

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES

ILLINOIS CENTER FOR
REHABILITATION AND EDUCATION

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2005

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2005

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CENTER OFFICIALS

Superintendent (Effective 9/1/03)	Ms. Therese Manderino
Acting Superintendent (7/1/03 to 8/31/03)	Ms. Marjorie Olson
Business Office Administrator	Mr. Moses Tejuoso

The Center is located at:

1950 West Roosevelt Road
Chicago, Illinois 60608



Rod R. Blagojevich, *Governor*

Carol L. Adams, Ph.D., *Secretary*

Illinois Center for Rehabilitation and Education - Roosevelt
1950 West Roosevelt Road • Chicago, IL 60608
312.433.3120

Therese Manderino
Superintendent

Rosalva Lacke
Associate Superintendent

Honorable William G. Holland
Auditor General
Iles Park Plaza
740 E. Ash
Springfield, IL 62703-3154

October 17, 2005

Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grants 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, 2005. Based on this evaluation, we assert that during the year(s) ended June 30, 2004 and June 30, 2005, 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. The 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. The 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,

Illinois Center for Rehabilitation and Education-Roosevelt.



(Therese Manderino, Superintendent)



(Moses Tejuoso, Business Administrator)

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2005

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 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.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	3	4
Repeated findings	1	4
Prior recommendations implemented or not repeated	3	0

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

SCHEDULE OF FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
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CURRENT FINDINGS

05-1	10	Inadequate maintenance of commodities inventory system
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<u>Item No.</u>	<u>Page</u>	<u>Description</u>
05-2	12	Inadequate controls over locally held fund
05-3	14	Voucher processing weaknesses
PRIOR FINDINGS NOT REPEATED		
05-4	16	Inadequate controls over telecommunications
05-5	16	Lack of physical control over property
05-6	16	Inadequate personnel development training

EXIT CONFERENCE

The Illinois Center for Rehabilitation and Education waived an exit conference in a letter dated January 12, 2006.

The responses to the recommendations were provided by Carol L. Adams, Ph.D., Secretary on January 19, 2006.

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OFFICE OF THE AUDITOR GENERAL

WILLIAM G. HOLLAND

**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

We performed a limited scope compliance examination of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education'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, 2005. The management of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's compliance based on our examination.

- A. The State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education 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 - Illinois Center for Rehabilitation and Education 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 - Illinois Center for Rehabilitation and Education 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 - Illinois Center for Rehabilitation and Education 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 - Illinois Center for Rehabilitation and Education on behalf of the State or held in trust by the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education 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 have also performed certain agreed-upon 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, and we have issued our report thereon dated November 9, 2005.

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 - Illinois Center for Rehabilitation and Education'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 - Illinois Center for Rehabilitation and Education's compliance with specified requirements.

In our opinion, the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2005. 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, Recommendations and Center Responses as findings 05-1, 05-2, and 05-3.

As required by the Audit Guide, an immaterial finding relating to instances of noncompliance excluded from this report has been reported in a separate letter.

Internal Control

The management of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our limited scope compliance examination, we considered the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's internal control over compliance with the aforementioned requirements 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. We have also performed certain agreed-upon 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, and we have issued our report thereon dated November 9, 2005.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. However, the results of our procedures disclosed other matters involving internal control 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, Recommendations and Center Responses as findings 05-1, 05-2, and 05-3.

As required by the Audit Guide, an immaterial finding relating to internal control deficiencies excluded from this report has been reported in a separate letter.

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 2005 and the 2004 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 2003 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.


BRUCE L. BULLARD, CPA
Compliance Audit Director

October 17, 2005

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2005

Current Findings

05-1. **FINDING** (Inadequate maintenance of commodities inventory system)

The Illinois Center for Rehabilitation and Education (Center) did not maintain adequate commodity inventory records. We noted the following:

- Five of 29 (17%) vouchers tested were recorded incorrectly in the commodities system. Items on three vouchers were understated by \$569 and items on two vouchers were overstated by \$187 resulting in a net understatement of \$382. Center management stated the amounts were taken from the receiving reports and those reports reflect the items catalog cost not actual purchase price.
- Fourteen of 33 (42%) commodity purchases and requisitions tested were not recorded into the Center's commodity inventory system timely. Transactions were recorded from 33 to 242 days after receipt of the purchase or requisition. In addition, from July 1, 2003 through May 1, 2004, the Center did not have a commodities inventory system. Center management stated the delays and lack of an inventory system were due to a system conversion to the Department of Human Services Commodity Inventory System.

The Statewide Accounting Management System (SAMS) 02.50.20 requires detailed subsidiary records be maintained for inventories and periodically reconciled to control accounts; in addition, it requires issues, transfers, retirements and losses be reported and accounted for timely. Good business practices require that internal controls be in place and operating to maintain effective accounting control over assets and to ensure they are properly reported. Timely recording of commodity transactions is essential to maintaining an accurate perpetual inventory record and to ensure accurate financial reporting.

Inadequate controls over commodities may result in waste, loss or unauthorized use of State assets that would not be detected on a timely basis. In addition, incorrect commodity records may result in inaccurate representation of agency reports. (Finding Code No. 05-1; 03-4; 01-2; 99-1)

RECOMMENDATION

We recommend the Center strengthen controls over its commodities inventory system and ensure all purchases and requisitions are recorded timely and purchases are entered into the commodity system at actual cost.

CENTER RESPONSE

Agreed. The Center has assigned a permanent staff to be responsible for the weekly entry on the Department of Human Services' Commodities Inventory System (CIS). The Center will strengthen the control over the Commodities Inventory System and will also ensure the timely recording of commodity transactions into the system using actual cost.

05-2. **FINDING** (Inadequate controls over locally held fund)

The Illinois Center for Rehabilitation and Education (Center) did not maintain adequate controls over its School Store Fund.

The Center established the School Store Fund (Fund), a locally held fund, in FY03 to hold assets generated by School Store sales. Disbursements were to be used to restock the School Store supplies and fund student driven activities such as parties and field trips.

We noted the following:

- Cash was not deposited on a regular basis or adequately secured. We noted cash was left in the drawer overnight and students were left alone to monitor the Store's sales and cash drawer with no supervision. Only two cash deposits totaling \$382 and five cash deposits totaling \$911 were made to the Fund's bank account during FY04 and FY05, respectively. In addition, cash totals were not verified regularly or reconciled to accounting records. The Public Funds Deposit Act (30 ILCS 225/1) requires that funds not needed for immediate disbursement be deposited within two working days at prevailing rates or better. In addition, the Department of Human Services (DHS) Administrative Directive number 02.08.01.010 requires assurance that adequate accounting controls exist over all locally held funds.
- Cash receipts and disbursements ledgers were not adequate. Twenty-one of 25 (84%) disbursements tested totaling \$3,641 and 25 of 25 (100%) receipts tested totaling \$185 did not have adequate supporting documentation. Various employees and volunteers took cash from the fund to make purchases such as food, office supplies, and toys for the Store's inventory and recorded the amounts used in a log after the purchases were made. No additional documentation was maintained. Support for receipts consisted of written entries in a sales journal made by the student workers. The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires agencies to establish and maintain a system of controls to ensure funds held outside the State Treasury are managed, used, and obtained in strict accordance with the terms of their enabling authorities.
- The Center understated its receipts on the locally held fund reports (C-17s) during FY04 and FY05 by \$257 and \$364, respectively. The Center's cash disbursements on the C-17s were understated by \$335 in FY05 when comparing the amount reported to the disbursements log and accompanying receipts. The Statewide Accounting Management System (SAMS) Procedure 33.13.10 requires agencies to report cash receipts and disbursements for locally held funds on a quarterly basis to provide a more comprehensive fiscal database for the State of Illinois.

Center management stated the Store is used as a learning tool for students. Volunteers and teachers are responsible for supervising and training the students. Those individuals

documented the receipts and disbursements, and the accounting staff did not have the resources to do a detailed review of all transactions.

Failure to secure cash, deposit cash regularly, and reconcile the locally held fund could lead to loss or theft of State resources. Failure to maintain adequate supporting documentation for receipts and disbursements lessens the reliability of accounting data. In addition, failure to provide accurate quarterly reports to the Comptroller's Office prevents them from maintaining accurate year-to-date receipts and disbursements data for the Center. (Finding Code No. 05-2)

RECOMMENDATION

We recommend the Center strengthen controls over the School Store Fund and ensure cash is adequately secured, receipts are deposited timely, and adequate supporting documentation of accounting records are maintained. In addition, we recommend management approve all fund disbursements and ensure the accuracy of the C-17 reports.

CENTER RESPONSE

Agreed. The School Store Fund, a locally held fund in question is now in the process of being permanently closed by the end of January 2006.

05-3. **FINDING** (Voucher processing weaknesses)

The Illinois Center for Rehabilitation and Education (Center) did not exercise adequate control over voucher processing. We noted the following:

- Four of 79 (5%) vouchers tested, totaling \$24,465, were approved for payment from 12 to 40 days late. The Illinois Administrative Code (74 Ill. Adm. Code 900.70) requires an agency to review a bill and either deny the bill in whole or in part, ask for more information necessary to review the bill, or approve the bill in whole or in part, within 30 days after physical receipt of the bill. Center management stated vouchers were approved late due to staff turnover, voucher processing errors, and late contract approval by Department of Human Services (DHS) Central Office.
- The required interest of \$323 was not paid on 1 of 79 (1%) voucher tested, totaling \$17,477. The State Prompt Payment Act (30 ILCS 540/3-2) requires agencies to determine whether interest is due and automatically pay interest penalties amounting to \$50 or more to the appropriate vendor when payment is not issued within 60 days after receipt of a proper bill. Center management stated the required interest was not paid due to the DHS Central Office not notifying the Center that interest was due.
- One of 79 (1%) vouchers tested, totaling \$3,228 for professional medical services, did not contain supporting documentation. The Statewide Accounting Management System (SAMS) Procedure 17.10.20 requires that each State agency maintain all supporting documentation necessary to substantiate their expenditures. Center management stated the lack of voucher documentation was due to staff turnover.

Failure to approve vouchers timely could subject the State to unnecessary interest charges. Failure to pay the required interest on vouchers is noncompliance with the State Prompt Payment Act. In addition, payment of vouchers without proper supporting documentation could result in improper expenditures. (Finding Code No. 05-3)

RECOMMENDATION

We recommend the Center comply with the Illinois Administrative Code and the State Prompt Payment Act and implement controls to ensure vouchers are approved within the required time frame and to identify all vouchers not paid within 60 days to ensure the proper amount of interest is paid. In addition, we recommend the Center strengthen controls over voucher processing procedures including maintaining proper documentation.

CENTER RESPONSE

Disagreed. The Business Office always makes every effort to process all vouchers in a timely manner provided the contract documents are approved and processed on time through the Department of Human Services, Office of Contract Administration.

Voucher processing is always done within the time line needed to meet the State Prompt Payment Act. The vouchers cannot be processed at the Center if the contracts or obligations are not “loaded” on the Consolidated Accounting Reporting System (CARS). This action cannot be done at the facility level because ICRE-R personnel are not authorized to perform these functions. The Center will ensure that all proper control over voucher processing procedures includes maintaining proper supporting documentation.

AUDITOR’S COMMENT

The Center contends, in their response, that the Business Office makes every effort to process all vouchers in a timely manner and voucher processing is always done within the time line needed. The four vouchers noted above were not approved within 30 days of the receipt of a proper bill which is not in accordance with the Illinois Administrative Code. (74 Ill. Adm. Code 900.70). The Center further stated that vouchers cannot be processed until contracts or obligations are loaded onto the accounting system by DHS Central Office. Only one of the vouchers above had a contract that needed to be processed at the DHS Central Office.

In addition, the State Prompt Payment Act (Act) requires appropriate State officials or agencies to determine whether interest is due and automatically pay interest penalties. Appropriate State officials or agencies is defined in the Act (30 ILCS 540/1) as “the Director or Chief Executive or his designee of that State agency or department or facility of such agency or Department.” Therefore, it is the Center’s responsibility to ensure interest is paid when statutorily required and the above noted interest of \$323 was not paid to the vendor as required.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2005

Prior Findings Not Repeated

05-4. **PRIOR FINDING** (Inadequate controls over telecommunications)

During the prior period, the Illinois Center for Rehabilitation and Education (Center) did not have adequate controls over unauthorized telephone calls. There were instances of directory assistance calls and out-of-State personal calls. Also, the Center had unassigned and unmonitored telephone units incur charges.

During the current period, the Center implemented controls to monitor telephone usage by its employees, and the unmonitored units were removed from the Center. (Finding Code No. 03-1; 01-1)

05-5. **PRIOR FINDING** (Lack of physical control over property)

During the prior period, the Center had inadequate recordkeeping and physical control over property. Property items were listed in locations different than locations shown in the property records, a property item was not recorded on the property listing, two property items did not have property tags, and a property item was considered obsolete.

During the current period, the Center strengthened controls over its recordkeeping and property control. Property items tested were listed in the correct location, displayed property tags, and there were no material obsolete items noted. (Finding Code No. 03-2; 01-3; 99-2; 97-2)

05-6. **PRIOR FINDING** (Inadequate personnel development training)

During the prior period, the Center employees did not receive all required personnel development training and training sessions were not supported with attendance sheets.

During the current period, the Center employees tested received the required personnel development training in all material respects and training sessions were supported with attendance sheets. (Finding Code No. 03-3; 01-4)

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2005

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 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 Student (not examined)
 - Ratio of Employee's to Students (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 auditors do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2005	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2005	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2005	BALANCES LAPSED AUGUST 31, 2005
PUBLIC ACT 93-0842 & 93-0681					
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services	\$ 3,404,400	\$ 3,015,617	\$ 319,550	\$ 3,335,167	\$ 69,233
Student compensation	2,000	-	-	-	2,000
Employee retirement contributions paid by employer	3,687	3,687	-	3,687	-
State contributions to state employees' retirement system	548,300	456,131	43,850	499,981	48,319
State contributions to Social Security	238,000	210,048	20,223	230,271	7,729
Contractual Services	810,100	715,952	68,421	784,373	25,727
Travel	5,000	2,099	170	2,269	2,731
Commodities	72,800	70,233	1,867	72,100	700
Printing	2,800	2,350	-	2,350	450
Equipment	25,300	22,970	1,819	24,789	511
Telecommunications services	49,900	35,118	6,279	41,397	8,503
Operation of auto equipment	9,000	5,795	1,054	6,849	2,151
Subtotal - Fund 001	<u>\$ 5,171,287</u>	<u>\$ 4,540,000</u>	<u>\$ 463,233</u>	<u>\$ 5,003,233</u>	<u>\$ 168,054</u>
<u>VOCATIONAL REHABILITATION FUND - 081</u>					
Secondary transitional experience program	<u>\$ 60,000</u>	<u>\$ 33,466</u>	<u>\$ 6,573</u>	<u>\$ 40,039</u>	<u>\$ 19,961</u>
Total - All Appropriated Funds	<u>\$ 5,231,287</u>	<u>\$ 4,573,466</u>	<u>\$ 469,806</u>	<u>\$ 5,043,272</u>	<u>\$ 188,015</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 5,231,287</u>	<u>\$ 4,573,466</u>	<u>\$ 469,806</u>	<u>\$ 5,043,272</u>	<u>\$ 188,015</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
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2004	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2004	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2004	BALANCES LAPSED AUGUST 31, 2004
PUBLIC ACT 93-0092					
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services	\$ 3,527,700	\$ 3,215,621	\$ 217,127	\$ 3,432,748	\$ 94,952
Student compensation	2,100	-	-	-	2,100
Employee retirement contributions paid by employer	180,600	101,790	7,435	109,225	71,375
State contributions to state employees' retirement system	503,100	292,330	293	292,623	210,477
State contributions to Social Security	249,600	232,315	12,532	244,847	4,753
Contractual Services	869,500	735,812	72,822	808,634	60,866
Travel	4,700	3,317	32	3,349	1,351
Commodities	48,900	47,559	1,169	48,728	172
Printing	3,000	1,864	496	2,360	640
Equipment	28,400	20,478	4,161	24,639	3,761
Telecommunications services	61,900	44,763	3,302	48,065	13,835
Operation of auto equipment	9,681	6,752	1,774	8,526	1,155
Subtotal - Fund 001	<u>\$ 5,489,181</u>	<u>\$ 4,702,601</u>	<u>\$ 321,143</u>	<u>\$ 5,023,744</u>	<u>\$ 465,437</u>
<u>VOCATIONAL REHABILITATION FUND - 081</u>					
Secondary transitional experience program	<u>\$ 60,000</u>	<u>\$ 13,196</u>	<u>\$ 1,632</u>	<u>\$ 14,828</u>	<u>\$ 45,172</u>
Total - All Appropriated Funds	<u>\$ 5,549,181</u>	<u>\$ 4,715,797</u>	<u>\$ 322,775</u>	<u>\$ 5,038,572</u>	<u>\$ 510,609</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 5,549,181</u>	<u>\$ 4,715,797</u>	<u>\$ 322,775</u>	<u>\$ 5,038,572</u>	<u>\$ 510,609</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
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
YEARS ENDED JUNE 30,

	FISCAL YEARS		
	2005	2004	2003
	P.A. 93-0842 & 93-0681	P.A. 93-0092	P.A. 92-0538
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 5,171,287	\$ 5,489,181	\$ 5,130,700
EXPENDITURES			
Personal services	\$ 3,335,167	\$ 3,432,748	\$ 3,222,189
Student compensation	-	-	613
Employee retirement contributions paid by employer	3,687	109,225	121,603
State contributions to state employees' retirement system	499,981	292,623	313,668
State contributions to Social Security	230,271	244,847	224,881
Contractual services	784,373	808,634	818,703
Travel	2,269	3,349	3,189
Commodities	72,100	48,728	47,704
Printing	2,350	2,360	2,297
Equipment	24,789	24,639	2,780
Telecommunications services	41,397	48,065	55,513
Operations of auto equipment	6,849	8,526	9,368
Total Expenditures	<u>5,003,233</u>	<u>5,023,744</u>	<u>4,822,508</u>
LAPSED BALANCES	<u>\$ 168,054</u>	<u>\$ 465,437</u>	<u>\$ 308,192</u>
VOCATIONAL REHABILITATION FUND - 081			
Appropriations (net of transfers)	\$ 60,000	\$ 60,000	\$ 60,000
EXPENDITURES			
Secondary transitional experience program	\$ 40,039	\$ 14,828	\$ 3,640
Total Expenditures	<u>40,039</u>	<u>14,828</u>	<u>3,640</u>
LAPSED BALANCES	<u>\$ 19,961</u>	<u>\$ 45,172</u>	<u>\$ 56,360</u>
GRAND TOTAL - ALL APPROPRIATED FUNDS			
Appropriations (net of transfers)	5,231,287	5,549,181	5,190,700
Total Expenditures	<u>5,043,272</u>	<u>5,038,572</u>	<u>4,826,148</u>
Lapsed Balances	<u>\$ 188,015</u>	<u>\$ 510,609</u>	<u>\$ 364,552</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2005

The locally held funds of the Center are grouped into two fund categories. These are nonappropriated funds with the exception of the Petty Cash Account, which is reimbursed through the Center's General Revenue Fund contractual services appropriation. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

General Revenue Fund

The General Revenue Funds consist of the Petty Cash Account. The account is used to record the activity of monies received from the State's General Revenue Fund for designated purposes.

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.

Special Revenue Fund

The Special Revenue Fund consists of the DHS/DORS Special Revenue Fund. This fund is used to account for the proceeds of a specific revenue source that is legally restricted to expenditures for specific purposes.

The DHS/DORS Special Revenue Fund (SAMS fund number 1149) is maintained to account for monies generated from profits on vending machine sales, gate receipts, private donations, student activity fees or various other sources. This fund is comprised of a number of sub-accounts.

The ICRE Roosevelt School Store Fund (SAMS fund number 1362) is used to account for sales proceeds generated by the Center's School Store. Disbursements from the fund primarily consist of withdrawals of monies for the restocking of store inventory and other student activities.

Permanent Trust Fund

The Permanent Trust Fund consists of the DHS/DORS Permanent Trust Fund. This fund is used to account for assets held in a trustee capacity for individuals, private organizations, other governments and/or other funds to be used for purposes that benefit the Center or its students.

The DHS/DORS Permanent Trust Fund (SAMS fund number 1150) accounts for bequests and other assets in a trustee capacity to be expended in accordance with any restrictions imposed upon the assets. This fund is comprised of a number of sub-accounts.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2005

2. Fiduciary Fund Type

Agency Fund

The Agency Fund consists of the DHS/DORS Agency 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/DORS Agency Fund (SAMS fund number 1147) is maintained as a depository for funds of students while at the Center. Disbursements from the fund consist primarily of withdrawals of monies for students' personal use and class projects at the Center. The fund also is used as a clearing account for student compensation and for general receipts.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2005

Investments and Bank Account Locations

The following schedule lists the locations and amounts of investments and bank accounts of the locally held funds at June 30, 2005:

Investments

<u>Description</u>	<u>Interest Rate</u>	<u>Carrying Amount</u>
<u>DHS/DORS Special Revenue Fund</u>		
Certificate of Deposit: Mutual Bank , Chicago, IL	3.25%	\$10,000
<u>DHS/DORS Permanent Trust Fund</u>		
Certificates of Deposit Mutual Bank, Chicago, IL	3.25%	\$40,000
Treasury Notes: Treasury Direct, Minneapolis, MN	3.62%	<u>\$10,000</u>
Total Investments		<u>\$60,000</u>

The above certificates of deposit are covered by Federal Deposit Insurance Corporation insurance. The carrying amounts approximate their fair value.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2005

Location of bank accounts:

DHS/DORS Special Revenue Fund

The National Republic Bank of Chicago
1201 West Harrison
Chicago, Illinois 60607

DHS/DORS Permanent Trust Fund

MB Financial Bank
801 West Madison
Chicago, Illinois 60607

Petty Cash Account

The National Republic Bank of Chicago
1201 West Harrison
Chicago, Illinois 60607

DHS/DORS Agency Fund

The National Republic Bank of Chicago
1201 West Harrison
Chicago, Illinois 60607

ICRE Roosevelt School Store Fund

The National Republic Bank of Chicago
1201 West Harrison
Chicago, Illinois 60607

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
JUNE 30, 2005

	1149 DHS/DORS Special Revenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	1362 ICRE-R School Store Fund	N/A Petty Cash Account
Balance - July 1, 2004	\$ 25,223	\$ 2,149	\$ 58,744	\$ 1,402	\$ 154
Receipts					
Income from Sales				7,777	
Investment Income	385		1,424	5	
Resident deposits					
Donations	13,208				
Appropriations					
Vending machine commissions					
Unclaimed funds					
Reimbursements					
Other	5,225	12,486		26	2,077
Total Receipts	<u>\$ 18,818</u>	<u>\$ 12,486</u>	<u>\$ 1,424</u>	<u>\$ 7,808</u>	<u>\$ 2,077</u>
Disbursements					
Cost of sales					
Operating expenses					
Contractual services	7,813			2,309	
Travel					
Resident activities					
Equipment	7,525				
Resident withdrawals					
Appropriations returned					
Living skills program					
Other	930	10,265		5,031	2,220
Total Disbursements	<u>\$ 16,268</u>	<u>\$ 10,265</u>	<u>\$ -</u>	<u>\$ 7,340</u>	<u>\$ 2,220</u>
Balance - June 30, 2005	<u>\$ 27,773</u>	<u>\$ 4,370</u>	<u>\$ 60,168</u>	<u>\$ 1,870</u>	<u>\$ 11</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
JUNE 30, 2004

	1149 DHS/DORS Special Revenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	1362 ICRE-R School Store Fund	N/A Petty Cash Account
Balance - July 1, 2003	\$ 20,546	\$ 5,994	\$ 57,050	\$ 2,505	\$ 538
Receipts					
Income from Sales				7,961	
Investment Income	137		1,724	9	
Resident deposits					
Donations	11,006				
Appropriations					
Vending machine commissions					
Unclaimed funds					
Reimbursements					
Other		12,054			1,523
Total Receipts	<u>\$ 11,143</u>	<u>\$ 12,054</u>	<u>\$ 1,724</u>	<u>\$ 7,970</u>	<u>\$ 1,523</u>
Disbursements					
Cost of sales					
Operating expenses					
Contractual services	5,346		30	3,203	
Travel					
Resident activities					
Equipment					
Resident withdrawals					
Appropriations returned					
Living skills program					
Other	1,120	15,899		5,870	1,907
Total Disbursements	<u>\$ 6,466</u>	<u>\$ 15,899</u>	<u>\$ 30</u>	<u>\$ 9,073</u>	<u>\$ 1,907</u>
Balance - June 30, 2004	<u>\$ 25,223</u>	<u>\$ 2,149</u>	<u>\$ 58,744</u>	<u>\$ 1,402</u>	<u>\$ 154</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF CHANGES IN STATE PROPERTY
YEARS ENDED JUNE 30, 2004 & 2005

	Land and land improvements	Buildings and building improvements	Site improvements	Capital lease equipment	Equipment	Total
Balance June 30, 2003	\$ 337,168	\$ 8,347,638	\$ 132,120	\$ -	\$ 670,157	\$ 9,487,083
Additions:						
Purchases					22,414	22,414
Transfers-in:						
Intra-agency					517,946	517,946
Capital Development Board		554,417	298,355			852,772
Surplus Property						
DAVTE Fund						
Donations						
Adjustments					21,101	21,101
Total Additions	\$ -	\$ 554,417	\$ 298,355	\$ -	\$ 561,461	\$ 1,414,233
Deductions:						
Transfers-out:						
Intra-agency					106,125	106,125
Surplus property						
Scrap property					10,887	10,887
Condemned and lost property					2,368	2,368
Retirements					416,470	416,470
Adjustment					1	1
Total Deductions	\$ -	\$ -	\$ -	\$ -	\$ 535,851	\$ 535,851
Balance June 30, 2004	\$ 337,168	\$ 8,902,055	\$ 430,475	\$ -	\$ 695,767	\$ 10,365,465
Additions:						
Purchases					30,267	30,267
Transfers-in:						
Intra-agency					119,994	119,994
Capital Development Board		302,529	43,311			345,840
Surplus Property						-
DAVTE Fund						-
Donations						
Adjustments					10,631	10,631
Total Additions	\$ -	\$ 302,529	\$ 43,311	\$ -	\$ 160,892	\$ 506,732
Deductions:						
Transfers-out:						
Intra-agency					118,462	118,462
Surplus property						-
Scrap property					2,196	2,196
Condemned and lost property					2,922	2,922
Retirements					7,841	7,841
Adjustment						-
Total Deductions	\$ -	\$ -	\$ -	\$ -	\$ 131,421	\$ 131,421
Balance June 30, 2005	\$ 337,168	\$ 9,204,584	\$ 473,786	\$ -	\$ 725,238	\$ 10,740,776

Note: The property balances at June 30, 2004 and 2005 have been reconciled to the property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
YEARS ENDED JUNE 30,

	FISCAL YEARS		
	2005	2004	2003
GENERAL REVENUE FUND - 001			
<u>RECEIPTS</u>			
Jury duty, witness fees, military duty	\$ 70	\$ 15	\$ 205
Telephone reimbursements	49	989	150
Miscellaneous other	310	85	230
TOTAL RECEIPTS	<u>\$ 429</u>	<u>\$ 1,089</u>	<u>\$ 585</u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 429	\$ 1,089	\$ 585
Add: Deposits in transit - Beginning of year	5	-	-
Deduct: Deposits in transit - End of year	10	5	-
DEPOSITS RECORDED BY COMPTROLLER	<u>\$ 424</u>	<u>\$ 1,084</u>	<u>\$ 585</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2005

Fiscal Year 2005

A comparative schedule of significant variations in expenditures (amounting to \$10,000 and 20% or more) for the fiscal years ended June 30, 2005 and June 30, 2004 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u> <u>JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2005</u>	<u>2004</u>	<u>AMOUNT</u>	<u>%</u>
<u>General Revenue Fund – (001)</u>				
Employee Retirement Contributions Paid by the State	\$3,687	\$109,225	\$(105,538)	(97)%
State Contribution to State Employees' Retirement System	\$499,981	\$292,623	\$207,358	71%
Commodities	\$72,100	\$48,728	\$23,372	48%
<u>Vocational Rehabilitation Fund – (081)</u>				
Secondary Transitional Program	\$40,039	\$14,828	\$25,211	170%

General Revenue Fund – (001)

Employee Retirement Contributions Paid by the State

The decrease in employee retirement contribution expenditures in fiscal year 2005 was due to the State discontinuing payment of the employee retirement contribution for Center employees.

State Contribution to State Employees' Retirement System

The increase in State contribution to State employees' retirement system (SERS) expenditures was due to the increase in the SERS contribution rate from 13.439% in FY04 to 20.396% in FY05.

Commodities

The increase in commodities expenditures was due to an increase in the number of students enrolled at the Center who required additional bedding and toiletries supplies. In addition, the education department purchased supplies for a new gardening program for students.

Vocational Rehabilitation Fund – (081)

Secondary Transitional Program

The increase was due to further expansion of the Center's Secondary Transition Program including a new sewing program. Purchases included sewing supplies and equipment.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
FOR THE TWO YEARS ENDED JUNE 30, 2005

Fiscal Year 2004

A comparative schedule of significant variations in expenditures (amounting to \$10,000 and 20% or more) for the fiscal years ended June 30, 2004 and June 30, 2003 are shown below:

<u>EXPENDITURE ITEM</u>	<u>FISCAL YEAR ENDED</u> <u>JUNE 30</u>		<u>INCREASE</u> <u>(DECREASE)</u>	
	<u>2004</u>	<u>2003</u>	<u>AMOUNT</u>	<u>%</u>
<u>General Revenue Fund – (001)</u>				
Equipment	\$24,639	\$2,780	\$21,859	786%
<u>Vocational Rehabilitation Fund – (081)</u>				
Secondary Transitional Program	\$14,828	\$3,640	\$11,188	307%

General Revenue Fund – (001)

Equipment

The increase in equipment expenditures was due to the purchase of updated medical and educational equipment for the students. Purchases consisted of defibrillators, upgraded computer equipment, and televisions for classrooms.

Vocational Rehabilitation Fund – (081)

Secondary Transitional Program

The increase was due to an increase in the number of students participating in the Center's Secondary Transition Program. Basic supplies and training materials were purchased; in addition, items were purchased for a new gift basket program.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
FOR THE TWO YEARS ENDED JUNE 30, 2005

We reviewed lapse period spending for fiscal years ended June 30, 2004 and 2005 and did not identify any significant lapse period spending (amounting to \$10,000 and 20% or more).

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF CHANGES IN INVENTORIES
FOR THE TWO YEARS ENDED JUNE 30, 2005

	<u>Balance July 1, 2004</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2005</u>
Office and educational supplies	4,166	6,089	3,874	\$ 6,381
Nursing supplies	14,167	9,180	5,190	18,157
Household, laundry and cleaning supplies	10,683	18,209	13,630	15,262
TOTAL	<u><u>\$ 29,016</u></u>	<u><u>\$ 33,478</u></u>	<u><u>\$ 22,694</u></u>	<u><u>\$ 39,800</u></u>

	<u>Balance July 1, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2004</u>
Office and educational supplies	5,347	2,423	3,604	\$ 4,166
Nursing supplies	19,428	2,429	7,690	14,167
Household, laundry and cleaning supplies	11,579	13,024	13,920	10,683
TOTAL	<u><u>\$ 36,354</u></u>	<u><u>\$ 17,876</u></u>	<u><u>\$ 25,214</u></u>	<u><u>\$ 29,016</u></u>

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

CENTER FUNCTIONS

The Illinois Department of Human Services – Illinois Center for Rehabilitation and Education (Center) Roosevelt is located at 1950 West Roosevelt Road, Chicago, Illinois, and was established pursuant to the Disabled Persons Rehabilitation Act (Act) (20 ILCS 2405/1 et seq.).

The Center is a residential facility that provides individualized education and rehabilitation for students in Illinois who are severely handicapped as a result of cerebral palsy, muscular dystrophy, spina bifida, traumatic spinal cord injury, or other severely handicapped conditions that preclude them from taking advantage of the system of free education in Illinois. Illinois residents under the age of 21 years may be admitted to the Center.

It is the mission of the Center to prepare its students with physical disabilities and other health impairments to achieve their personal transitional goals in the least restrictive environment with integrity and distinction through the provision of the highest quality of support and services.

The goals and desired outcomes derived from the mission of the Center include:

- Transitional preparation to work, school, or residential life
- Self – empowerment
- Long-term placement after age 21

Center students receive their academic education at area Chicago Public Schools while receiving Individual Education Programs (IEP) at the Center. This program includes comprehensive medical, therapeutic, rehabilitative and additional educational services. Through a transition program the Center attempts to achieve its goals. The transition program includes an independent living program, a vocational program, an empowerment/ self-advocacy program, a social/leisure skills program, and a mobility-training program.

PLANNING PROGRAM

The superintendent is responsible for designing goals, objectives, and performance measures that relate specifically to the Center. The superintendent achieves the objectives by holding regular meetings with department heads of the Center to address specific program needs and goals. All goals and objectives are reported in a School Improvement Plan. The curriculum taught at the Center is accredited by the Illinois North Central Association. The Center receives its accreditation through the submission of the School Improvement Plan. This accreditation ensures that the Center has a proper curriculum in place for its residents. The curriculum taught by the Center is a Life Centered Education Curriculum. This accreditation process provides a system for monitoring the quality of the Center's operations.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

AUDITOR'S ASSESSMENT

The Center's planning program and goals are prioritized, monitored, and directed towards obtaining the goals identified in accordance with the Act it administers.

AVERAGE NUMBER OF EMPLOYEES

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

	Fiscal Year		
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Business Administration	14	15	9
Child Care / Residential	30	30	32
Educators / Transportation	5	5	7
Medical	16	15	12
Social Services	1	1	3
Other	<u>3</u>	<u>3</u>	<u>3</u>
Total Employees	<u>69</u>	<u>69</u>	<u>66</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

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 2005 and 2004.

	<u>2005</u>	<u>2004</u>
Paid overtime hours worked during fiscal year	5,235	6,640
Value of overtime hours worked during fiscal year	<u>\$120,879</u>	<u>\$151,131</u>
Compensatory hours earned during fiscal year	4,943	4,942
Value of compensatory hours earned during fiscal year	<u>\$112,455</u>	<u>\$112,471</u>
Total paid overtime hours and earned compensatory hours during fiscal year	10,177	11,583
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$233,333</u>	<u>\$263,602</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

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 the Center’s vocation educational program and transition program.

The following table prepared from Department records presents the number of contractual payroll employees and amount expended for contractual payroll employees during fiscal year 2005 and 2004.

	<u>2005</u>	<u>2004</u>
Contractual payroll employees paid during the fiscal year	2	4
Total amount expended for contractual payroll employees during the fiscal year	<u>\$7,735</u>	<u>\$40,755</u>

CENTER UTILIZATION (not examined)

Illinois Center for Rehabilitation and Education (Center) is situated on 2.37 acres (103,174 square feet) at 1950 West Roosevelt Road, Chicago, Illinois 60608. The Center has 1 building (CDB# V0001) on its grounds (separated into Area A – Administrative Office, Area B – Residential Program, Education, and Store Room, and Area C – Independent Living Apartments), which covers approximately one-half of a block. Center management has provided the information below outlining their occupancy and/or utilization of the buildings on the grounds of the Center.

<u>Area</u>	<u>Type/Use</u>	<u>Status</u>	<u>Utilization</u>
Area A	Administrative	Utilized	100%
Area B	Education/Residential	Utilized	100%
Area C	Residential	Utilized	100%

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

COST PER YEAR/DAY PER STUDENT (not examined)

The following schedule represents costs per student 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.

	Fiscal Year		
	<u>2005</u>	<u>2004</u>	<u>2003</u>
Cost per year per student	*	<u>\$209,051</u>	<u>\$204,857</u>
Cost per day per student	*	<u>\$647</u>	<u>\$634</u>

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

RATIO OF EMPLOYEES TO STUDENTS (not examined)

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Average number of students	<u>39</u>	<u>37</u>	<u>38</u>
Average number of employees	<u>69</u>	<u>69</u>	<u>66</u>
Ratio of employees to students	<u>1.77 to 1</u>	<u>1.86 to 1</u>	<u>1.74 to 1</u>

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

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Number of reported employee injuries	<u>6</u>	<u>2</u>	<u>3</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2005

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>2005</u>	<u>2004</u>	<u>2003</u>
Meals served	<u>45,066</u>	<u>34,562</u>	<u>24,507</u>
Total food and labor costs	\$221,725	\$162,778	\$122,293
Average cost – all meals	<u>\$4.92</u>	<u>\$4.71</u>	<u>\$4.99</u>

Note: An outside vendor provides meals at a fixed rate. The rate does not separate labor and food costs.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SERVICE EFFORTS AND ACCOMPLISHMENTS
FOR THE TWO YEARS ENDED JUNE 30, 2005
(not examined)

The Center provided educational services to a total of 42 and 45 students during fiscal years 2004 and 2005, respectively. For each student enrolled at the Center a Service Plan is drafted. The ultimate goal of this plan is to transition each student toward a productive life outside of the Center. The plan is divided into eight service areas: nursing, residential, educational, and social services, along with physical, occupational, speech, and activity therapies. Nursing and residential service areas reflect efforts of the Center's staff. The remaining six service areas reflect student efforts. The Center maintains data on service plan goals achieved. Goals differ between each student and each service area; however, all are directed toward the students overall transition effort. Information in the schedule below reflects the cumulative success rates of Center students when comparing stated goals to actual performance separated into the six service areas relating to student efforts. Stated goals differ in each service area and are a result of both student and staff expectations. Goal implementers (staff) determine the evaluation criterion to monitor and update goals as required.

SERVICE PLAN GOALS ACHIEVED (not examined)

Service Area	2005		2004		2003	
	Elementary	High School	Elementary	High School	Elementary	High School
Social Services	82%	78%	68%	78%	70%	80%
Activity Therapy	*	*	50%	65%	63%	78%
Occupational Therapy	*	*	93%	69%	100%	94%
Physical Therapy	*	*	72%	74%	100%	100%
Speech	84%	90%	83%	86%	84%	89%
Education	*	*	100%	100%	74%	82%
OVERALL	*	*	78%	79%	82%	87%

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