

REPORT DIGEST

**DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES
ELGIN MENTAL HEALTH CENTER
FINANCIAL AND COMPLIANCE AUDIT
FOR THE TWO YEARS ENDED JUNE 30, 1993**

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

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE PROPERTY CONTROL RECORDS

During our review of equipment, we noted that the Center was unable to locate 125 pieces of equipment valued at \$31,765. In addition, another 125 pieces of equipment were found at locations on campus which differed from the property listing. To safeguard assets, location codes need to be reliable so that all property can be readily found and accounted for. (Finding 2, page 9)

Center management accepted our recommendation to comply with property rules and procedures. According to their response, the Facility Director will remind all staff of the importance of properly documenting equipment moves between locations. Management indicates that the percentage of missing equipment is minimal when compared to the Center's entire inventory.

EXCESS MEAL REIMBURSEMENTS

Prior to November 30, 1991, the Center received \$8,837 in excess meal reimbursements for the National School Lunch and Breakfast Program. Reimbursements were claimed for residents who had previously been discharged from the Center. As soon as management became aware of the inaccurate claims, they took immediate steps to strengthen controls and prevent additional overcharges. The prior overcharges may have to be returned to the State Board of Education.

Our review of the Center's procedures disclosed no additional problems for claims submitted after November 1991. Since corrective action had already occurred, no audit recommendation was made. (Finding 1, page 7)

There are no additional findings presented in our audit report. We will review the Center's progress towards implementation of our recommendations during the next audit. Mr. Leonard Beck, the Department's Chief Internal Auditor, provided the responses to our recommendations.

AUDITORS' OPINION

We conducted a compliance audit of the Center as required by the Illinois State Auditing Act. Our auditors state that the Center's financial statements for its locally-held Commissary Fund are fairly presented at June 30, 1993.

In addition, our auditors performed certain agreed-upon procedures with respect to the accounting records of the Center to assist in our single audit of the entire Department. Financial statements for the Department will be presented in the single audit report.

WILLIAM G. HOLLAND, Auditor General

WGH:JHL:pp

SUMMARY OF AUDIT FINDINGS

<u>Number of</u>	<u>This Audit</u>	<u>Prior Audit</u>
Audit findings	2	2
Repeated audit findings	1	0
Prior recommendations implemented or not repeated	1	4

SPECIAL ASSISTANT AUDITORS

James Williams and Co., Ltd. were our special assistant auditors for this audit.

ELGIN MENTAL HEALTH CENTER
COMPLIANCE AUDIT
For The Two Years Ended June 30, 1993

EXPENDITURE STATISTICS	FY 1993	FY 1992	FY 1991
●Total Expenditures (All Funds)	\$47,393,728	\$46,749,788	\$47,504,915
<u>OPERATIONS TOTAL</u>	\$47,393,728	\$46,749,788	\$47,504,915
% of Total Expenditures	100%	100%	100%
Personal Services	\$37,779,427	\$36,690,479	\$37,418,145
% of Operations Expenditures	79.7%	78.5%	78.8%
Average No. of Employees	1,161	1,196	1,247
Other Payroll Costs (FICA, Retirement)			
% of Operations Expenditures	\$4,064,510 8.6%	\$3,894,704 8.3%	\$4,000,435 8.4%
Contractual Services	\$3,274,938	\$3,653,866	\$3,574,136
% of Operations Expenditures	6.9%	7.8%	7.5%
Commodities	\$1,676,959	\$1,786,299	\$1,876,392
% of Operations Expenditures	3.5%	3.8%	4.0%
All Other Operations Items	\$597,894	\$724,440	\$635,807
% of Operations Expenditures	1.3%	1.6%	1.3%
<u>GRANTS TOTAL</u>	\$0	\$0	\$0
% of Total Expenditures	0%	0%	0%
●Cost of Property and Equipment	\$60,089,136	\$59,303,814	\$54,491,803

SELECTED ACTIVITY MEASURES	FY 1993	FY 1992	FY 1991
●Average Number of Residents	693	781	814
●Ratio of Employees to Residents	1.68	1.53	1.53
●Cost Per Year Per Resident	\$68,384	\$59,765	\$58,560
●National School Lunch Program Receipts	\$9,983	\$33,734	\$39,437

FACILITY DIRECTOR(S)
During Audit Period: Mr. Angelo Campagna, Facility Director Currently: Mr. Angelo Campagna, Facility Director