

REPORT DIGEST

DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES ANN M. KILEY DEVELOPMENTAL CENTER FINANCIAL AND COMPLIANCE AUDIT FOR THE TWO YEARS ENDED JUNE 30, 1995

SYNOPSIS

- The Center did not follow prescribed policies and procedures to report and investigate allegations of recipient abuse and neglect and certain other types of incidents.
- The Center did not maintain adequate controls over cash, property, and inventory to prevent loss to the State.

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

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INCIDENT/ABUSE REPORTING

Center personnel failed to follow prescribed Department policies and procedures to report and investigate allegations of recipient neglect and abuse and certain other incidents as defined by the Department Policies and Procedure Directive.

Our review of thirty resident files showed the Center did not report three incidents as required. In addition, our review of thirty injury reports showed the Center did not report two injuries as required. In all five incidents the direct care staff at the Center did not complete the appropriate DMHDD-107 form, the Office of the Inspector Incident Report Form, or report the incident to the Internal Security Officer. Department policies and procedures require these incidents to be reported by the end of the reporting person's shift.

In addition, our review of 117 case files reported on Form DMHDD-107 showed:

- Thirty-three case files which did not have the time or date of the occurrence or discovery of the incident and information regarding race and age of the staff and recipients involved.
- Twenty-eight case files had one or more instances for which the Center did not obtain written witness-information reports before the end of the employee's shift as required by procedures.
- Twenty-two case files had one or more incidents for which we could not locate written witness-information reports.
- Eleven case files in which the DMHDD-107 form did not have information regarding dates the Center mailed or phoned the information to the Office of the Inspector General.
- Eleven case files in which incidents were not reported to the Inspector General in a timely manner.
- Ten cases in which incidents were not reported to the Department of Public Health in a timely manner;

We recommended the Center adhere to Department policies and procedures when reporting and investigating allegations of abuse and neglect and certain other incidents. (Finding 1, page 7)

Center officials accepted the recommendation and commented the five incidents all involved recipient injuries rather than allegations of abuse and neglect.

SAFEGUARDING ASSETS

The Center did not maintain adequate internal fiscal and administrative controls over cash funds, property, and inventory. Comptroller procedures (CUSAS Procedure 02.10.30) requires State

agencies to establish a system or systems of internal fiscal and administrative controls which shall provide assurances that funds, property and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation. During our audit we noted inadequate safeguards which led to the following:

- six instances of recipient cash theft totaling \$1,310 for the 1994 and 1995 fiscal years. All of the cash thefts occurred after the Center's fiscal staff disbursed the money to a staff member but before it could be used for or by the recipient.
- four instances of property theft in the previous two fiscal years including five VCR's, two stereos, two televisions, and one compact disc player. Three VCR's and two stereos were State property while the others were personal possessions of recipients.
- an inventory theft totaling approximately \$3,000 in Fiscal Year 1995. Center officials suspected that a person used a key kept in an unlocked drawer to gain access to the General Stores inventory.

We recommended the Center implement additional security measures to prevent further loss of recipient and State property. (Finding 2 page 11)

The Center accepted the recommendation and developed new procedures, replaced locks, and installed motion detectors and a video camera.

Mr. Leonard Beck, Chief Auditor for the Department of Mental Health and Developmental Disabilities, provided responses to our findings and recommendations.

AUDITORS' OPINION

We performed certain agreed upon procedures concerning Center Financial Statements for the Central Office auditors who will be presenting agency-wide Financial Statements in that report.

WILLIAM G. HOLLAND, Auditor General

WGH:JAW

SUMMARY OF AUDIT FINDINGS

Number of This Audit Prior Audit

Audit Findings 2 2

Repeat Findings 1 1

Recommendations Implemented or
Not Repeated 1 3

SPECIAL ASSISTANT AUDITORS

Wolf & Company LLP were our special assistant auditors for this audit.

ANN M. KILEY DEVELOPMENTAL CENTER
COMPLIANCE AUDIT
For The Two Years Ended June 30, 1995

EXPENDITURE STATISTICS	FY 1995	FY 1994	FY 1993
● Total Expenditures (All Funds)	\$25,548,748	\$24,539,998	\$23,472,265
<u>Operations Total</u> % of Total Expenditures	\$25,548,748 100.0%	\$24,539,998 100.0%	\$23,472,265 100.0%
Personal Services % of Operations Expenditures Average No. of Employees	\$19,896,794 77.9% 636	\$18,817,817 76.7% 627	\$18,031,967 76.8% 703
Other Payroll Costs (FICA, Retirement) % of Operations Expenditures	\$2,244,805 8.8%	\$2,124,636 8.7%	\$2,029,643 8.6%
Contractual Services % of Operations Expenditures	\$1,989,718 7.8%	\$2,186,621 8.9%	\$2,092,178 8.9%
Commodities % of Operations Expenditures	\$1,193,977 4.7%	\$1,226,522 5.0%	\$1,102,248 4.7%
All Other Operations Items % of Operations Expenditures	\$223,454 0.9%	\$184,402 0.8%	\$216,229 0.9%
● Cost of Property and Equipment	\$17,162,159	\$16,273,082	\$15,165,849

SELECTED ACTIVITY MEASURES	FY 1995	FY 1994	FY 1993
●Average Number of Residents	427	431	450
●Ratio of Employees to Residents	1.5 to 1	1.5 to 1	1.6 to 1
●Cost Per Year Per Resident	\$76,253	\$72,950	\$64,844

AGENCY DIRECTOR(S)
During Audit Period: Dale Awick Currently: Dale Awick