
REPORT DIGEST

JACK MABLEY DEVELOPMENTAL CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended:
June 30, 2009

Summary of Findings:

| | |
|---------------------------|---|
| Total this report | 3 |
| Total last report | 1 |
| Repeated from last report | 1 |

Release Date:
June 29, 2010



State of Illinois
Office of the Auditor General
WILLIAM G. HOLLAND
AUDITOR GENERAL

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Office of the Auditor General
iles Park Plaza
740 E. Ash Street
Springfield, IL 62703
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SYNOPSIS

- The Center did not have adequate control over voucher processing.
- The Center did not reconcile the Trust Fund accounts properly.
- The Center aged accounts receivable report as of June 30, 2009 did not report the proper patient receivable balances.

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

JACK MABLEY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For The Two Years Ended June 30, 2009

| EXPENDITURE STATISTICS | FY 2009 | FY 2008 | FY 2007 |
|--|---------------------|---------------------|---------------------|
| Total Expenditures (All Appropriated Funds) | \$11,710,223 | \$10,456,376 | \$10,610,932 |
| OPERATIONS TOTAL | \$11,710,223 | \$10,456,376 | 10,610,932 |
| % of Total Expenditures..... | 100% | 100% | 100% |
| Personal Services | \$7,720,983 | \$7,031,204 | \$7,500,917 |
| % of Operations Expenditures..... | 66% | 67% | 71% |
| Average No. of Employees..... | 149 | 156 | 157 |
| Average Salary Per Employee..... | \$51,819 | \$45,072 | \$47,777 |
| Other Payroll Costs (FICA, Retirement)..... | \$2,178,824 | \$1,669,513 | \$1,406,973 |
| % of Operations Expenditures..... | 19% | 16% | 13% |
| Contractual Services | \$1,222,373 | \$1,150,203 | \$1,127,199 |
| % of Operations Expenditures..... | 10% | 11% | 11% |
| Commodities | \$426,736 | \$402,035 | \$372,103 |
| % of Operations Expenditures..... | 4% | 4% | 3% |
| All Other Items | \$161,307 | \$203,421 | \$203,740 |
| % of All Other Items | 1% | 2% | 2% |
| Cost of Property and Equipment..... | \$11,708,341 | \$11,581,813 | \$11,384,207 |

| SELECTED ACTIVITY MEASURES (Not Examined) | FY 2009 | FY 2008 | FY 2007 |
|---|-------------|-------------|-------------|
| Average Number of Residents..... | 87 | 91 | 91 |
| Ratio of Employees to Residents | 1.71/1 | 1.71/1 | 1.73/1 |
| Paid Overtime Hours & Earned Compensatory Hours | 53,630 | 54,379 | 54,987 |
| Value of Paid Overtime Hours & Earned Compensatory Hours | \$1,484,227 | \$1,460,640 | \$1,356,924 |
| Cost Per Year Per Resident | * | \$172,903 | \$156,917 |

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

| FACILITY DIRECTOR |
|--|
| During Engagement Period: Ms. Sharon DeBerry (7/1/07 to 7/31/08) and Mr. Timothy Nail (8/1/08 to Present) Currently: Mr. Timothy Nail |

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROL OVER PROCESSING OF
VOUCHERS**

The Center was not in compliance with certain voucher processing procedures.

**Vouchers were not approved
timely**

Six of 50 (12%) vouchers tested, totaling \$41,417, were not approved or disapproved within 30 days after receipt of the bill. (Finding 1, pages 10)

We recommended the Center strengthen its controls over voucher processing to ensure vouchers are approved timely.

Center officials agreed with this finding and stated they will take necessary steps to ensure compliance with applicable rules and regulations.

**NEED TO RECONCILE TRUST FUND ACCOUNTS
IN A TIMELY MANNER**

The Center did not reconcile the Trust Fund accounts properly.

**Center did not perform
monthly bank reconciliation
and is unable to reconcile
amounts at June 30, 2009**

The Center did not properly complete the last 10 of 12 monthly reconciliations of its bank accounts for the fiscal year ended June 30, 2009. At June 30, 2009, the bank reconciliation balance was higher than the general ledger balance for the Recipient Trust Fund Account by \$46,782 and the Rehabilitation Trust Fund Account general ledger balance was \$620 higher than the bank reconciliation balance. The Center was unable to reconcile the balances. (Finding 2, pages 11)

We recommended the Center reconcile bank statements to trust fund accounts for every month.

Center officials agreed with this finding and stated they will make every effort to ensure all funds are reconciled on a monthly basis and provide additional training as needed.

INADEQUATE CONTROL OVER ACCOUNT RECEIVABLE BALANCES

The Center aged accounts receivable reports at June 30, 2009 did not reflect the proper patient receivable balances. The aged accounts receivable report had \$102,862 in accounts receivable for June 30, 2009.

Patient accounts improperly recorded at June 30, 2009

For all 17 patient accounts tested, balances for recipient accounts receivable on the June 30, 2009 aging report were \$12,652 higher than patient account balances on the billing statements. (Finding 3, pages 12)

We recommended the Center resolve the differences between the patient accounts receivable ledger and the aging report.

Center officials agreed with this finding and stated they will coordinate training to ensure patient accounts balances are properly reconciled.

AUDITORS' OPINION

We conducted a limited scope compliance examination of the Center as required by the Illinois State Auditing Act. Financial statements for the entire Department of Human Services will be presented in the Department's audit report.

WILLIAM G. HOLLAND, Auditor General

WGH:JGR

SPECIAL ASSISTANT AUDITORS

Our special assistant auditors were Bass, Solomon, & Dowell, LLP.