

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES**

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

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**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009**

CENTER OFFICIALS

| | |
|---|--------------------|
| Interim Director (8/1/2008 to Present) | Mr. Timothy Naill |
| Director (07/01/2007 to 7/31/08) | Ms. Sharon DeBerry |
| Assistant Director (3/1/2008 to Present) | Ms. Cheryl Smith |
| Assistant Director (7/1/2007 to 12/31/2007) | Ms. Cynthia Bishop |
| Business Office Administrator | Ms. Donna Olsen |

The Center is located at:

1120 Washington Avenue
Dixon, IL 61021



Pat Quinn, Governor

Michelle Saddler, Secretary

Tim Naill, Center Director
JACK MABLEY DEVELOPMENTAL CENTER
1120 Washington Avenue
Dixon, IL 61021
815-288-8330 phone; 815-288-7275 fax

January 26, 2010

Bass, Solomon, & Dowell, LLP
Certified Public Accountants
520 North Hicks Road, Suite 120
Palatine, Illinois 60067

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 Agency. 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 Agency's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2008 and June 30, 2009, the Agency has materially complied with the assertions below.

- A. The agency 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 agency 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 agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.

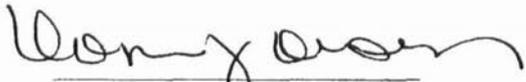
- D. State revenues and receipts collected by the agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Jack Mabley Developmental Center



Tim Naill, Director



Donna Olsen, Business Administrator

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 | 3 | 1 |
| Repeated findings | 1 | 1 |
| Prior recommendations implemented or not repeated | 0 | 2 |

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 | Inadequate control over processing of vouchers | Significant Deficiency Noncompliance |
| 09-2 | 10 | Inadequate reconciliation of trust fund accounts | Material Weakness Noncompliance |
| 09-3 | 11 | Inadequate control over account receivable balances | Significant Deficiency Noncompliance |

PRIOR FINDINGS NOT REPEATED

| <u>Item No.</u> | <u>Page</u> | <u>Description</u> |
|-----------------|-------------|--|
| A | 12 | Failure to complete annual performance evaluations |

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009**

COMPLIANCE REPORT (continued)

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department and Center personnel during an exit conference on January 13, 2010. Attending were:

Department of Human Services

Ms. Anna Moore, Audit Liaison

Jack Mabley Developmental Center

Mr. Timothy Naill, Interim Director
Ms. Donna Olsen, Business Office Administrator

Office of the Auditor General

Mr. Jose Roa, Audit Manager

Bass, Solomon & Dowell, LLP

Mr. Gary Lasker, Audit Manager

Responses to the recommendations were provided by Ms. Michelle Saddler, Secretary, Illinois Department of Human Services in a letter dated January 26, 2010.

**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 – Jack Mabley 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 – Jack Mabley 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 – Jack Mabley Developmental Center's compliance based on our examination.

- A. The State of Illinois Department of Human Services – Jack Mabley 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 – Jack Mabley 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 – Jack Mabley 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 State of Illinois Department of Human Services – Jack Mabley 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 – Jack Mabley Developmental Center on behalf of the State or held in trust by the State of Illinois Department of Human Services – Jack Mabley 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 – **Jack Mabley** 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 – **Jack Mabley** Developmental Center’s compliance with specified requirements.

As described in finding 09-2 in the accompanying Schedule of Findings, **the State of Illinois Department of Human Services – Jack Mabley Developmental Center** did not materially comply with requirements regarding the reconciliation of the Center trust fund accounts. Compliance with such requirements is necessary, in our opinion, for **the State of Illinois Department of Human Services – Jack Mabley Developmental Center** to comply with the requirements 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 – Jack Mabley Developmental Center** complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2009. However, the results of our procedures disclosed instances of noncompliance, 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 accompany Schedule of Findings as Finding Code No. 09-1 and 09-3.

Internal Control

The management of the State of Illinois Department of Human Services – Jack Mabley 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 – Jack Mabley 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 – Jack Mabley 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 – Jack Mabley 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 material weaknesses and other deficiencies that we consider to be significant deficiencies. We consider the deficiencies in internal control over compliance as described in the accompanying Schedule of Findings as finding 09-2 to be a material weakness.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those in charge with governance. We consider the deficiencies in internal control over compliance described in findings 09-1 and 09-3 in the accompanying Schedule of Findings to be significant deficiencies.

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 – Jack Mabley 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 – Jack Mabley 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 Schedule of Changes in State Property, Schedule of Changes in Inventory, 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.



Bass, Solomon & Dowell LLP

Palatine, Illinois
January 26, 2010

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2009**

Current Findings

FINDING 09-1 (Inadequate control over processing of vouchers)

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

Based on our examination of vouchers for the fiscal years ending June 30, 2008 and June 30, 2009, we noted the following instance of non-compliance:

We noted 6 of 50 (12%) vouchers tested, totaling \$41,417, were not approved or disapproved within 30 days after receipt of the bill.

The Illinois Administrative Code (Code) (74 Ill. Adm. Code 900.70) states that an agency shall review each vendor's 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 officials stated that the failure to properly approve invoices within 30 days was due to oversight in the ordinary course of business.

Failure to promptly approve vouchers may result in the late payment of bills and could cause the Center to pay interest penalties. (Finding Code No. 09-1, 07-1, 05-2)

RECOMMENDATION

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

AGENCY RESPONSE

Agree. The Center will take the necessary steps to ensure it complies with the Illinois Administrative Code, Prompt Payment Act and good business practices. Additional staff will be trained in vouchering procedures to ensure compliance during staff absences, vacations and lapse period.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2009**

Current Findings (continued)

FINDING 09-2 (Reconciliation of trust fund accounts)

The Jack Mabley Developmental Center (Center) did not reconcile the Trust Fund accounts in a timely manner. Additionally, the accounts were not adjusted to the reconciled balances.

We noted that the Center's trust fund accounts were not being reconciled properly. 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. After the situation was brought to the attention of management, the trust fund account balances were still unable to be reconciled by the Center.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires State agencies to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation which would include monthly bank reconciliations.

Center officials stated the delayed account reconciliations were primarily caused by staff shortages in the business office.

Failure to properly reconcile accounts could result in the distortion of Center reporting records. It is important to make an accurate and prompt reconciliation in order to discover any clerical errors involving cash transactions or to identify misuse of funds. (Finding Code No. 09-2)

RECOMMENDATION

The Center should ensure that all bank statements and trust fund accounts are reconciled not less than once a month.

AGENCY RESPONSE

Agree. The Center personnel will make every effort to ensure all funds are reconciled on a monthly basis. The Center Management will also coordinate additional training for the Center's Business Office staff with the Department of Human Services, Bureau of General Accounting.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2009**

Current Findings (continued)

FINDING 09-3 (Inadequate control over account receivable balances)

The Jack Mabley Developmental Center (Center) aged accounts receivable report as of June 30, 2009 did not report the proper patient receivable balances. The aged accounts receivable report had \$102,862 in accounts receivable for June 30, 2009.

For 17 patient accounts tested, the balance for recipient accounts receivable on the aging report was \$12,652 higher than the patient account balances on the corrected billing statements for social security fund codes 098 and 099. It is the Department of Human Services Central Office responsibility to report the Center's accounts receivable to the Comptroller's Office.

The Statewide Accounting Manual System (SAMS) (Procedure 26.20.10) requires State agencies to record and maintain accurate detail information related to each receivable. In addition, SAMS (Procedure 26.30.30) requires State agencies to report accurate accounts receivable to the Comptroller no later than the last day of the month following the end of the quarter.

Center officials stated that certain remittances were not posted to patients' receivable accounts. This was primarily due to payments not being posted to the Department of Human Services accounts receivable system.

Failure to record, maintain, and report accurate accounts receivable is non compliance with SAMS requirements and may lead to incorrect billing, collection, and reporting of accounts receivable. (Finding Code No. 09-3)

RECOMMENDATION

The Center should resolve the differences between the patient accounts receivable ledger and the correct patient balance with the Department of Human Services to ensure the completeness and accuracy of accounts receivable.

AGENCY RESPONSE

Agree. The Center Management will coordinate training for the Center's Business Office staff with the Department of Human Services, Division of Fiscal Services (Cash Management Unit) to ensure the patient accounts receivable balances are reconciled to the patient billing statements.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2009**

Prior Findings Not Repeated

A. Finding: (Failure to complete annual performance evaluations)

During the prior engagement, the Center did not complete performance evaluations or did not complete evaluations in a timely manner.

Disposition of Finding

During the current year engagement, we did not note any improvement in the timely completion of employee performance evaluations. However, our exceptions noted will be included in the Schedule of Findings in the Department of Human Services - Central Office Report.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 (not examined)

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 Schedule of Changes in State Property, Schedule of Changes in Inventories, 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
JACK MABLEY DEVELOPMENTAL CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2009

| | <u>APPROPRIATIONS NET OF TRANSFERS</u> | <u>EXPENDITURES THROUGH JUNE 30, 2009</u> | <u>LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2009</u> | <u>TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2009</u> | <u>BALANCES LAPSED AUGUST 31, 2009</u> |
|--|--|---|--|---|--|
| PUBLIC ACTS 95-0734 | | | | | |
| <u>GENERAL REVENUE FUND - 001</u> | | | | | |
| Personal services | \$ 7,967,000 | \$ 7,335,476 | \$ 385,507 | \$ 7,720,983 | \$ 246,017 |
| Retirement contributions | 1,663,900 | 1,530,982 | 80,535 | 1,611,517 | 52,383 |
| State contributions to Social Security | 609,400 | 538,723 | 28,584 | 567,307 | 42,093 |
| Contractual services | 1,222,400 | 1,036,670 | 185,703 | 1,222,373 | 27 |
| Travel | 4,800 | 2,949 | 1,525 | 4,474 | 326 |
| Commodities | 427,500 | 381,902 | 44,834 | 426,736 | 764 |
| Printing | 3,900 | 3,866 | - | 3,866 | 34 |
| Equipment | 23,500 | 10,144 | 13,298 | 23,442 | 58 |
| Telecommunications services | 105,000 | 44,434 | 60,566 | 105,000 | - |
| Operation of auto equipment | 24,600 | 19,510 | 5,015 | 24,525 | 75 |
| Total | <u>\$ 12,052,000</u> | <u>\$ 10,904,656</u> | <u>\$ 805,567</u> | <u>\$ 11,710,223</u> | <u>\$ 341,777</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
JACK MABLEY DEVELOPMENTAL CENTER
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2008

| | <u>APPROPRIATIONS NET OF TRANSFERS</u> | <u>EXPENDITURES THROUGH JUNE 30, 2008</u> | <u>LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2008</u> | <u>TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2008</u> | <u>BALANCES LAPSED AUGUST 31, 2008</u> |
|--|--|---|--|---|--|
| PUBLIC ACT 95-0348 | | | | | |
| <u>GENERAL REVENUE FUND - 001</u> | | | | | |
| Personal services | \$ 7,068,900 | \$ 5,987,140 | \$ 1,044,064 | \$ 7,031,204 | \$ 37,696 |
| Retirement contributions | 1,173,400 | 983,053 | 171,474 | 1,154,527 | 18,873 |
| State contributions to Social Security | 515,000 | 437,963 | 77,023 | 514,986 | 14 |
| Contractual services | 1,157,000 | 988,607 | 161,596 | 1,150,203 | 6,797 |
| Travel | 4,800 | 3,486 | 1,301 | 4,787 | 13 |
| Commodities | 405,900 | 360,167 | 41,868 | 402,035 | 3,865 |
| Printing | 4,500 | 4,456 | - | 4,456 | 44 |
| Equipment | 78,400 | 10,122 | 68,261 | 78,383 | 17 |
| Telecommunications services | 87,400 | 52,791 | 33,970 | 86,761 | 639 |
| Operation of auto equipment | 29,100 | 24,853 | 4,181 | 29,034 | 66 |
| Total | <u>\$ 10,524,400</u> | <u>\$ 8,852,638</u> | <u>\$ 1,603,738</u> | <u>\$ 10,456,376</u> | <u>\$ 68,024</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
JACK MABLEY 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>\$ 12,052,000</u> | <u>\$ 10,524,400</u> | <u>\$10,723,100</u> |
| EXPENDITURES | | | |
| Personal services | 7,720,983 | 7,031,204 | 7,500,917 |
| Retirement contributions | 1,611,517 | 1,154,527 | 856,784 |
| State contributions to Social Security | 567,307 | 514,986 | 550,189 |
| Contractual services | 1,222,373 | 1,150,203 | 1,127,199 |
| Travel | 4,474 | 4,787 | 3,032 |
| Commodities | 426,736 | 402,035 | 372,103 |
| Printing | 3,866 | 4,456 | 4,489 |
| Equipment | 23,442 | 78,383 | 87,315 |
| Telecommunications services | 105,000 | 86,761 | 78,300 |
| Operations of auto equipment | 24,525 | 29,034 | 30,604 |
| Total Expenditures | <u>11,710,223</u> | <u>10,456,376</u> | <u>10,610,932</u> |
| LAPSED BALANCES | <u>\$ 341,777</u> | <u>\$ 68,024</u> | <u>\$ 112,168</u> |

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 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 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 are 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.

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.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2009**

2. Fiduciary Fund Type

Agency Fund

The Agency Fund consists of the DHS Recipient'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 Recipient'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.

Investments and Account Allocations

The following schedule lists the locations and amounts of the certificate of deposits of the locally held funds at June 30, 2009:

| <u>Description</u> | <u>Interest Rate</u> | <u>Carrying Amount</u> |
|---------------------------------|----------------------|------------------------|
| Recipient's Trust Funds | | |
| Certificates of Deposit | | |
| Fifth Third Bank, Elmhurst, IL | 1.63% | \$5,000 |
| Fifth Third Bank, Elmhurst, IL | 0.60% | \$15,000 |
| Other Special Trust Fund | | |
| Certificates of Deposit | | |
| Fifth Third Bank, Elmhurst, IL | 0.60% | <u>\$5,000</u> |
| Total investments | | \$25,000 |

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

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
DESCRIPTION OF LOCALLY HELD FUNDS
FOR THE TWO YEARS ENDED JUNE 30, 2009**

Location of bank accounts:

Petty Cash Account

Checking Account
The First National Bank, Amboy, IL
Non-interest bearing

DHS Other Special Trusts Fund

NOW Account
Fifth Third Bank, Elmhurst, IL
Interest bearing

DHS Rehabilitation Fund

NOW Account
Fifth Third Bank, Elmhurst, IL
Interest bearing

DHS Recipient's Trust Fund

NOW Account
Fifth Third Bank, Elmhurst, IL
Interest bearing

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 Recipient's Trust Fund | Petty Cash Account |
|-------------------------|---------------------------------------|---|--|--------------------------|
| Balance - July 1, 2008 | \$1,830 | \$14,586 | \$ 125,665 | \$ 114 |
| Receipts | | | | |
| Income from Sales | 2,477 | - | - | - |
| Investment Income | - | - | - | - |
| Resident deposits | - | - | 671,919 | - |
| Donations | - | - | - | - |
| Appropriations | - | - | - | 1,147 |
| Vending machine comm | - | - | - | - |
| Unclaimed funds | - | - | - | - |
| Reimbursements | - | - | - | - |
| Other | - | 6,415 | - | - |
| Total Receipts | <u>\$2,477</u> | <u>\$6,415</u> | <u>\$671,919</u> | <u>\$1,147</u> |
| Disbursements | | | | |
| Cost of sales | 3,437 | - | - | - |
| Operating expenses | - | - | - | - |
| Contractual services | - | - | - | 1,150 |
| Travel | - | - | - | - |
| Resident activities | - | 12,623 | - | - |
| Equipment | - | - | - | - |
| Resident withdrawals | - | - | 665,937 | - |
| Appropriations returned | - | - | - | - |
| Living skills program | - | - | - | - |
| Other | - | - | - | - |
| Total Disbursements | <u>\$3,437</u> | <u>\$12,623</u> | <u>\$665,937</u> | <u>\$1,150</u> |
| Balance - June 30, 2009 | <u><u>\$870</u></u> | <u><u>\$8,378</u></u> | <u><u>\$131,647</u></u> | <u><u>\$111</u></u> |

Note: See finding 09-2 on reconciliation of Trust Fund Accounts

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 Recipient's Trust Fund | Petty Cash Account |
|-------------------------|---------------------------------------|---|--|--------------------------|
| Balance - July 1, 2007 | \$1,759 | \$17,586 | \$ 103,579 | \$ 158 |
| Receipts | | | | |
| Income from Sales | 15,870 | - | - | - |
| Investment Income | - | - | - | - |
| Resident deposits | - | - | 635,095 | - |
| Donations | - | - | - | - |
| Appropriations | - | - | - | 1,958 |
| Vending machine comm | - | - | - | - |
| Unclaimed funds | - | - | - | - |
| Reimbursements | - | - | - | - |
| Other | - | 7,370 | - | - |
| Total Receipts | <u>\$15,870</u> | <u>\$7,370</u> | <u>\$635,095</u> | <u>\$1,958</u> |
| Disbursements | | | | |
| Cost of sales | 15,799 | - | - | - |
| Operating expenses | - | - | - | - |
| Contractual services | - | - | - | 2,002 |
| Travel | - | - | - | - |
| Resident activities | - | 10,370 | - | - |
| Equipment | - | - | - | - |
| Resident withdrawals | - | - | 613,009 | - |
| Appropriations returned | - | - | - | - |
| Living skills program | - | - | - | - |
| Other | - | - | - | - |
| Total Disbursements | <u>\$15,799</u> | <u>\$10,370</u> | <u>\$613,009</u> | <u>\$2,002</u> |
| Balance - June 30, 2008 | <u><u>\$1,830</u></u> | <u><u>\$14,586</u></u> | <u><u>\$125,665</u></u> | <u><u>\$114</u></u> |

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
SCHEDULE OF CHANGES IN STATE PROPERTY (NOT EXAMINED)
For the Two Years Ended June 30, 2009

| | <u>Land and land improvements</u> | <u>Buildings and building improvements</u> | <u>Site improvements</u> | <u>Capital lease equipment</u> | <u>Equipment</u> | <u>Total</u> |
|-----------------------------|---|--|------------------------------|--|---------------------|----------------------|
| Balance June 30, 2007 | \$ 2,405 | \$ 10,141,905 | \$ 274,528 | \$ - | \$ 965,369 | \$ 11,384,207 |
| Additions: | | | | | | |
| Purchases | - | - | - | - | 127,558 | 127,558 |
| Transfers-in: | - | - | - | - | - | - |
| Intra-agency | - | - | - | - | 103,038 | 103,038 |
| Capital Development Board | - | 138,688 | 9,900 | - | - | 148,588 |
| Surplus Property | - | - | - | - | - | - |
| DAVTE Fund | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - |
| Adjustments | - | - | - | - | 952 | 952 |
| Total Additions | <u>\$ -</u> | <u>\$ 138,688</u> | <u>\$ 9,900</u> | <u>\$ -</u> | <u>\$ 231,548</u> | <u>\$ 380,136</u> |
| Deductions: | | | | | | |
| Transfers-out: | - | - | - | - | - | - |
| Intra-agency | - | - | - | - | 86,590 | 86,590 |
| Inter-agency | - | - | - | - | 18,818 | 18,818 |
| Surplus property | - | - | - | - | - | - |
| Scrap property | - | - | - | - | 24,508 | 24,508 |
| Clerical Error | - | - | - | - | 52,614 | 52,614 |
| Condemned and lost property | - | - | - | - | - | - |
| Retirements | - | - | - | - | - | - |
| Adjustment | - | - | - | - | - | - |
| Total Deductions | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 182,530</u> | <u>\$ 182,530</u> |
| Balance June 30, 2008 | \$ 2,405 | \$ 10,280,593 | \$ 284,428 | \$ - | \$ 1,014,387 | \$ 11,581,813 |
| Additions: | | | | | | |
| Purchases | - | - | - | - | 23,442 | 23,442 |
| Transfers-in: | - | - | - | - | - | - |
| Intra-agency | - | - | - | - | - | - |
| Capital Development Board | - | 82,237 | - | - | - | 82,237 |
| Surplus Property | - | - | - | - | - | - |
| DAVTE Fund | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - |
| Adjustments | - | 20,849 | - | - | - | 20,849 |
| Total Additions | <u>\$ -</u> | <u>\$ 103,086</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 23,442</u> | <u>\$ 126,528</u> |
| Deductions: | | | | | | |
| Transfers-out: | - | - | - | - | - | - |
| Intra-agency | - | - | - | - | - | - |
| Surplus property | - | - | - | - | - | - |
| Scrap property | - | - | - | - | - | - |
| Condemned and lost property | - | - | - | - | - | - |
| Retirements | - | - | - | - | - | - |
| Adjustment | - | - | - | - | - | - |
| Total Deductions | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Balance June 30, 2009 | <u>\$ 2,405</u> | <u>\$ 10,383,679</u> | <u>\$ 284,428</u> | <u>\$ -</u> | <u>\$ 1,037,829</u> | <u>\$ 11,708,341</u> |

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
JACK MABLEY DEVELOPMENTAL CENTER
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
For the Years Ended June 30,

| | FISCAL YEARS | | |
|--|---------------------|---------------|---------------|
| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| <u>General Revenue Fund</u> | | | |
| <u>RECEIPTS</u> | | | |
| Jury duty, witness fees, military duty | \$ 176 | \$ - | \$ 510 |
| Refunds/Rebates | 304 | 161 | - |
| Miscellaneous other | <u>-</u> | <u>40</u> | <u>-</u> |
| TOTAL RECEIPTS | <u>\$ 480</u> | <u>\$ 201</u> | <u>\$ 510</u> |
| <u>DEPOSITS</u> | | | |
| Receipts recorded by Agency | \$ 480 | \$ 201 | \$ 510 |
| Add: Deposits in transit - Beginning of year | - | 90 | - |
| Deduct: Deposits in transit - End of year | - | - | 90 |
| Deduct: Clerical Adjustment | <u>-</u> | <u>40</u> | <u>-</u> |
| DEPOSITS RECORDED BY COMPTROLLER | <u>\$ 480</u> | <u>\$ 251</u> | <u>\$ 420</u> |

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 (DECREASE) | % |
|---|-------------------|-------------|------------------------|-------|
| | <u>JUNE 30</u> | | | |
| | <u>2009</u> | <u>2008</u> | <u>AMOUNT</u> | |
| State contributions to State employees' retirement system | \$1,611,517 | \$1,154,527 | \$456,990 | 40% |
| Equipment | \$23,442 | \$78,383 | \$(54,941) | (70)% |
| Telecommunication Services | \$105,000 | \$86,761 | \$18,239 | 21% |

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

State contributions to State employees' retirement system

SERS Continuing Appropriations were included with State contributions to the State employees' retirement system. This was required by statute because appropriations for fiscal year 2009 were exhausted. Additionally, in fiscal year 2009, the increase of 40% was due, in part, to an increase in the employer contribution rate from 16.6% in fiscal year 2008 to 21.05% in fiscal year 2009.

Equipment

The decrease was due to the purchase of indoor and outdoor furniture for the facility's homes in 2008.

Telecommunication Services

The increase of 21% was due to the purchase and the down payment of \$25,430 for a new telephone system.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 (DECREASE) | % |
|---|-------------------|-------------|------------------------|-----|
| | <u>JUNE 30</u> | | | |
| | <u>2008</u> | <u>2007</u> | <u>AMOUNT</u> | |
| State contributions to State employees' retirement system | \$1,154,527 | \$856,784 | \$297,743 | 35% |
| Travel | \$4,787 | \$3,032 | \$1,755 | 58% |

Center management provided the following explanation s for the significant variation s identified above.

State contribution to State employees' retirement system

The rate for retirement contributions increased to 16.6% in fiscal year 2008 from 11.5% in fiscal year 2007, which accounts for the \$297,743 or 35% increase in expenditures .

Travel

The department offered more training opportunities in fiscal year 2008 for the Center's employees, which accounts for the increase of \$1,755 (58%) in travel expenditures.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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> |
|--------------------------------|-------------------------------|--------------------------------------|-------------------|
| Travel | \$ 4,474 | \$ 1,525 | 34% |
| Equipment | \$ 23,442 | \$ 13,298 | 57% |
| Telecommunications Services | \$ 105,000 | \$ 60,566 | 58% |
| Operation of auto equipment | \$ 24,525 | \$ 5,015 | 20% |

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

Travel

Travel expenditures incurred prior to June 30 were paid during the lapse period due to the Department of Human Services General Office not allowing the use of funds for these expenditures until after June 30, 2009.

Equipment

Two vehicle payments in the amount of \$12,930 were incurred prior to June 30 and processed during the lapse period.

Telecommunications Services

Funding by the State was not made available until late in the year to pay outstanding invoices.

Operation of auto equipment

Invoices incurred prior to June 30 for the operation of auto equipment expenditures were not received and processed until the lapse period.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 | \$4,787 | \$1,301 | 27% |
| Equipment | \$78,383 | \$68,261 | 87% |
| Telecommunication Services | \$86,761 | \$33,970 | 39% |

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

Travel

The Department of Human Services offered in fiscal year 2008 more training opportunities for Mabley's employees.

Equipment

Indoor and outdoor furniture was ordered for the homes prior to June 30, 2008 and was not received until the lapse period.

Telecommunication Services

A large portion of the billing for telecommunication services was incurred prior to June 30, 2008 but was not received until the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
SCHEDULE OF CHANGES IN INVENTORIES (NOT EXAMINED)
For the Two Years Ended June 30, 2009

| | <u>Balance</u> <u>July 1, 2008</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2009</u> |
|-------------------------|---------------------------------------|-------------------|-------------------|--|
| General Stores: | | | | |
| Medical lab | \$112 | \$28,541 | \$28,525 | \$ 128 |
| Food supplies | 11,560 | 256,604 | 254,921 | 13,243 |
| Household and laundry | 13,361 | 117,030 | 120,712 | 9,679 |
| Other general stores | - | 20,493 | 19,198 | 1,295 |
| Mechanical Stores: | | | | |
| Repair and Maintenance | - | 11,323 | 9,761 | 1,562 |
| Other mechanical stores | 4,009 | 4,235 | 8,244 | - |
| Pharmacy | - | 351,263 | 351,263 | - |
| Postage | - | - | - | - |
| | <u>\$ 29,042</u> | <u>\$ 789,489</u> | <u>\$ 792,624</u> | <u>\$ 25,907</u> |

| | <u>Balance</u> <u>July 1, 2007</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2008</u> |
|-------------------------|---------------------------------------|-------------------|-------------------|--|
| General Stores: | | | | |
| Medical lab | \$0 | \$18,575 | \$18,463 | \$ 112 |
| Food supplies | 17,987 | 243,239 | 249,666 | 11,560 |
| Household and laundry | 23,668 | 95,604 | 105,911 | 13,361 |
| Other general stores | - | 17,169 | 17,169 | - |
| Mechanical Stores: | | | | |
| Repair and Maintenance | - | 5,981 | 5,981 | - |
| Other mechanical stores | - | 9,816 | 5,807 | 4,009 |
| Pharmacy | - | 404,251 | 404,251 | - |
| Postage | - | - | - | - |
| | <u>\$ 41,655</u> | <u>\$ 794,635</u> | <u>\$ 807,248</u> | <u>\$ 29,042</u> |

Note: The information noted in the above schedule was obtained from the 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 \$859 less than the corrected June 30, 2009 inventory balance for those areas.

The data processing difficulties noted above are being reported in the Department's Central Office compliance report.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
ANALYSIS OF ACCOUNTS RECEIVABLE (NOT EXAMINED)
FOR THE TWO YEARS ENDED JUNE 30, 2009**

The Center has accounts receivable of \$102,862 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:

| | June 30, | | |
|---------------------------|--------------------|--------------------|--------------------|
| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| Current (0-3 months) | \$ 90,737 | \$ 61,958 | \$ 62,679 |
| Past due (4-6 months) | 2,344 | - | - |
| Past due (7-12 months) | 5,638 | 22,794 | - |
| Past due (over 12 months) | <u>4,143</u> | <u>103</u> | <u>103</u> |
| Total | <u>\$102,862</u> | <u>\$ 84,855</u> | <u>\$ 62,782</u> |
| Court Cases | <u>-</u> | <u>-</u> | <u>-</u> |

Note: See finding 09-3 on inadequate control over account receivable balances

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009**

CENTER FUNCTIONS AND PLANNING PROGRAM

The Jack Mabley Developmental Center is located in Dixon, Illinois. The Facility emphasizes community-type living with its seven independent residence homes and one building for classroom activities. The capacity of the Center is 119 residents.

The Mental Health and Developmental Disabilities Code (405 ILCS 5/1-100-128, P.A. 80-1414) mandates the Department to “receive and provide the highest possible quality of humane and habilitative care and treatment to all persons admitted to it”. The Center’s emphasis is to enable individuals who are impaired or dysfunctional due to mental illness and developmental disabilities to achieve and maintain maximum personal, social, and community involvement through the least disruptive and most cost effective intervention methods.

The Jack Mabley Developmental Center provides services to approximately 84 developmentally disabled residents. These services include habilitation day care services, special education services in the community, as well as adult day care, self-help skills, maladaptive behavior reduction, orientation and mobility skills, communication skills, gross and fine motor skills, socialization skills, and independent living skills which are provided both on-campus and off-campus.

In addition, programs at Jack Mabley Developmental Center service 28 residents who are blind, deaf, or both. Some residents attend off-campus services provided by Krieder Services. When the Center has residents under the age of 21 they may attend off-campus services provided by Lee County Special Education Association.

The Center is certified by the Department of Public Health as an intermediate care facility for the developmentally disabled.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY DEVELOPMENTAL CENTER
ANALYSIS OF OPERATIONS
FOR THE TWO YEARS ENDED JUNE 30, 2009**

Agency Planning Program

The Center's Administrative Staff is responsible for developing goals and functional objectives for the facility. These goals and objectives are written, as are procedures for the implementation of such.

The Center divides goals and objectives into functional areas as follows:

- Identity
 - Transition planning: network involvement
- Autonomy
- Affiliation
- Attainment
- Safeguards
 - Physical environment
 - Safe environment
- Rights
- Health and Wellness
 - Treatment strategies

Specific staff members are identified as being responsible for submitting status reports for each operational objective, including obtaining financial resources, to satisfy the functional objectives and goals of the facility.

Progress toward achieving objectives is evaluated quarterly. The Quality Manager compiles these progress reports, evaluates the status of each objective at year-end, and prepares a comprehensive annual report. The report is reviewed and approved by the Administrative Staff. Any objectives or goals not met are incorporated into the next fiscal year's plan.

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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 | 110 | 114 | 116 |
| Support service workers and supervisors | 4 | 4 | 4 |
| Medical, dental and pharmacy | 6 | 7 | 7 |
| Office and clerical | - | 1 | 1 |
| Resident treatment | 22 | 22 | 21 |
| Administrative | 6 | 7 | 7 |
| Other | <u>1</u> | <u>1</u> | <u>1</u> |
| Total Employees | <u>149</u> | <u>156</u> | <u>157</u> |

**STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
JACK MABLEY 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.

| | Fiscal Year | | |
|---|--------------------|--------------------|--------------------|
| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| Paid overtime hours worked during fiscal year | <u>51,659</u> | <u>51,775</u> | <u>50,784</u> |
| Value of overtime hours worked during fiscal year | <u>\$1,429,152</u> | <u>\$1,393,966</u> | <u>\$1,271,956</u> |
| Compensatory hours earned during fiscal year | <u>1,971</u> | <u>2,604</u> | <u>4,203</u> |
| Value of compensatory hours earned during fiscal year | <u>\$55,075</u> | <u>\$66,674</u> | <u>\$ 84,968</u> |
| Total paid overtime hours and earned compensatory hours during fiscal year | <u>53,630</u> | <u>54,379</u> | <u>54,987</u> |
| Total value of paid overtime hours and earned compensatory hours during fiscal year | <u>\$1,484,227</u> | <u>\$1,460,640</u> | <u>\$1,356,924</u> |

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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 seamstress and hairdresser .

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.

| | Fiscal Year | | |
|--|----------------|----------------|-----------------|
| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| Contractual payroll employees paid during the fiscal year | <u>2</u> | <u>2</u> | <u>3</u> |
| Total amount expended for contractual payroll employees during the fiscal year | <u>\$4,566</u> | <u>\$5,463</u> | <u>\$12,730</u> |

SHARED RESOURCES (not examined)

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

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CENTER UTILIZATION (not examined)

Jack Mabley Developmental Center is situated on 16 acres in Dixon, IL. The Center has 25 buildings on its grounds. Center management has provided the information below outlining their occupancy and/or utilization of the buildings on the grounds of the Center.

| <u>Building</u> | <u>Type/Use</u> | <u>Square Feet</u> | <u>Status</u> | <u>%</u> |
|--------------------|------------------------------------|--------------------|---------------|----------|
| Pearson | Admin/clinic | 15,737 | Occupied | 100% |
| Keller | Residential | 6,939 | Occupied | 100% |
| Thurber | Residential | 6,939 | Occupied | 100% |
| Edison | Residential | 6,939 | Occupied | 100% |
| Springbrook | Residential | 6,939 | Occupied | 100% |
| Stonebridge | Residential | 6,939 | Occupied | 100% |
| Browning | Residential | 6,939 | Occupied | 100% |
| Johnson | Residential | 6,939 | Occupied | 100% |
| Training/Garage | Training/Storage | 1,440 | Occupied | 100% |
| Maintenance | Maintenance Office | 1,440 | Occupied | 100% |
| Gazebo Garage | Garage | 600 | Occupied | 100% |
| Support Services | Dietary/Business Office /Stores | 8,523 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 80 | Occupied | 100% |
| Storage Shed | Residents Storage | 1,800 | Occupied | 100% |
| Greenhouse Storage | Greenhouse Storage | 80 | Occupied | 100% |
| Activities Storage | Activities Storage | 80 | Occupied | 100% |
| Greenhouse | Greenhouse | 400 | Occupied | 100% |
| Recycling | Recycling | 2,400 | Occupied | 100% |

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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>Fiscal Year</u> | |
|----------------------------|-------------|--------------------|------------------|
| | <u>2009</u> | <u>2008</u> | <u>2007</u> |
| Cost per year per resident | * | <u>\$172,903</u> | <u>\$156,917</u> |
| Cost per day per resident | * | <u>\$472</u> | <u>\$430</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>119</u> | <u>119</u> | <u>119</u> |
| Average number of residents | <u>87</u> | <u>91</u> | <u>91</u> |
| Average number of employees | <u>149</u> | <u>156</u> | <u>157</u> |
| Ratio of employees to residents | <u>1.71 to 1</u> | <u>1.71 to 1</u> | <u>1.73 to 1</u> |

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>125</u> | <u>210</u> | <u>192</u> |

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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>2009</u> | <u>2008</u> | <u>2007</u> |
| Meals served | <u>94,895</u> | <u>98,826</u> | <u>99,645</u> |
| Total food costs | \$260,275 | \$243,986 | \$244,811 |
| Total labor costs | <u>61,395</u> | <u>58,471</u> | <u>48,658</u> |
| Total costs | <u>\$321,670</u> | <u>\$302,457</u> | <u>\$293,469</u> |
| Average food costs / meal | \$2.74 | \$2.47 | \$2.46 |
| Average labor costs / meal | <u>.65</u> | <u>.59</u> | <u>.49</u> |
| Total average cost / meal | <u>\$3.39</u> | <u>\$3.06</u> | <u>\$2.95</u> |

Note: Residents are served three meals per 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.

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SERVICE EFFORTS AND ACCOMPLISHMENTS
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(not examined)**

The mission of the Illinois Department of Human Services-Jack Mabley Developmental Center is to promote and enhance the habilitation of all its residents to an optimal level of functioning and reintegrate them into their natural environment in a healthy and safe manner. Its mission is accomplished through various levels of outcome-based support services which protects the person's dignity and enhances the person's capacity for self-determination.

The Center has accommodated an average of 87 residents during the examination period. During fiscal year 2007, it has provided care at an average cost of \$156,917; for fiscal year 2008 at an average annual cost of \$172,903; and for fiscal year 2009 the Department had not calculated this statistic by the close of our fieldwork. The Center has continued to maintain endorsement of the Rehabilitation Accreditation Commission and Certification from the Department of Health Care and Human Services.