

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES

WARREN G. MURRAY DEVELOPMENTAL CENTER

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2007

Performed as Special Assistant Auditors
For the Auditor General, State of Illinois

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

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CENTER OFFICIALS

Director (Current)	Mr. James Veach
Assistant Director (Current)	Mr. Rick Starr
7/1/05-1/1/08	Vacant
Business Office Administrator	Mr. Ronald Eversgerd

The Center is located at:

1535 West McCord Street
Centralia, Illinois 62801



Rod R. Blagojevich, *Governor*

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

Murray Developmental Center
1535 West McCord
Centralia, IL 62801

January 3, 2008

West & Company, LLC
Certified Public Accountants
919 E. Harris
Greenville, IL 62246

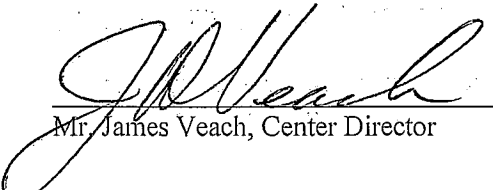
Ladies and Gentlemen:

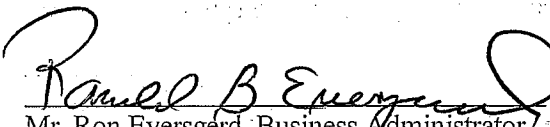
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of Murray Developmental Center. We are responsible for, and we have established and maintained, an effective system of 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, 2007. Based on this evaluation, we assert that during the year(s) ended June 30, 2006 and June 30, 2007, 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. 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. 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,

Murray Developmental Center


Mr. James Veach, Center Director


Mr. Ron Eversgerd, Business Administrator

INSERT YELLOW COMPLIANCE REPORT TAB HERE

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

COMPLIANCE REPORT

SUMMARY

The limited State compliance testing performed during 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 Engagements 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	2	5
Repeated findings	1	3
Prior recommendations implemented or not repeated	4	-

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

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

CURRENT FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
07-1	9-10	Inaccurate Inventory Records
07-2	11-12	Noncompliance With Contract Requirements

PRIOR FINDINGS NOT REPEATED

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
07-3	13	Untimely Employee Evaluations
07-4	13	Real Property Inventory
07-5	13	Lack of Adequate Segregation of Duties
07-6	14	Inadequate Controls Over Accounts Receivable

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LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

COMPLIANCE REPORT (continued)

EXIT CONFERENCE

The findings and recommendations appearing in this report were discussed with Department and Center personnel at an exit conference on December 4, 2007. Attending were:

Department of Human Services

Ms. Mary Fritz, Audit Liaison

Warren G. Murray Developmental Center

Mr. James Veach, Center Director
Mr. Rick Starr, Public Service Administrator
Mr. Ronald Eversgerd, Business Office Administrator

Office of the Auditor General

Ms. Kathy Lovejoy, Audit Manager

West & Company, LLC

Ms. Janice Romack, Partner
Ms. Alison Sears, Supervisor

Responses to the recommendations were provided by Ms. Carol L. Adams, Ph.D., Secretary, Illinois Department of Human Services in a letter dated December 18, 2007.

INSERT YELLOW AUDITORS' REPORT TAB HERE

**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 performed a limited scope compliance examination of the State of Illinois Department of Human Services – Warren G. Murray 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 Engagements of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2007. The management of the State of Illinois Department of Human Services – Warren G. Murray 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 – Warren G. Murray Developmental Center's compliance based on our examination.

- A. The State of Illinois Department of Human Services – Warren G. Murray 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 – Warren G. Murray 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 – Warren G. Murray 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 of the State of Illinois Department of Human Services – Warren G. Murray 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 – Warren G. Murray Developmental Center on behalf of the State or held in trust by the State of Illinois Department of Human Services – Warren G. Murray 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 Center Functions and Planning Program
- Chapter 30 – Auditing Compliance with Center Specific Statutory Mandates

The areas of the *Audit Guide* not examined at the State of Illinois Department of Human Services – Warren G. Murray Developmental 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 procedures with respect to the accounting records of the State of Illinois Department of Human Services – Warren G. Murray Developmental Center to assist in the performance of the Auditor General's financial statement audit of the entire Department of Human Services for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services – Central Office auditors.

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 – Warren G. Murray Developmental Center'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 – Warren G. Murray Developmental Center's compliance with specified requirements.

As described in finding 07-1 in the accompanying Schedule of Findings and Recommendations, the State of Illinois Department of Human Services – Warren G. Murray Developmental Center did not comply with requirements regarding:

- B. The State of Illinois Department of Human Services – Warren G. Murray 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 – Warren G. Murray 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.

Compliance with such requirements is necessary, in our opinion, for the State of Illinois Department of Human Services – Warren G. Murray Developmental Center to comply with the

requirement 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 – Warren G. Murray Developmental Center complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2007. However, the results of our procedures disclosed other 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 and Recommendations as finding 07-2.

As required by the *Audit Guide*, immaterial findings relating to instances of noncompliance excluded from this report have been reported in a separate letter to your office.

Internal Control

The management of the State of Illinois Department of Human Services - Warren G. Murray 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 – Warren G. Murray Developmental Center’s internal control over compliance with the requirements listed in the first paragraph of this report 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, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois Department of Human Services – Warren G. Murray 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 - Warren G. Murray Developmental Center’s Mental Health Center’s internal control over compliance. We have also performed certain 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 for the year ended June 30, 2007. The results of these additional procedures have been communicated to the Department of Human Services – Central Office auditors.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

A *control 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 noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to comply with the requirements listed in the first paragraph of this report such that there is more than a remote likelihood that noncompliance with a requirement that is more than inconsequential will not be prevented or detected by the entity’s internal control. We consider

the deficiencies in internal control over compliance as described in the accompanying schedule of findings and questioned costs as findings 07-1 and 07-2 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item 07-1 to be a material weaknesses.

As required by the *Audit Guide*, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter to your office.

State of Illinois Department of Human Services – Warren G. Murray Developmental Center's response to the findings identified in our examination are described in the accompanying schedule of findings and recommendations. We did not examine State of Illinois Department of Human Services – Warren G. Murray 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 2007 and the 2006 Supplementary Information for State Compliance Purposes, except for the information on the Schedule of Changes in Inventories, 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 2005 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.

West & Company, LLC
West & Company, LLC

January 3, 2008

INSERT YELLOW FINDINGS AND RECOMMENDATIONS TAB HERE

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings

07-1 Finding – Inaccurate Inventory Records

The Warren G. Murray Developmental Center (Center) failed to exercise adequate controls over commodities inventory.

The reported value of the Center's inventory at June 30, 2007 and 2006 was misstated due to inaccurate and untimely record maintenance. As a result of the Center's inadequate controls over inventory reporting, we were unable to report on the commodities inventory balances at June 30, 2007 and 2006 in the Center's limited scope compliance examination report.

We noted the following conditions during our testing of the Center's inventory records:

- Year-end amounts in the inventory system required significant adjustments for actual year end inventory count differences. Total count adjustments required for June 30, 2007 and 2006 inventories were 1,125 and 1,020, respectively.
- All 1,020 count adjustments related to June 30, 2006 inventory were not posted by the required year end cutoff date, resulting in an overstatement of \$4,425 at June 30, 2006.
- 443 of 1,125 (39%) count adjustments related to June 30, 2007 inventory were posted using incorrect amounts. Price per unit costs were not multiplied by the quantity adjustment to determine the correct total adjustment. The misstatement of the improper adjustments could not be determined.
- 5 of 50 (10%) receivers and requisitions tested were not posted by the required year end cutoff date.
- 2 of 50 (4%) inventory count adjustments tested were recorded improperly resulting in an overstatement of \$7,745 at June 30, 2007.
- Inventory counts could not be verified on 1 of 58 (2%) items selected for testing.

The Center's total inventory as adjusted for above known misstatements for the years ended June 30, 2007 and 2006 totaled \$492,055 and \$531,951, respectively.

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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings (continued)

07-1 Finding – Inaccurate Inventory Records (continued)

The Statewide Accounting and Management System (SAMS) Procedure 27.20.77 requires agencies with inventory exceeding \$150,000 to report the value of inventory to the Comptroller. In order for the Department of Human Services (Department) to report the proper value of inventory to the Comptroller, accurate and complete perpetual inventory records must be maintained.

Center management cited unintentional oversights, lack of staff training, and staff shortages as the primary cause of the posting errors and delays.

Failure to maintain accurate and timely inventory records could result in unexpected shortages, overstocking, or unauthorized disposition of commodities. (Finding Code 07-1, 05-1).

Recommendation:

We recommend Center management allocate sufficient and adequately trained staff to ensure accurate and timely perpetual inventory maintenance.

Agency Response:

Agree. The Center will reassign staff for increased supervision and accountability and retrain staff on commodity and equipment inventory procedures. A Property and Supply Clerk vacancy was filled October 16, 2007.

STATE OF ILLINOIS
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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings (continued)

07-2 Finding – Noncompliance With Contract Requirements

The Warren G. Murray Developmental Center (Center) failed to comply with contract filing provisions as required by the Illinois Procurement Code (30 ILCS 500) and Statewide Accounting Management System (SAMS) procedures.

During our testing of contractual expenditures for the two years ended June 30, 2007, we noted the following conditions:

- Two vendors were paid greater than \$10,000 annually, but the terms were not reduced to writing, filed with the Comptroller, or individually obligated on SAMS. Over a series of transactions, one vendor was paid \$10,107 in fiscal year 2006 and \$12,733 in fiscal year 2007, and the second vendor was paid \$10,728 in fiscal year 2007.
- In fiscal year 2006, a contract vendor was paid \$8,794 for contractual services prior to the establishment of the contract obligation with the Comptroller. The vendor was paid \$23,669 during fiscal year 2006.

The Illinois Procurement Code (30 ILCS 500/20-80) and SAMS Procedure 15.20.50 requires any contract liability exceeding \$10,000 incurred by any State agency be reduced to writing and filed with the Comptroller within 15 days of execution.

Center management stated that historically, annual expenditures to the vendors were below the \$10,000 threshold, but actual expenditures in fiscal years 2007 and 2006 were unexpectedly higher and the need to initiate contracts was overlooked. The contract vendor was paid prior to contract finalization as the contract was approved by the vendor and the Department, but Comptroller approval was delayed due to discrepancies concerning contract language. The Center was instructed by the Department's Central Office to pay up to \$10,000 until the contract was approved.

Failure to establish contracts when expenditures are anticipated to meet or exceed applicable filing thresholds violates State statute and SAMS requirements, and increases the likelihood that bidding requirements may be overlooked and may result in unnecessary overexpenditure of State funds. Failure to obtain all contract approvals and finalize all required contract language before the beginning of the contract period does not bind the service provider for compliance with applicable laws, regulations, rules, and performance requirements. (Finding Code 07-2).

STATE OF ILLINOIS
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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
For the Two Years Ended June 30, 2007

Current Findings (continued)

07-2 Finding – Noncompliance With Contract Requirements (continued)

Recommendation:

We recommend the Center implement procedures to ensure contracts are properly established and filed when prospective expenditures reach statutorily defined contract filing thresholds. Further, all contracts should be finalized with all required approvals prior to the beginning date as set forth in the contract agreements.

Agency Response:

Agree. Murray Center will implement a tracking system to avoid going over the \$10,000 limit per vendor. Murray Center still believes that the payment to the vendor prior to the contract for medical waste removal being approved was necessary to ensure the safety of staff and individuals residing at the Center. The amount paid prior to the contract approval was less than the \$10,000 threshold.

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LIMITED SCOPE COMPLIANCE EXAMINATION
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For the Two Years Ended June 30, 2007

Prior Findings Not Repeated

07-3 Finding – Untimely Employee Evaluations

During the prior engagement, we noted delays in the performance of employee evaluations. We noted 4 of 20 (20%) employee evaluations tested were not performed timely.

Disposition of Finding:

Testing in the current examination disclosed delays in 7 of 55 (13%) employee evaluations. The weaknesses will be addressed in a Central Office finding. (Finding Code 05-2).

07-4 Finding – Real Property Inventory

During the prior engagement, we determined the Center was not performing real property inventory counts to ensure the accuracy of items included in the real property inventory report. Additionally, the report contained many items that appeared to be obsolete.

Disposition of Finding:

Testing of real property inventory during the current year examination indicated increased monitoring and diligence to ensure accurate reporting of real property inventories in the Center's records. Deletions were written off timely and real property counts were conducted to ensure accuracy of property amounts reported. (Finding Code 05-3).

07-5 Finding – Lack of Adequate Segregation of Duties

During the prior engagement, we noted the Center failed to maintain adequate segregation of duties over the pharmacy inventory. Pharmacy personnel responsible for maintaining inventory were also involved in recording receivers and requisitions in the accounting records.

Disposition of Finding:

While we noted no change with regard to segregation of duties over pharmacy inventory, during the examination period the pharmacy duties and functions were redirected to the Department's Central Office, and the Center no longer has any oversight responsibilities or jurisdiction over the pharmacy department. Through our inquiries we noted Central Office staff reconciles pharmacy transactions to vendor invoices. (Finding Code 05-4).

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For the Two Years Ended June 30, 2007

Prior Findings Not Repeated (continued)

07-6 Finding – Inadequate Controls Over Accounts Receivable

During the prior engagement, we noted delays in the completion of recipients' "Notice of Determination" of ability to pay. We noted 19 of 50 (38%) recipients' records tested did not reflect timely determinations; delays averaged 29 days.

Disposition of Finding:

All recipients' records reviewed during the current examination exhibited evidence of timely completion of the recipients' determination of ability to pay. (Finding Code 05-5).

INSERT BLUE SUPPLEMENTARY INFORMATION TAB HERE

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2007

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 (not examined)
- Analysis of Accounts Receivable

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 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 the Schedule of Changes in Inventories, 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 accountants do not express an opinion on the supplementary information.

INSERT BLUE SUPPLEMENTARY SCHEDULES TAB HERE

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2007

	<u>APPROPRIATIONS NET OF TRANSFERS</u>	<u>EXPENDITURES THROUGH JUNE 30, 2007</u>	<u>LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2007</u>	<u>TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2007</u>	<u>BALANCES LAPSED AUGUST 31, 2007</u>
PUBLIC ACT 94-0798					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 25,102,700	\$ 23,890,824	\$ 1,171,327	\$ 25,062,151	\$ 40,549
Employee retirement contributions paid by employer	-	-	-	-	-
State contributions to State Employees' Retirement System	2,873,100	2,734,307	134,148	2,868,455	4,645
State contributions to Social Security	1,836,500	1,749,713	86,328	1,836,041	459
16 Contractual services	1,780,100	1,452,318	256,217	1,708,535	71,565
Travel	9,900	2,862	342	3,204	6,696
Commodities	1,322,000	1,182,442	134,323	1,316,765	5,235
Printing	9,700	5,519	4,177	9,696	4
Equipment	123,300	61,349	61,873	123,222	78
Telecommunications services	113,500	74,777	38,719	113,496	4
Operation of automotive equipment	60,300	52,706	5,340	58,046	2,254
Expenses related to Living Skills Program	2,900	2,900	-	2,900	-
Total	<u>\$ 33,234,000</u>	<u>\$ 31,209,717</u>	<u>\$ 1,892,794</u>	<u>\$ 33,102,511</u>	<u>\$ 131,489</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
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LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2006

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2006	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2006	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2006	BALANCES LAPSED AUGUST 31, 2006
PUBLIC ACTS 94-0015 & 94-0798					
<u>GENERAL REVENUE FUND - 001</u>					
Personal services	\$ 24,382,500	\$ 23,134,844	\$ 1,122,729	\$ 24,257,573	\$ 124,927
Employee retirement contributions paid by employer	215,800	215,794	-	215,794	6
State contributions to State Employees' Retirement System	1,881,200	1,786,375	86,944	1,873,319	7,881
State contributions to Social Security	1,777,500	1,689,991	82,709	1,772,700	4,800
Contractual services	1,740,500	1,632,328	107,291	1,739,619	881
Travel	9,900	8,382	812	9,194	706
Commodities	1,309,000	1,188,347	119,123	1,307,470	1,530
Printing	9,700	9,664	-	9,664	36
Equipment	107,300	58,587	48,115	106,702	598
Telecommunications services	202,500	65,172	137,297	202,469	31
Operation of automotive equipment	55,300	46,594	8,343	54,937	363
Expenses related to Living Skills Program	2,900	2,900	-	2,900	-
Total	<u>\$ 31,694,100</u>	<u>\$ 29,838,978</u>	<u>\$ 1,713,363</u>	<u>\$ 31,552,341</u>	<u>\$ 141,759</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
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES
AND LAPSED BALANCES
For the Years Ended June 30,

	FISCAL YEARS		
	2007	2006	2005
	P.A. 94-0798	P.A. 94-0015 & 94-0798	P.A. 93-0842 & 93-0681
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$33,234,000	\$31,694,100	\$32,178,466
EXPENDITURES			
Personal services	25,062,151	24,257,573	23,468,369
Employee retirement contributions paid by employer	-	215,794	36,066
State contributions to State Employees' Retirement System	2,868,455	1,873,319	3,647,692
State contributions to Social Security	1,836,041	1,772,700	1,666,253
Contractual services	1,708,535	1,739,619	1,598,100
Travel	3,204	9,194	7,213
Commodities	1,316,765	1,307,470	1,277,091
Printing	9,696	9,664	9,872
Equipment	123,222	106,702	113,769
Telecommunications services	113,496	202,469	78,559
Operations of automotive equipment	58,046	54,937	52,653
Expenses related to Living Skills Program	2,900	2,900	2,900
Total Expenditures	33,102,511	31,552,341	31,958,537
LAPSED BALANCES	\$ 131,489	\$ 141,759	\$ 219,929

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2007

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 Living Skills Fund and Petty Cash account. This fund and account are used to record the activity of monies received from the State's General Revenue Fund for designated purposes.

The Living Skills Fund (SAMS fund number 1214) was established to provide behavioral modification programs for residents. The source of revenue is State appropriation. The revenue is expended by distributing reward payments that are earned by residents by achievement of desired behavioral modifications.

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 consist of the DHS Other Special Trusts Fund. This fund is used to account for the proceeds of a specific revenue source that are legally restricted to expenditures for specific purposes.

The DHS Other Special Trusts 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 residents' needs in these areas.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2007

2. Fiduciary Fund Type

Agency Fund

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For the Year Ended June 30, 2007

	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	N/A Petty Cash Account
Balance - July 1, 2006	\$ 19,746	\$ 302,769	\$ -	\$ 470
Receipts				
Investment income	32	8,669	-	-
Resident deposits	-	2,409,771	-	-
Donations	5,393	-	-	-
Appropriations	-	-	2,900	30
Vending commissions	18,735	-	-	-
Total Receipts	<u>24,160</u>	<u>2,418,440</u>	<u>2,900</u>	<u>30</u>
Disbursements				
Contractual services	-	-	-	14
Resident activities	32,867	-	-	-
Equipment	530	-	-	-
Resident withdrawals	-	2,397,764	-	-
Living Skills Program	-	-	2,900	-
Transfers out	-	-	-	450
Total Disbursements	<u>33,397</u>	<u>2,397,764</u>	<u>2,900</u>	<u>464</u>
Balance - June 30, 2007	<u>\$ 10,509</u>	<u>\$ 323,445</u>	<u>\$ -</u>	<u>\$ 36</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For the Year Ended June 30, 2006

	1139 DHS Other Special Trusts Fund	1143 DHS Resident's Trust Fund	1214 Living Skills Fund	N/A Petty Cash Account
Balance - July 1, 2005	\$ 35,523	\$ 257,142	\$ -	\$ 83
Receipts				
Investment income	58	5,096	-	-
Resident deposits	-	2,090,386	-	-
Donations	7,313	-	-	-
Appropriations	-	-	2,900	417
Vending commissions	27,861	-	-	-
Total Receipts	35,232	2,095,482	2,900	417
Disbursements				
Contractual services	-	-	-	30
Resident activities	47,612	-	-	-
Equipment	3,397	-	-	-
Resident withdrawals	-	2,049,855	-	-
Living Skills Program	-	-	2,900	-
Total Disbursements	51,009	2,049,855	2,900	30
Balance - June 30, 2006	<u>\$ 19,746</u>	<u>\$ 302,769</u>	<u>\$ -</u>	<u>\$ 470</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2007

	Land and land improvements	Buildings and building improvements	Site improvements	Equipment	Total
<u>Balance - June 30, 2005</u>	<u>\$ 82,850</u>	<u>\$ 41,470,733</u>	<u>\$ 6,134,350</u>	<u>\$ 3,148,315</u>	<u>\$ 50,836,248</u>
Additions:					
Purchases	-	-	-	153,686	153,686
Transfers-in:					
Intra-agency	-	-	-	37,579	37,579
Capital Development Board	-	489,246	67,691	-	556,937
Adjustments	-	-	-	-	-
Total Additions	<u>-</u>	<u>489,246</u>	<u>67,691</u>	<u>191,265</u>	<u>748,202</u>
Deductions:					
Transfers-out:					
Intra-agency	-	-	-	28,240	28,240
Surplus property	-	-	-	4,855	4,855
Scrap property	-	-	-	41,381	41,381
Clerical error	-	-	-	123,547	123,547
Other	-	2,371,957	44,423	-	2,416,380
Adjustments	-	-	-	-	-
Total Deductions	<u>-</u>	<u>2,371,957</u>	<u>44,423</u>	<u>198,023</u>	<u>2,614,403</u>
<u>Balance - June 30, 2006</u>	<u>82,850</u>	<u>39,588,022</u>	<u>6,157,618</u>	<u>3,141,557</u>	<u>48,970,047</u>
Additions:					
Purchases	-	-	-	154,631	154,631
Transfers-in:					
Intra-agency	-	-	-	294,138	294,138
Capital Development Board	-	536,826	-	-	536,826
Adjustments	-	-	-	4,404	4,404
Total Additions	<u>-</u>	<u>536,826</u>	<u>-</u>	<u>453,173</u>	<u>989,999</u>
Deductions:					
Transfers-out:					
Intra-agency	-	-	-	286,054	286,054
Inter-agency	-	-	-	53,505	53,505
Scrap property	-	-	-	106,881	106,881
Clerical error	-	-	-	44,169	44,169
Other	-	-	-	4,526	4,526
Adjustments	-	-	-	16	16
Total Deductions	<u>-</u>	<u>-</u>	<u>-</u>	<u>495,151</u>	<u>495,151</u>
<u>Balance - June 30, 2007</u>	<u>\$ 82,850</u>	<u>\$ 40,124,848</u>	<u>\$ 6,157,618</u>	<u>\$ 3,099,579</u>	<u>\$ 49,464,895</u>

Notes: The property balances at June 30, 2006 and 2007 have been reconciled to the property reports submitted to the Office of the Comptroller.

Equipment of \$9,542 purchased in fiscal year 2006 reflected in the Comptroller reports was purchased by a special appropriation for the wheelchair program and should be reflected in Central Office's property control records.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS
For the Years Ended June 30,

	FISCAL YEARS		
	2007	2006	2005
<u>RECEIPTS</u>			
Jury duty, witness fees, military duty	\$ 742	\$ 1,285	\$ 551
Telephone reimbursements	70	2	111
Miscellaneous other	<u>342</u>	<u>170</u>	<u>534</u>
TOTAL RECEIPTS	<u>\$ 1,154</u>	<u>\$ 1,457</u>	<u>\$ 1,196</u>
<u>DEPOSITS</u>			
Receipts recorded by Agency	\$ 1,154	\$ 1,457	\$ 1,196
Add: Deposits in transit - Beginning of year	-	185	-
Add: Direct posting by Central Office	-	20	-
Deduct: Deposits in transit - End of year	<u>-</u>	<u>-</u>	<u>185</u>
DEPOSITS RECORDED BY COMPTROLLER	<u>\$ 1,154</u>	<u>\$ 1,662</u>	<u>\$ 1,011</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Fiscal Year 2007

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2007 and June 30, 2006 is shown below:

EXPENDITURE ITEM	FISCAL YEAR ENDED JUNE 30,		INCREASE (DECREASE)	
	2007	2006	AMOUNT	%
Employee retirement contributions paid by employer	\$ -	\$ 215,794	\$ (215,794)	(100.00)%
State contributions to State Employees' Retirement System	\$ 2,868,455	\$ 1,873,319	\$ 995,136	53.12%
Travel	\$ 3,204	\$ 9,194	\$ (5,990)	(65.15)%
Telecommunications	\$ 113,496	\$ 202,469	\$ (88,973)	(43.94)%

Employee retirement contributions paid by employer

For fiscal year 2007, the employee retirement contribution paid by the State was eliminated due to a regulatory change.

State contributions to State Employees' Retirement System

The increase in fiscal year 2007 expenditures of \$995,136 (53.12%) was due to the overall increase in the State retirement contribution rate from 7.792% in fiscal year 2006 to 11.525% in fiscal year 2007.

Travel

Travel expenditures decreased \$5,990 (65.15%) in fiscal year 2007 as expenditures in prior fiscal years reflected additional costs related to the Center's participation in the Department of Public Health Corrective Action Plan, whereby the Center was required to send several staff to other centers to assist in employee training and monitoring twice per month.

Telecommunications

Fiscal year 2007 expenditures decreased \$88,973 (43.94%) as expenditures in fiscal year 2006 reflected additional costs related to the purchase and installation of a new telephone system.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2007

Fiscal Year 2006

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2006 and June 30, 2005 is shown below:

EXPENDITURE ITEM	FISCAL YEAR ENDED JUNE 30,		INCREASE (DECREASE)	
	2006	2005	AMOUNT	%
Employee retirement contributions paid by employer	\$ 215,794	\$ 36,066	\$ 179,728	498.33%
State contributions to State Employees' Retirement System	\$ 1,873,319	\$ 3,647,692	\$ (1,774,373)	(48.64)%
Travel	\$ 9,194	\$ 7,213	\$ 1,981	27.46%
Telecommunications	\$ 202,469	\$ 78,559	\$ 123,910	157.73%

Employee retirement contributions paid by employer

Fiscal year 2006 expenditures increased \$179,288 (498.33%) due to a regulatory change initiated late in the preceding fiscal year. For most of fiscal year 2005, retirement contributions paid by the State were paid from Personal Services appropriations. Retirement contributions paid by the State resumed during fiscal year 2006.

State contributions to State Employees' Retirement System

The decrease in fiscal year 2006 expenditures of \$1,774,373 (48.64%) was due to the overall decrease in the State retirement contribution rate from 16.107% in fiscal year 2005 to 7.792% in fiscal year 2006.

Travel

Travel expenditures increased \$1,981 (27.46%) as fiscal year 2006 reflected travel costs associated with a full year of the Center's participation in the Department of Public Health's Corrective Action Plan, whereby the Center was required to send several staff to other centers to assist in employee training and monitoring twice per month.

Telecommunications

Telecommunications expenditures increased \$123,910 (157.73%) due to the purchase and installation of a new telephone system in fiscal year 2006.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

We have reviewed lapse period spending for fiscal years ended June 30, 2007 and 2006 and have identified significant lapse period spending (20% or more). A schedule of significant lapse period spending for fiscal year 2007 is shown below:

Fiscal Year Ended June 30, 2007			
<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Printing	\$ 9,696	\$ 4,177	43.08%
Equipment	\$ 123,222	\$ 61,873	50.21%
Telecommunications	\$ 113,496	\$ 38,719	34.11%

Printing

Significant lapse period expenditures resulted from the receipt and subsequent payment of an order of copy paper in the lapse period.

Equipment

Several equipment items were purchased near the end of the fiscal year, including medical, dietary, and maintenance equipment. The Center did not receive the items until the lapse period.

Telecommunications

Lease payments on new switches required due to the Center's telephone system upgrade were delayed until the lapse period due to a dispute with Central Management Services regarding lease and purchase options for the items.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2007

A schedule of significant lapse period spending for the fiscal year ended June 30, 2006 is shown below:

	Fiscal Year Ended June 30, 2006		
<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Equipment	\$ 106,702	\$ 48,115	45.09%
Telecommunications	\$ 202,469	\$ 137,297	67.81%

Equipment

A wheelchair accessible van was purchased late in the fiscal year, and the Center did not take delivery of the van until the lapse period.

Telecommunications

Expenditures totaling \$136,676 related to the new telephone system were paid in the lapse period as the upgrade occurred late in the fiscal year.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
SCHEDULE OF CHANGES IN INVENTORIES
(NOT EXAMINED)
For the Two Years Ended June 30, 2007

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
General Stores:				
Medical lab	\$ 22,102	\$ 83,242	\$ 80,399	\$ 24,945
Food supplies	123,184	580,791	589,791	114,184
Household and laundry	72,383	282,172	315,532	39,023
Other general stores	27,552	116,475	119,227	24,800
Mechanical Stores:				
Repairs and Maintenance	64,839	102,327	106,845	60,321
Coal and Coke	48,454	271,116	254,101	65,469
Other mechanical stores	6,371	42,129	43,419	5,081
Pharmacy	167,065	2,050,386	2,059,219	158,232
Total inventory	<u>\$ 531,950</u>	<u>\$ 3,528,638</u>	<u>\$ 3,568,533</u>	<u>\$ 492,055</u>

	Balance July 1, 2005	Additions	Deletions	Balance June 30, 2006
General Stores:				
Medical lab	\$ 18,585	\$ 100,691	\$ 97,174	\$ 22,102
Food supplies	103,134	566,449	546,399	123,184
Household and laundry	63,824	329,227	320,668	72,383
Other general stores	19,092	67,683	59,223	27,552
Mechanical Stores:				
Repairs and Maintenance	79,885	92,681	107,727	64,839
Coal and Coke	44,696	254,928	251,170	48,454
Other mechanical stores	4,873	57,128	55,630	6,371
Pharmacy	188,598	2,000,679	2,022,212	167,065
Total inventory	<u>\$ 522,687</u>	<u>\$ 3,469,466</u>	<u>\$ 3,460,203</u>	<u>\$ 531,950</u>

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

We were unable to examine the Schedule of Changes in Inventories due to internal control weaknesses. See Finding 07-1 on pages 9-10.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF ACCOUNTS RECEIVABLE
For the Two Years Ended June 30, 2007

The Department has accounts receivable of \$224,544 arising from operations of Warren G. Murray Developmental Center at June 30, 2007. This total represents amount due from private assets, private insurance, Social Security Administration, etc. for resident care provided at Warren G. Murray Developmental 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, 2007, 2006 and 2005 prepared by the Department of Human Services - Central Office and forwarded to the Center is as follows:

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Current (0-3 months)	\$ 212,477	\$ 180,362	\$ 214,385
Past due (4-6 months)	7,543	1,596	3,238
Past due (7-12 months)	563	1,709	1,861
Past due (over 12 months)	3,961	3,353	2,136
Subtotal	<u>\$ 224,544</u>	<u>\$ 187,020</u>	<u>\$ 221,620</u>
Court cases	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 224,544</u>	<u>\$ 187,020</u>	<u>\$ 221,620</u>

INSERT BLUE ANALYSIS OF OPERATIONS TAB HERE

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

Center Functions

Warren G. Murray Developmental Center (Center) is a residential facility providing support and habilitation training for the developmentally disabled. The Center opened in June of 1964 and is located at 1535 West McCord Street, Centralia, Illinois. The Center is under the jurisdiction of the Illinois Department of Human Services, Office of Mental Health (Department).

The Mental Health and Developmental Disabilities Administrative Act (20 ILCS 1705/0.01 et seq.) gives the Department the power and authority to exercise executive and administrative supervision over all institutions, divisions, programs, and services, including the Warren G. Murray Developmental Center. It also provides the basis for the Department to regulate and operate developmental facilities and outlines admission criteria, treatment and review provisions, and discharge criteria.

The campus of Warren G. Murray Developmental Center includes 13 major buildings; six of which are residential cottages accommodating 60 to 64 residents each. There are four living units in each residential building. The Center maintains an approximate residential population of 345 developmentally disabled persons. Each resident provides the focus for the services provided. Keeping in mind the personal choices, values and goals of individuals being serviced, support and services are made available according to needs indicated through comprehensive assessments. Treatment and training programs are designed to aid residents in physical, mental and social growth. The Center provides lodging, medical and nursing care for all persons in addition to the treatment and training programs.

The primary mission of Warren G. Murray Developmental Center is to provide effective treatment and developmental training programs for those individuals who, by virtue of the severity of their disability, require a protective environment, and who cannot be adequately cared for by existing community-based services. It is the mission of this Center to promote and enhance the abilities of these persons to their optimal level of independence and self-sufficiency so that all persons may be reintegrated into their natural environment or a community-based alternative in the shortest possible time.

The mission involves the provision of 24-hour developmental training services to promote the highest possible quality of humane and habilitative life and treatment, to provide these services in a manner which minimizes disruption to the individual's natural support system, to ensure that the dignity and rights of all persons served are preserved during the course of their treatment, and to assist all persons serviced in strengthening and maximizing their own resources and improving the quality of their lives. All programs and services are developed with consideration of the individual's choices and preferences in daily living.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

Center Planning Program

Warren G. Murray Developmental Center has established formal written long and short-term goals with respect to its functions and programs. The formal plan contains a statement concerning the Center's operational and program philosophy. In accordance with this philosophy, the Center has established specific intentions and objectives with which to achieve each goal. Facility goals and objectives are established by the Facility Director's Executive Council, which consists of the following:

- Center Director
- Assistant Center Director
- Personnel Officer
- Chief Fiscal Officer
- Residential Services Director
- Director of Nurses
- Medical Director
- Labor Relations Administrator
- AFSCME Representative
- Affirmative Action/EEO Officer

The Executive Council meets on the first and third Wednesday of each month to consider alternative approaches, review and update goals and objectives, and monitor results in terms of achieving established goals and objectives on a timely basis.

The Administrative Services Council has broad representation of facility-wide support areas. This Council is chaired by the Assistant Center Director. Members include the following:

- Center Director
- Director of Nurses
- Internal Security Investigator
- Business Administrator
- Information Services Specialist
- Chief Engineer
- Housekeeping Manager
- Dietary Manager
- Labor Relations Administrator
- Laundry Manager
- Patient Resources Administrator
- AFSCME Representative
- Payroll Manager

The Residential Services Director is also a member representing the Program Council. The Administrative Council meets on the fourth Wednesday of each month, and at other times at the discretion of the Chairperson, Executive Council, or the Facility Director.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

Center Planning Program (continued)

The Program Council is a broad representation of facility-wide program services. This Council is chaired by the Residential Services Director. Members include the following:

- Center Director
- All Residential Managers
- Director of Nurses
- Adult Day Program/Work Skills Training Administrator
- Social Worker Administrator
- Psychology Services Administrator
- Information Services Specialist
- Training Coordinator
- Activity Therapy Supervisor
- AFSCME Representative
- Hearing & Speech Supervisor

The Assistant Center Director is a member representing the Administrative Council. The Program Council meets on the second Wednesday of each month and at other times at the discretion of the Chairperson, Executive Council, or the Center Director.

Center Head and Location

James Veach, Center Director
Warren G. Murray Developmental Center
1535 West McCord
Centralia, Illinois 62801

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
WARREN G. MURRAY DEVELOPMENTAL CENTER
LIMITED SCOPE COMPLIANCE EXAMINATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2007

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.

	Fiscal Year		
	2007	2006	2005
Mental health technicians and supervisors	287	295	299
Support service workers and supervisors	54	52	61
Medical, dental, and pharmacy	64	69	68
Office and clerical	17	16	13
Resident treatment	20	19	18
Administrative	23	24	23
Education	3	4	4
Security	5	5	5
Other	53	51	54
Total Employees	<u>526</u>	<u>535</u>	<u>545</u>

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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 the last three fiscal years.

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Paid overtime hours worked during fiscal year	<u>156,761</u>	<u>152,802</u>	<u>115,632</u>
Value of overtime hours worked during fiscal year	<u>\$ 3,707,559</u>	<u>\$ 3,469,366</u>	<u>\$ 2,530,618</u>
Compensatory hours earned during fiscal year	<u>14,560</u>	<u>16,370</u>	<u>12,059</u>
Value of compensatory hours earned during fiscal year	<u>\$ 275,608</u>	<u>\$ 322,260</u>	<u>\$ 239,459</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>171,321</u>	<u>169,172</u>	<u>127,691</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$ 3,983,167</u>	<u>\$ 3,791,626</u>	<u>\$ 2,770,077</u>

CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The Center did not incur any expenditures for contractual payroll employees for the two years under examination.

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CENTER UTILIZATION (not examined)

Warren G. Murray Developmental Center (Center) is situated on 120 acres near Centralia, Illinois. The Center has 18 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>
Apple	Residential	28,687	Occupied	100%
Berry	Residential	28,957	Occupied	100%
Cherry	Leased - 50%, Storage - 50%	28,500	Occupied	50%
Daisy	Residential - 75%, Program - 25%	28,983	Occupied	100%
Elm	Residential	28,500	Occupied	100%
Fir	Residential	28,983	Occupied	100%
Grape	Residential	28,983	Occupied	100%
Administration	Offices, School Program, and Work Skill Training	48,873	Occupied	100%
Freidrich	Adult Day Program	29,526	Occupied	100%
Dietary	Dietary, Conference Center, General Stores, Clothing Offices	23,458	Occupied	100%
Laundry	Storage - 50%, Machinist - 25%, Wheelchair Program - 25%	9,487	Occupied	100%
Pumphouse	Sewage removal	963	Occupied	100%
Mechanical	Crafts	13,236	Occupied	100%
Boilerhouse	Heating, Air Conditioning, and Hot Water	11,346	Occupied	100%
Residential House	Family Visits	1,380	Occupied	100%
Water Tower	Water Storage	-	Occupied	100%
Garage	Storage	460	Occupied	100%
Barn	Recreation Building, Storage	6,000	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.

	Fiscal Year		
	2007	2006	2005
Cost per year per resident	*	\$ 130,513	\$ 134,474
Cost per day per resident	*	\$ 358	\$ 368

* - 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:

	2007	2006	2005
Certified capacity of Center	372	372	372
Average number of residents	338	342	345
Average number of employees	526	535	545
Ratio of employees to residents	1.56 to 1	1.56 to 1	1.58 to 1

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	2007	2006	2005
Number of reported employee injuries	301	240	191

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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		
	2007	2006	2005
Total meals served	465,908	439,924	504,791
Total food costs	\$ 572,182	\$ 554,764	\$ 526,164
Total labor costs	1,362,172	1,232,628	1,058,354
Total costs	\$ 1,934,354	\$ 1,787,392	\$ 1,584,518
Average food costs/meal	\$ 1.23	\$ 1.26	\$ 1.04
Average labor costs/meal	2.92	2.80	2.10
Total average cost/meal	\$ 4.15	\$ 4.06	\$ 3.14

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The Illinois Department of Public Health has conducted two Annual Certification Surveys during the last two years. Both surveys produced great outcomes with no Medicare Conditions of Participation violations and only a few minor Illinois Department of Public Health violations. Furthermore, we have also been through two Senate Bill 472 surveys, which are required by the Senate and are sister facility evaluations of services provided, with great outcomes as well.

Over the last two years, we have also been awarded an extension of our Council on Accreditation of Rehabilitation Facilities (CARF). CARF is a nationally recognized accrediting body that surveys agencies on rigorous standards by evaluating the operations of the Center inclusive of fiscal, human resources, life safety, management, quality enhancement, and service delivery. CARF awarded the Center the highest of four possible survey outcomes for both surveys that have been undertaken by this facility. The Center received a three year accreditation to August 2006. In August 2006, we received a year accreditation and will be resurveyed in 2007.

Murray Developmental Center has been able to retain the close working relationships with several other agencies over the years. Throughout the last two years, some of the agencies involved and events held consist of:

- Two American Red Cross Blood Drives were held at the Murray Developmental Campus with over 125 pints of blood donated.
- Employees participated in two Relay for Life events for the American Cancer Society raising over \$10,000 and assisting the Society to raise over \$1,000,000 in the last 10 years.
- The Center continues to work closely with the American Heart Association.
- Employees continue to teach and work in the community regarding various health issues.
- The Center has bridged the gap between community providers and state agencies and has begun providing services to community residents.
- The Center attends monthly and hosts emergency Clinical and Administrative Review Team (CART) meetings assisting the community providers with services by offering suggestions to handle their troubled clients.
- The Center sponsored a very successful Murray Games event involving many volunteers, primarily from the athletic departments of Kaskaskia College.

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- An agreement with Kaskaskia College was signed providing for internship activities at the Center.
- The Center developed a relationship with A.B.A.T.E. Motorcycle Club and hosted motorcycle rallies with proceeds going to the Murray Parents Association; first year donations totaled \$2,320.
- The Center worked with Southern Illinois University Carbondale for recruitment of staff and development of intern opportunities

These items are just a few of the many successes of Murray Center during the last two years. The Center is pleased to provide services in the city of Centralia and the surrounding area. The Center continues to move forward and is admitting residents from the entire state of Illinois, although mostly from the central and southern areas of the State of Illinois.