100	6,208	2,054	8,262	838
Commodities	963,100	933,768	3,959	937,727	25,373
Printing	1,900	1,168	37	1,205	695
Equipment	101,300	82,019	15,359	97,378	3,922
Telecommunications services	154,900	137,312	12,814	150,126	4,774
Operation of auto equipment	232,400	232,370	-	232,370	30
Expenses related to living skills program	11,100	11,100	-	11,100	-
Total	<u>\$ 54,241,200</u>	<u>\$ 51,092,771</u>	<u>\$ 2,850,900</u>	<u>\$ 53,943,671</u>	<u>\$ 297,529</u>

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

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES  
For the Years Ended June 30,

	FISCAL YEARS		
	2009	2008	2007
	P.A. 95-0734	P.A. 95-0348	P.A. 94-0798
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	<u>\$ 59,065,400</u>	<u>\$ 54,241,200</u>	<u>\$55,551,200</u>
EXPENDITURES			
Personal services	41,092,231	39,126,212	41,133,707
Retirement contributions	8,613,056	6,446,285	4,710,087
State contributions to Social Security	2,989,055	2,840,181	3,001,014
Contractual services	4,458,538	4,092,825	4,660,294
Travel	2,783	8,262	8,549
Commodities	661,244	937,727	1,007,330
Printing	6,801	1,205	1,941
Equipment	19,406	97,378	158,749
Telecommunications services	213,912	150,126	239,250
Operations of auto equipment	200,711	232,370	205,086
Expenses related to living skills program	11,100	11,100	11,100
Total Expenditures	<u>58,268,837</u>	<u>53,943,671</u>	<u>55,137,107</u>
LAPSED BALANCES	<u>\$ 796,563</u>	<u>\$ 297,529</u>	<u>\$ 414,093</u>



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A HOWE DEVELOPMENTAL CENTER  
DESCRIPTION OF LOCALLY HELD FUNDS  
For the Two Years Ended June 30, 2009

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, Patient Travel Trust Fund and Petty Cash account. These funds 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 Trust Fund (SAMS fund number 1139) was established to provide for the special comfort, pleasure and amusement of the residents. The primary sources of revenue for the fund 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 recipients' needs in these areas.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
DESCRIPTION OF LOCALLY HELD FUNDS  
For the Two Years Ended June 30, 2009

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  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS  
For the Year Ended June 30, 2009

	1144 DHS Rehabilitation Fund	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	Petty Cash Account
Balance - July 1, 2008	\$ 16,412	\$ 6,301	\$ 192,841	\$ 842	\$ 703
Receipts					
Income from Sales	66,198	12,249			
Investment Income		17	1,851		
Resident deposits			2,393,455		
Appropriations				6,000	321
Other					
Total Receipts	<u>\$ 66,198</u>	<u>\$ 12,266</u>	<u>\$ 2,395,306</u>	<u>\$ 6,000</u>	<u>\$ 321</u>
Disbursements					
Contractual services	75,018	18,019			360
Resident withdrawals			2,100,075		
Appropriations returned				842	
Living skills program				5,769	
Other					
Total Disbursements	<u>\$ 75,018</u>	<u>\$ 18,019</u>	<u>\$ 2,100,075</u>	<u>\$ 6,611</u>	<u>\$ 360</u>
Balance - June 30, 2009	<u>\$ 7,592</u>	<u>\$ 548</u>	<u>\$ 488,072</u>	<u>\$ 231</u>	<u>\$ 664</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS  
For the Year Ended June 30, 2008

	1144 DHS Rehabilitation Fund	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	Petty Cash Account
Balance - July 1, 2007	\$ 587	\$ 11,335	\$ 230,127	\$ 103	\$ 191
Receipts					
Income from Sales	127,667	27,966			
Investment Income		49	5,170		
Resident deposits			2,378,671		
Appropriations				11,100	1,897
Other					
Total Receipts	<u>\$ 127,667</u>	<u>\$ 28,015</u>	<u>\$ 2,383,841</u>	<u>\$ 11,100</u>	<u>\$ 1,897</u>
Disbursements					
Contractual services	111,842	33,049			1,385
Resident withdrawals			2,421,127		
Appropriations returned				103	
Living skills program				10,258	
Other					
Total Disbursements	<u>\$ 111,842</u>	<u>\$ 33,049</u>	<u>\$ 2,421,127</u>	<u>\$ 10,361</u>	<u>\$ 1,385</u>
Balance - June 30, 2008	<u>\$ 16,412</u>	<u>\$ 6,301</u>	<u>\$ 192,841</u>	<u>\$ 842</u>	<u>\$ 703</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF CHANGES IN STATE PROPERTY  
For the Two Years Ended June 30, 2009

	Land and land improvements	Buildings and building improvements	Site improvements	Capital lease equipment	Equipment	Total
Balance June 30, 2007	\$ 16,776	\$ 42,433,318	\$ 6,183,738	\$ -	\$ 7,949,312	\$ 56,583,144
Additions:						
Purchases					144,243	144,243
Transfers-in:						
Intra-agency					49,099	49,099
Capital Development Board		33,936				33,936
Surplus Property						-
DAVTE Fund						-
Donations						-
Adjustments		4,368 *			47,605 *	51,973
Total Additions	\$ -	\$ 38,304	\$ -	\$ -	\$ 240,947	\$ 279,251
Deductions:						
Transfers-out:						
Intra-agency					121,091	121,091
Surplus property						-
Scrap property						-
Condemned and lost property						-
Retirements						-
Adjustment					34	34
Total Deductions	\$ -	\$ -	\$ -	\$ -	\$ 121,125	\$ 121,125
Balance June 30, 2008	\$ 16,776	\$ 42,471,622	\$ 6,183,738	\$ -	\$ 8,069,134	\$ 56,741,270
Additions:						
Purchases					84,975	84,975
Transfers-in:						
Intra-agency					17,327	17,327
Capital Development Board		20,928				20,928
Surplus Property						-
DAVTE Fund						-
Donations						-
Adjustments					1,793	1,793
Total Additions	\$ -	\$ 20,928	\$ -	\$ -	\$ 104,095	\$ 125,023
Deductions:						
Transfers-out:						
Intra-agency					117,914	117,914
Surplus property						-
Scrap property					66,287	66,287
Condemned and lost property						-
Retirements					5,273	5,273
Adjustment					4,201	4,201
Total Deductions	\$ -	\$ -	\$ -	\$ -	\$ 193,675	\$ 193,675
Balance June 30, 2009	\$ 16,776	\$ 42,492,550	\$ 6,183,738	\$ -	\$ 7,979,554	\$ 56,672,618

Note: The property balances at June 30, 2008 and 2009 have been reconciled to the property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS  
For the Years Ended June 30,

	FISCAL YEARS		
	2009	2008	2007
<u>General Revenue Fund</u>			
<u>RECEIPTS</u>			
Rental of real property	\$ 35,063	\$ 35,060	\$ 31,557
Jury duty, witness fees, military duty	698	356	829
Copy charges	25	117	40
Telephone reimbursements	-	2,133	-
Rebates and refunds	1,240	-	-
Miscellaneous other	60	138	18
<b>TOTAL RECEIPTS</b>	<b><u>\$ 37,086</u></b>	<b><u>\$ 37,804</u></b>	<b><u>\$ 32,444</u></b>
<u>DEPOSITS</u>			
Receipts recorded by Agency	\$ 37,086	\$ 37,804	\$ 32,444
Add: Deposits in transit - Beginning of year	44	128	213
Deduct: Deposits in transit - End of year	1,497	44	128
Deduct: Misc Receipts not traceable to comptrollers report	34	100	-
<b>DEPOSITS RECORDED BY COMPTROLLER</b>	<b><u>\$ 35,599</u></b>	<b><u>\$ 37,788</u></b>	<b><u>\$ 32,529</u></b>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
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:

	FISCAL YEAR ENDED		INCREASE	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2009</u>	<u>2008</u>	<u>AMOUNT</u>	<u>%</u>
Retirement Contributions	\$8,613,056	\$6,446,285	\$2,166,771	33.61%
Travel	\$2,783	\$8,262	\$(5,479)	(66.32)%
Commodities	\$661,244	\$937,727	\$(276,483)	(29.48)%
Printing	\$6,801	\$1,205	\$5,596	464.40%
Equipment	\$19,406	\$97,378	\$(77,972)	80.07%
Telecommunications	\$213,912	\$150,126	\$63,786	42.49%

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

Retirement Contributions

The increase in retirement contributions to the Employee Retirement System of \$2,166,771 or 33.61% between fiscal year 2008 and 2009 reflects changes in the State pension code and funding levels.

Travel

The decrease in travel expenditures of \$5,479 or 66.32% between fiscal year 2008 and 2009 reflects the decrease employee training outside of the Center and travel for administrative personnel.

Commodities

The decrease in commodities expenditures of \$276,483 or 29.48% between fiscal year 2008 and 2009 reflects the decrease in resident population.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
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. (continued):

Printing

The increase in printing expenditures of \$5,596 or 464.40% reflects the replenishment of stock forms and costs associated with the Center's recertification process.

Equipment

The decrease in equipment expenditures of \$77,972 or 80.07% between fiscal year 2008 and 2009 reflects the decrease need for equipment replacements based on prior fiscal year purchases.

Telecommunications

The increase in telecommunication expenditures of \$63,786 or 42.49% between fiscal year 2008 and 2009 reflects a timing difference in the invoicing received from the State's Communications Revolving Fund which provides those services.



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
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:

	FISCAL YEAR ENDED		INCREASE	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
Retirement Contributions	\$6,446,285	\$4,710,087	\$1,736,198	36.86%
Equipment	\$97,378	\$158,749	\$(61,371)	(38.66)%
Telecommunications	\$150,126	\$239,250	\$(89,124)	(37.25)%

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

Retirement Contributions

The increase in retirement contributions to the Employee Retirement System of \$1,736,198 or 36.86% between fiscal year 2007 and 2008 reflects changes in the State pension code and funding levels.

Equipment

The decrease in equipment expenditures of \$61,371 or 38.66% between fiscal year 2007 and 2008 reflects the decrease need for equipment replacements based on fiscal 2007 purchases.

Telecommunications

The decrease in telecommunication expenditures of \$89,124 or 37.25% between fiscal year 2007 and 2008 reflects a timing difference in the invoicing received from the State's Communications Revolving Fund which provides those services.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
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). A schedule of significant lapse period spending for fiscal year 2009 is shown below:

Fiscal Year Ended June 30, 2009

<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Contract Services	\$4,458,538	\$1,123,854	25.21%
Equipment	\$ 19,406	\$ 5,767	29.72%
Telecommunications	\$ 213,912	\$ 81,928	38.30%

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

Contract Services

The significant lapse period expenditures for contract services were due to the late receipt of vendor invoices for services rendered in the fiscal year.

Equipment

The significant lapse period expenditures for equipment reflect the purchase of equipment at the end of the fiscal year with related vendor invoices not received until after the fiscal year end.

Telecommunications

The significant lapse period expenditures for telecommunications were due to late billings from Central Management Services Telecommunications Revolving Fund.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING  
For the Two Years Ended June 30, 2009

A schedule of significant lapse period spending for the fiscal year ended June 30, 2008 is shown below:

Fiscal Year Ended June 30, 2008

<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Travel	\$8,262	\$2,054	24.86%

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

Travel

The significant lapse period expenditures for travel were due to the late submission of travel vouchers by Center personnel.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SCHEDULE OF CHANGES IN INVENTORIES  
For the Two Years Ended June 30, 2009

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
General Stores:				
Medical lab	\$ 29,878	\$ 84,284	\$ 87,004	\$ 27,158
Food supplies	-	-	-	-
Household and laundry	129,370	343,671	375,829	97,212
Other general stores	32,361	112,966	113,138	32,189
Clothing	26,180	-	-	26,180
Mechanical Stores:				
Repair and Maintenance	121,657	438,698	445,849	114,506
Coal and coke	-	-	-	-
Other mechanical stores	954	3,907	3,076	1,785
Pharmacy	-	-	-	-
Postage	-	-	-	-
	<u>\$ 340,400</u>	<u>\$ 983,526</u>	<u>\$1,024,896</u>	<u>\$ 299,030</u>

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008
General Stores:				
Medical lab	\$ 37,189	\$ 135,529	\$ 142,840	\$ 29,878
Food supplies	-	-	-	-
Household and laundry	102,593	527,846	501,069	129,370
Other general stores	26,190	220,646	214,475	32,361
Clothing	26,180	-	-	26,180
Mechanical Stores:				
Repair and Maintenance	101,251	423,294	402,888	121,657
Coal and coke	-	-	-	-
Other mechanical stores	966	258,469	258,481	954
Pharmacy	-	-	-	-
Postage	-	-	-	-
	<u>\$ 294,369</u>	<u>\$ 1,565,784</u>	<u>\$1,519,753</u>	<u>\$ 340,400</u>

Note 1) The inventories consist primarily of commodities and medications and are valued at weighted average cost.

Note 2) The information noted in the above schedule was obtained from Center records and is valued at weighted average cost. The Department of Human Services (Department) commodity control system encountered data processing difficulties in June and July 2009 resulting in a need to retake the annual inventory in August, 2009 for the entire Department, including the Centers. The June 30, 2009 ending inventory information in the schedule for the General and Mechanical Stores inventories may vary from the corrected ending inventories; however, all significant variations were reconciled. The information presented in the above schedule for the General and Mechanical Stores inventories is \$11,623 less than the corrected June 30, 2009 inventory balance for those areas.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM H. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF ACCOUNTS RECEIVABLE  
For the Two Years Ended June 30, 2009

The Center has accounts receivable of \$187,754 at June 30, 2009. This represents amounts due from private assets, private insurance, Social Security Administration, etc. for resident care provided at the 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, 2009, 2008 and 2007 prepared by the Department of Human Services Central Office and forwarded to the Center is as follows:

	<u>June 30,</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Current (0-3 months)	\$156,380	\$217,478	\$279,103
Past due (4-6 months)	454	1,496	5,765
Past due (7-12 months)	-	12,271	5,944
Past due (over 12 months)	<u>30,101</u>	<u>38,520</u>	<u>19,585</u>
Subtotal	\$186,935	\$269,765	\$310,397
Court Cases	<u>819</u>	<u>928</u>	<u>3,527</u>
Total	<u>\$187,754</u>	<u>\$270,693</u>	<u>\$313,924</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

CENTER FUNCTIONS AND PLANNING PROGRAM

**General Functions**

The William A. Howe Developmental Center (“Center”) is a transitional State Operated Developmental Center (“SODC”) supporting over 292 adults with developmental disabilities. The Center’s primary mission is to provide appropriate, effective and quality residential services and training opportunities that focus on developing skills that will enable individuals to function with more autonomy and independence with the ultimate objective of preparing individuals for return to the community.

As part of the State residential service delivery system for individuals with developmental disabilities, the Center provides services and training for individuals 18 years of age or older. Individuals are appropriate for admission to the Center only when circumstances clearly indicate that the individual cannot function at home, in a Community alternative, or another State-operated setting.

The Center utilizes the inter-disciplinary team approach involving professionals, service providers, the individual and his/her family/guardian advocate (as appropriate) in assessment, habilitation, planning and implementation. This process is designed to promote the individual’s ability to develop autonomy, independence, and self-worth, make choices and exercise his/her rights, and achieve his/her own goals.

**Agency Planning**

The primary objective of the Department of Human Services in achieving its goal of monitoring the continuing progress of the Center is to maintain an open and productive communication line between the Department’s Central Office and each of its Centers. The Center Director and the department heads attend regular meetings to review and discuss the long-term goals of the Department of Human Services. The Center prepares its own formal documented one-year plan which is reviewed periodically by the Center’s executive staff.

The Center’s Director is responsible for designing goals, objectives, and performance measures that relate specifically to the Center. The Director achieves the objectives by holding regular meetings with the department heads to address specific Center needs and goals. Internal audit functions are performed by the Department of Human Services Central Office. Internal auditors conduct annual performance audits of the Center’s operational programmatic activities. These audits provide a system for monitoring the quality of the Center’s operations.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

On March 15, 2007 the Illinois Department of Public Health notified the Center of its immediate termination as a Medicaid Provider. The decertification resulted from the Center's failure to meet the Federal Conditions of Participation in the areas of Governing Body and Management and Client Protections. Details regarding the decertification are included in Finding Code No. 09-1. The Center is scheduled to close operations in May 2010.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

AVERAGE NUMBER OF EMPLOYEES

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

	<u>Fiscal Year</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Mental health technicians and supervisors	401	416	440
Support service workers and supervisors	80	84	84
Medical, dental and pharmacy	58	58	64
Office and clerical	27	33	33
Resident treatment	42	44	48
Administrative	37	35	30
Education	3	3	4
Security	0	0	0
Other	<u>76</u>	<u>88</u>	<u>64</u>
Total Employees	<u>724</u>	<u>761</u>	<u>767</u>



STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

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.

	<u>Fiscal Year</u>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Paid overtime hours worked during fiscal year	230,185	299,712	274,480
Value of overtime hours worked during fiscal year	<u>\$6,661,859</u>	<u>\$8,469,150</u>	<u>\$7,352,978</u>
Compensatory hours earned during fiscal year	3,087	6,706	9,555
Value of compensatory hours earned during fiscal year	<u>\$145,107</u>	<u>\$269,470</u>	<u>\$313,770</u>
Total paid overtime hours and earned compensatory hours during fiscal year	233,272	306,418	284,305
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$6,806,966</u>	<u>\$8,738,620</u>	<u>\$7,666,748</u>

CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The Center hires some individuals to perform personal services pursuant to a contract where the individual is deemed an “employee” under IRS regulations. Some of the services provided by the contractual payroll employees were in the areas of accounting, occupational and physical therapy, consumer advocate, seamstress, hairdresser, behavioral consultant, and barber.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

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.

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractual payroll employees paid during the fiscal year	<u>1</u>	<u>1</u>	<u>0</u>
Total amount expended for contractual payroll employees during the fiscal year	<u>\$6,504</u>	<u>\$29,880</u>	<u>\$0</u>

SHARED RESOURCES (not examined)

Dietary Operations:

During fiscal years 2009 and 2008, the William A. Howe Developmental Center participated in an Interfacility Dietary Agreement with the Elisabeth Ludeman Developmental Center and the Tinley Park Mental Health Center.

Under the agreement, each center had a distinct role. The William A. Howe Developmental Center provided the labor for operating the kitchen, including the preparation of trays, sack lunches, etc. and arrangements for delivery. The Tinley Park Mental Health Center was responsible for the purchasing and warehousing of all food and non-food supplies associated with the program. The Elisabeth Ludeman Developmental Center was responsible for the administration of a Quality Enhancement and Improvement Program. Each center was also responsible for the maintenance of its mechanical and retherm equipment.

Each center had funds included in its budget for its basic set of responsibilities. However, if expenditures occurred that were not planned for in the appropriate center's budget, each center was required to incur its share of the cost. During fiscal years 2009 and 2008, costs paid by the William A. Howe Developmental Center in the form of labor to administer the kitchen operation was approximately \$3,338,354 and \$3,268,102 respectively.

The William A. Howe Developmental Center received dietary services from the Tinley Park Mental Health Center for the two fiscal years as follows:

<u>Dietary Services</u>	<u>FY 2009</u>	<u>FY 2008</u>
Salaries/Benefits	\$3,338,354	\$3,268,102
Commodities	<u>2,640,187</u>	<u>2,521,337</u>
Total	<u>\$5,978,541</u>	<u>\$5,789,439</u>

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

Pharmacy Operation:

For fiscal years 2008 and 2009, the pharmaceutical operations for the William A. Howe Developmental Center were provided by the Office of Clinical, Administrative and Program Support (OCAPS), a division of the Department of Human Services.

Maintenance Supplies

During fiscal years 2009 and 2008, the William A. Howe Developmental Center (Howe Center) participated in an interfacility maintenance supplies inventory program with the Tinley Park Mental Health Center. (Tinley Center) Under that arrangement the Howe Center purchased and maintained an inventory of repair parts and equipment component parts. The maintenance department at the Tinley Center was authorized to withdraw parts from that inventory. The cost of parts withdrawn by the Tinley Center maintenance department was not monitored by either center.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

CENTER UTILIZATION (not examined)

William A. Howe Developmental Center (Center) is situated on 61 acres in Tinley Park. The Center has 58 buildings on its grounds. The information below outlining their occupancy and/or utilization of the buildings on the grounds of the Center represents data provided as of June 30, 2007.

<u>Building Description</u>	<u>Square Footage</u>	<u>% of Building Utilized</u>
Social Center	30,000	100
Professional Building	4,400	100
Administration	5,600	100
Neighborhood House Unit 1	2,400	100
House 101	2,800	100
House 102	2,800	100
House 103	2,800	100
House 104	2,800	100
House 105	2,800	100
House 106	2,800	100
House 107	2,800	100
House 108	2,800	100
House 109	2,800	100
House 110	2,800	100
Neighborhood House Unit 2	2,400	100
House 201	2,800	100
House 202	2,800	100
House 203	2,800	100
House 204	2,800	100
House 205	2,800	0
House 206	2,800	0
House 207	2,800	100
House 208	2,800	100
House 209	2,800	0
House 210	2,800	0
Neighborhood House Unit 3	2,800	100
House 301	2,800	100
House 302	2,800	100
House 303	2,800	100
House 304	2,800	100
House 305	2,800	100

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

CENTER UTILIZATION (not examined) (continued)

<u>Building Description</u>	<u>Square Footage</u>	<u>% of Building Utilized</u>
House 306	2,800	100
House 307	2,800	100
House 308	2,800	100
House 309	2,800	100
House 310	2,800	100
Neighborhood House Unit 4	2,400	100
House 401	2,800	100
House 402	2,800	100
House 403	2,800	100
House 404	2,800	100
House 405	2,800	100
House 406	2,800	100
House 407	2,800	100
House 408	2,800	100
House 409	2,800	100
House 410	2,800	100
Neighborhood House Unit 5	2,400	100
House 501	2,800	100
House 502	2,800	100
House 503	2,800	100
House 504	2,800	100
House 505	2,800	100
House 506	2,800	100
House 507	2,800	100
House 508	2,800	100
House 509	2,800	100
House 510	2,800	100

Note: The Center is a 500 bed developmental center. The Center is scheduled to close and utilization rates will decline to zero.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

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>2009</u>	<u>Fiscal Year</u> <u>2008</u>	<u>2007</u>
Cost per year per resident	*	<u>\$219,411</u>	<u>\$177,111</u>
Cost per day per resident	*	<u>\$599</u>	<u>\$485</u>

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

RATIO OF EMPLOYEES TO RESIDENTS (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Certified Capacity of Center*	<u>0</u>	<u>0</u>	<u>500</u>
Average number of residents	<u>292</u>	<u>336</u>	<u>387</u>
Average number of employees	<u>724</u>	<u>761</u>	<u>767</u>
Ratio of employees to residents	<u>2.48 to 1</u>	<u>2.26 to 1</u>	<u>1.98 to 1</u>

\*The Center was not certified for Medicare/Medicaid for fiscal years 2008 and 2009.

STATE OF ILLINOIS  
DEPARTMENT OF HUMAN SERVICES  
WILLIAM A. HOWE DEVELOPMENTAL CENTER  
ANALYSIS OF OPERATIONS  
For the Two Years Ended June 30, 2009

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Number of reported employee injuries	<u>195</u>	<u>248</u>	<u>257</u>

FOOD SERVICES (not examined)

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

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Meals served	<u>1,010,982</u>	<u>1,055,267</u>	<u>1,123,335</u>
Total food costs	\$2,640,187	\$2,521,377	\$2,595,101
Total labor costs	<u>3,338,354</u>	<u>3,268,102</u>	<u>3,373,984</u>
Total costs	<u>\$5,978,541</u>	<u>\$5,789,479</u>	<u>\$5,969,085</u>
Average food costs / meal	\$2.61	\$2.39	\$2.31
Average labor costs / meal	<u>3.30</u>	<u>3.10</u>	<u>3.00</u>
Total average cost / meal	<u>\$5.91</u>	<u>\$5.49</u>	<u>\$5.31</u>

Note: Residents are served three meals a day and three snacks per day (8 snack servings equate to one meal for determining total meals served). In addition, certain residents are given double servings as prescribed by physician orders.

STATE OF ILLINOIS  
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WILLIAM A. HOWE DEVELOPMENTAL CENTER  
SERVICE EFFORTS AND ACCOMPLISHMENTS  
For the Two Years Ended June 30, 2009  
(Not examined)

The William A. Howe Center, located in Tinley Park, a southwest suburb of Chicago, is a 500 capacity State Operated Developmental Center (ASODC) supporting people primarily from the Chicago south metro area. Demographically, 60% are males and 40% are females, of whom 79% have been diagnosed as having severe/profound mental retardation. There are also a significant number of individuals who have concomitant disabilities in vision, hearing, epilepsy, cerebral palsy, autism, physical management and secondary psychiatric disorders. Approximately 45% of the individuals who live at the Center are involved in contractual/supported employment.

On March 15, 2007 the Illinois Department of Public Health notified the Center of its immediate termination as a Medicaid provider. The decertification resulted from the Center's failure to meet the Federal Conditions of Participation in the areas of Governing Body and Management and Client Protections. The Center is scheduled to close operations in May 2010.