

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS

**ILLINOIS VETERANS' HOME AT LASALLE**

COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2006

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2006

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**AGENCY OFFICIALS**

Executive Director (12/15/2006 to current)	Ms. Tammy Duckworth
Executive Director (7/1/2004 to 12/14/2006)	Mr. Roy Dolgos
Home Administrator	Mr. James Arrington
Business Administrator (10/14/2006 to current)	Vacant
Business Administrator (11/16/1990 to 10/13/2006)	Ms. Cheryl Damron
Director of Nursing (8/1/2006 to current)	Ms. Jacqueline Girard
Director of Nursing (12/3/1990 to 12/30/2005)	Ms. Marilyn Weeks
Adjutant	Mr. Stanley Greicius

Agency office is located at:

1015 O'Conor Avenue  
LaSalle, Illinois 61301



STATE OF ILLINOIS  
**DEPARTMENT OF VETERANS' AFFAIRS**

LASALLE VETERANS' HOME  
1015 O'CONNOR AVENUE, LASALLE, ILLINOIS 61301  
TELEPHONE: 815/223-0303 \* FAX: 815/223-5815

ROD R. BLAGOJEVICH  
GOVERNOR

ROY L. DOLGOS  
DIRECTOR

MANAGEMENT ASSERTION LETTER

November 22, 2006

Honorable William G. Holland  
Auditor General  
Iles Park Plaza  
740 East Ash Street  
Springfield, Illinois 62703-3154

Dear Mr. Holland:

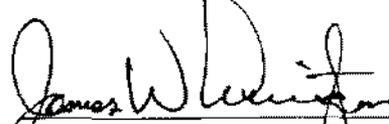
We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the State of Illinois, Illinois Veterans' Home at LaSalle. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Home's compliance with the following assertions during the two-year period ended June 30, 2006. Based on this evaluation, we assert that during the two years ended June 30, 2006, the Home has materially complied with the assertions below.

- A. The Home 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 Home 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 Home has complied, in all material aspects, 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 Home are in accordance with applicable laws and regulations and the accounting and record keeping of such revenues and receipts is fair, accurate in accordance with law.
- E. The money or negotiable securities or similar assets handled by the Home on behalf of the State or held in trust by the Home have been properly and legally administered, and the accounting and record keeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Illinois Veterans' Home at LaSalle

  
James W. Arrington, SPSA, LNHA

  
Stanley J. Greider, Adjutant

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2006

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**AUDITORS' REPORTS**

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes 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	1	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	0

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

**SCHEDULE OF FINDINGS**

FINDINGS (STATE COMPLIANCE)

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
06-1	9	Noncompliance with State Officials and Employees Ethics Act

PRIOR FINDINGS NOT REPEATED

The Illinois Veterans' Home at LaSalle did not have any prior year findings.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2006

**EXIT CONFERENCE**

The Home declined a formal exit conference. Responses to the recommendations were provided by Mr. James Arrington, Home Administrator, in a letter dated February 9, 2007.

SPRINGFIELD OFFICE:  
ILES PARK PLAZA  
740 EAST ASH • 62703-3154  
PHONE: 217/782-6046  
FAX: 217/785-8222 • TTY: 888/261-2887



CHICAGO OFFICE:  
MICHAEL A. BILANDIC BLDG. • SUITE S-900  
160 NORTH LASALLE • 60601-3103  
PHONE: 312/814-4000  
FAX: 312/814-4006

OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland  
Auditor General  
State of Illinois

**Compliance**

We have examined the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle's compliance with the requirements listed below, as more fully described in the Audit Guide for 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, 2006. The management of the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle's compliance based on our examination.

- A. The State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle 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 Veterans' Affairs - Illinois Veterans' Home at LaSalle 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 Veterans' Affairs - Illinois Veterans' Home at LaSalle 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 Veterans' Affairs - Illinois Veterans' Home at LaSalle 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 Veterans' Affairs - Illinois Veterans' Home at LaSalle on behalf of the State or held in trust by the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at

INTERNET ADDRESS: AUDITOR@MAIL.STATE.ILL.US

LaSalle have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

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 State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle'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 State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle's compliance with specified requirements.

In our opinion, the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle complied, in all material respects, with the aforementioned requirements during the two years ended June 30, 2006. However, the results of our procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and which are described in the accompanying schedule of State findings 06-1.

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 Veterans' Affairs - Illinois Veterans' Home at LaSalle is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws and regulations. In planning and performing our examination, we considered the State of Illinois, Department of Veterans' Affairs - Illinois Veterans' Home at LaSalle's internal control over compliance with the aforementioned requirements in order to determine our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide issued by the Illinois Office of the Auditor General.

Our consideration of internal control over compliance with the aforementioned requirements would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws and regulations that would be material in relation to one or more of the aforementioned requirements being examined may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance that we consider to be material weaknesses. The results of our procedures did not disclose matters involving internal control which would be required to be reported in accordance with criteria established by the Audit Guide, issued by the Illinois Office of the Auditor General and would be described in the accompanying schedule of State findings.

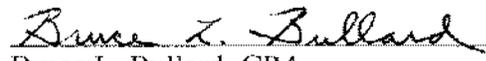
There were no immaterial findings relating to internal control deficiencies that have been excluded from this report.

**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 2006 and 2005 Supplementary Information for State Compliance Purposes, except for information on the Annual 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 2004 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, and agency management, and is not intended to be and should not be used by anyone other than these specified parties.

  
Bruce L. Bullard, CPA  
Director of Financial and Compliance Audits

November 22, 2006

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2006

Current Findings

06-1. **FINDING** (Noncompliance with State Officials and Employees Ethics Act)

The Illinois Veterans' Home at LaSalle (Home) did not comply with the State Officials and Employees Ethics Act.

During the examination period, we noted that Home employees were required to record time in when arriving at work and time out when leaving. However, the timesheets did not document the total hours spent each day on official State business.

The State Officials and Employees Ethics Act (Act) (5 ILCS 430/5-5(c)) requires each State agency to develop a written policy that includes work time requirements and documentation of time worked. Additionally, the Act requires State employees to periodically submit timesheets documenting the time spent each day on official State business to the nearest quarter hour.

Home personnel stated they did not realize their system did not fulfill the requirements of the Act.

Failure to periodically submit timesheets documenting the time spent each day on official State business is noncompliance with State statute and reduces accountability and controls to ensure employees are paid only for time spent on official State business. (Finding Code No. 06-1)

**RECOMMENDATION**

We recommend the Home comply with the State Officials and Employees Ethics Act by amending its policies regarding timekeeping requirements and document the time spent on official State business to the nearest quarter hour.

**AGENCY RESPONSE**

The Home is waiting for the Department to modify the timesheets and establish a procedure to ensure the requirements of the Act are followed.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
**SCHEDULE OF FINDINGS**  
For the Two Years Ended June 30, 2006

Prior Findings Not Repeated

There were no findings noted during the compliance examination for the two years ended June 30, 2004.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2006

**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
- Schedule of Efficiency Initiative Payments
- Comparative Schedule of Receipts, Disbursements and Fund Balance (Cash Basis) -  
Locally-Held Funds
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts and Reconciliation Schedule  
of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending
- Analysis of Significant Account Balances
- Analysis of Accounts Receivable

- Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Annual Statistics (not examined)
- Service Efforts and Accomplishments (not examined)

The auditors' 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 Annual Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the auditors do not express an opinion on the supplementary information.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2006

P.A. 94-0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
		Expenditures Through June 30	Expenditures July 1 to August 31		
<b>General Revenue Fund - 001</b>					
Personal Services	\$ 4,249,500	\$ 4,247,390	\$ 0	\$ 4,247,390	\$ 2,110
Employee Retirement					
Contributions Paid by Employer	42,500	38,762	0	38,762	3,738
State Contribution to State					
Employees' Retirement System	331,100	331,094	0	331,094	6
State Contributions to Social Security	325,100	313,528	0	313,528	11,572
Contractual Services	100	100	0	100	0
Commodities	100	100	0	100	0
Electronic Data Processing	100	100	0	100	0
Total General Revenue Fund - 001	\$ 4,948,500	\$ 4,931,074	\$ 0	\$ 4,931,074	\$ 17,426
<b>LaSalle Veterans' Home Fund - 272</b>					
Personal Services	\$ 1,612,000	\$ 972,363	\$ 234,532	\$ 1,206,895	\$ 405,105
Employee Retirement					
Contributions Paid by Employer	8,500	7,968	0	7,968	532
State Contribution to State					
Employees' Retirement System	125,600	75,782	18,279	94,061	31,539
State Contributions to Social Security	123,300	72,247	17,344	89,591	33,709
Contractual Services	1,537,300	1,141,904	107,444	1,249,348	287,952
Travel	2,700	2,390	105	2,495	205
Commodities	639,500	445,438	35,425	480,863	158,637
Printing	9,200	5,989	1,582	7,571	1,629
Equipment	37,400	22,213	14,896	37,109	291
Electronic Data Processing	33,400	26,496	5,707	32,203	1,197
Telecommunications	23,700	17,179	4,756	21,935	1,765
Operation of Automotive Equipment	11,500	11,073	409	11,482	18
Refunds	10,800	6,801	551	7,352	3,448
Total LaSalle Veterans' Home Fund - 272	\$ 4,174,900	\$ 2,807,843	\$ 441,030	\$ 3,248,873	\$ 926,027
<b>TOTAL APPROPRIATED FUNDS</b>					
	\$ 9,123,400	\$ 7,738,917	\$ 441,030	\$ 8,179,947	\$ 943,453
<b>NONAPPROPRIATED FUNDS</b>					
Veterans' Affairs Library Grant Fund - 775	0	1,189	9,811	11,000	0
Library Expenses	0	1,189	9,811	11,000	0
<b>GRAND TOTAL, ALL FUNDS</b>	\$ 9,123,400	\$ 7,740,106	\$ 450,841	\$ 8,190,947	\$ 943,453

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For The Fiscal Year Ended June 30, 2005

P. A. 93-0842 FISCAL YEAR 2005	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period		Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
			July 1 to August 31	August 31		
<b>General Revenue Fund - 001</b>						
Personal Services	\$ 4,504,400	\$ 4,504,010	\$ 0	\$ 0	\$ 4,504,010	\$ 390
Employee Retirement						
Contributions Paid by Employer	7,046	7,046	0	0	7,046	0
State Contribution to State						
Employees' Retirement System	710,200	708,370	0	0	708,370	1,830
State Contributions to Social Security	325,500	324,210	0	0	324,210	1,290
Contractual Services	75,100	100	75,000	0	75,100	0
Commodities	100	100	0	0	100	0
Electronic Data Processing	100	100	0	0	100	0
Total General Revenue Fund - 001	\$ 5,622,446	\$ 5,543,936	\$ 75,000	\$ 0	\$ 5,618,936	\$ 3,510
<b>LaSalle Veterans' Home Fund - 272</b>						
Personal Services	\$ 1,048,100	\$ 641,378	\$ 227,485	\$ 868,863	\$ 179,237	
Employee Retirement						
Contributions Paid by Employer	31,400	11,373	3,850	15,223	16,177	
State Contribution to State						
Employees' Retirement System	168,800	103,378	36,661	140,039	28,761	
State Contributions to Social Security	80,100	47,995	16,854	64,849	15,251	
Contractual Services	1,537,300	1,152,834	149,199	1,302,033	235,267	
Travel	3,500	3,189	191	3,380	120	
Commodities	638,500	454,439	35,001	489,440	149,060	
Printing	9,200	6,162	1,116	7,278	1,922	
Equipment	37,400	31,302	4,955	36,257	1,143	
Electronic Data Processing	33,400	20,124	6,678	26,802	6,598	
Telecommunications	23,700	16,879	1,529	18,408	5,292	
Operation of Automotive Equipment	11,500	6,847	710	7,557	3,943	
Refunds	10,800	4,493	579	5,072	5,728	
Total LaSalle Veterans' Home Fund - 272	\$ 3,633,700	\$ 2,500,393	\$ 484,808	\$ 2,985,201	\$ 648,499	
<b>TOTAL APPROPRIATED FUNDS</b>	\$ 9,256,146	\$ 8,044,329	\$ 559,808	\$ 8,604,137	\$ 652,009	
<b>NONAPPROPRIATED FUNDS</b>						
Veterans' Affairs Library Grant Fund - 775	0	5,247	3,833	9,080	0	
Library Expenses	0	5,247	3,833	9,080	0	
<b>GRAND TOTAL, ALL FUNDS</b>	\$ 9,256,146	\$ 8,049,576	\$ 563,641	\$ 8,613,217	\$ 652,009	

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	<u>2006</u>	Fiscal Year <u>2005</u>	<u>2004</u>
	<u>P.A. 94-0015</u>	<u>P.A. 93-0842</u>	<u>P.A. 93-0091</u>
<u>General Revenue Fund - 001</u>			
Appropriations (Net of Transfers)	\$ 4,948,500	\$ 5,622,446	\$ 4,297,800
Expenditures:			
Personal Services	\$ 4,247,390	\$ 4,504,010	\$ 3,426,686
Employee Retirement			
Contributions Paid by Employer	38,762	7,046	115,556
State Contribution to State			
Employees' Retirement System	331,094	708,370	289,880
State Contributions to Social Security	313,528	324,210	252,916
Contractual Services	100	75,100	100
Commodities	100	100	100
Electronic Data Processing	100	100	100
Total Expenditures	<u>\$ 4,931,074</u>	<u>\$ 5,618,936</u>	<u>\$ 4,085,338</u>
Lapsed Balances	<u>\$ 17,426</u>	<u>\$ 3,510</u>	<u>\$ 212,462</u>
<u>LaSalle Veterans' Home Fund - 272</u>			
Appropriations (Net of Transfers)	\$ 4,174,900	\$ 3,633,700	\$ 4,189,100
Expenditures:			
Personal Services	\$ 1,206,895	\$ 868,863	\$ 1,807,223
Employee Retirement			
Contributions Paid by Employer	7,968	15,223	60,786
State Contribution to State			
Employees' Retirement System	94,061	140,039	243,014
State Contributions to Social Security	89,591	64,849	134,019
Contractual Services	1,249,348	1,302,033	1,040,417
Travel	2,495	3,380	1,956
Commodities	480,863	489,440	510,902
Printing	7,571	7,278	3,294
Equipment	37,109	36,257	31,574
Electronic Data Processing	32,203	26,802	23,190
Telecommunications	21,935	18,408	57,876
Operation of Automotive Equipment	11,482	7,557	10,207
Refunds	7,352	5,072	6,502
Total Expenditures	<u>\$ 3,248,873</u>	<u>\$ 2,985,201</u>	<u>\$ 3,930,960</u>
Lapsed Balances	<u>\$ 926,027</u>	<u>\$ 648,499</u>	<u>\$ 258,140</u>
NONAPPROPRIATED FUNDS			
<u>Veterans' Affairs Library Grant Fund - 775</u>			
Library Expenses	<u>\$ 11,000</u>	<u>\$ 9,080</u>	<u>\$ 403</u>
GRAND TOTAL, ALL FUNDS			
Appropriations (Net of Transfers)	\$ 9,123,400	\$ 9,256,146	\$ 8,486,900
Total Expenditures	<u>8,190,947</u>	<u>8,613,217</u>	<u>8,016,701</u>
Lapsed Balances	<u>\$ 943,453</u>	<u>\$ 652,009</u>	<u>\$ 470,602</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Home records and have been reconciled to the records of the State Comptroller

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**SCHEDULE OF EFFICIENCY INITIATIVE PAYMENTS**  
For the Two Years Ended June 30, 2006

<u>Procurement Efficiency Initiative</u>	<u>FY06</u>	<u>FY05</u>
LaSalle Veterans' Home Fund - 272		
Commodities	\$ 0	\$ 2,951
Total	<u>\$ 0</u>	<u>\$ 2,951</u>

Note: This schedule includes only those payments made pursuant to 30 ILCS 105/6p-5. Amounts were obtained from the Agency and reconciled to data obtained from the Office of the Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**COMPARATIVE SCHEDULE OF RECEIPTS, DISBURSEMENTS AND  
FUND BALANCE (CASH BASIS) - LOCALLY-HELD FUNDS**  
For the Two Years Ended June 30, 2006

	Residents' Trust Fund - 1260	
	2006	2005
Cash Balance at July 1,	\$ 182,903	\$ 152,357
Receipts:	1,638,473	1,526,059
Disbursements:	1,581,599	1,495,513
Cash Balance at June 30,	\$ 239,777	\$ 182,903

	Residents' Benefit Fund - 1261	
	2006	2005
Cash Balance at July 1,	\$ 39,739	\$ 29,538
Receipts:	129,694	91,976
Disbursements:	86,729	81,775
Cash Balance at June 30,	\$ 82,704	\$ 39,739

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
For the Two Years Ended June 30, 2006

	<u>Total</u>	<u>Land and Land Improvements</u>	<u>Site Improvements</u>	<u>Building and Building Improvements</u>	<u>Equipment</u>
Balance, June 30, 2004	\$ 11,464,918	\$ 270,737	\$ 269,876	\$ 9,440,921	\$ 1,483,384
Additions	108,905	0	0	3,721	105,184
Deletions and Adjustments	(11,385)	0	0	0	(11,385)
Net Transfers	<u>194,348</u>	<u>0</u>	<u>0</u>	<u>224,173</u>	<u>(29,825)</u>
Balance, June 30, 2005	<u><u>\$ 11,756,786</u></u>	<u><u>\$ 270,737</u></u>	<u><u>\$ 269,876</u></u>	<u><u>\$ 9,668,815</u></u>	<u><u>\$ 1,547,358</u></u>

	<u>Total</u>	<u>Land and Land Improvements</u>	<u>Site Improvements</u>	<u>Building and Building Improvements</u>	<u>Equipment</u>
Balance, June 30, 2005	\$ 11,756,786	\$ 270,737	\$ 269,876	\$ 9,668,815	\$ 1,547,358
Additions	76,204	0	5,441	4,639	66,124
Deletions and Adjustments	(729,585)	0	0	(698,223)	(31,362)
Net Transfers	<u>292,195</u>	<u>0</u>	<u>0</u>	<u>336,101</u>	<u>(43,906)</u>
Balance, June 30, 2006	<u><u>\$ 11,395,600</u></u>	<u><u>\$ 270,737</u></u>	<u><u>\$ 275,317</u></u>	<u><u>\$ 9,311,332</u></u>	<u><u>\$ 1,538,214</u></u>

Note: Information was obtained from Home records and reconciled to property records submitted to the State Comptroller.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS**

	For the Fiscal Year Ended June 30,		
	2006	2005	2004
<u>General Revenue Fund - 001</u>			
Jury Duty and Personal Phone Calls	\$ 70	\$ 46	\$ 0
Total Receipts Fund - 001	\$ 70	\$ 46	\$ 0
 <u>LaSalle Veterans' Home Fund - 272</u>			
Maintenance Fees	\$ 1,434,336	\$ 1,416,563	\$ 1,366,757
Reimbursements from U.S. Department of Veterans Affairs	2,306,664	2,382,203	2,461,955
Miscellaneous	78,176	49,038	40
Total Receipts Fund - 272	\$ 3,819,176	\$ 3,847,804	\$ 3,828,752
Total Receipts - All Funds	\$ 3,819,246	\$ 3,847,850	\$ 3,828,752

**RECONCILIATION OF CASH RECEIPTS TO DEPOSITS  
REMITTED TO THE STATE COMPTROLLER**

Receipts per Home Records	\$ 3,819,246	\$ 3,847,850	\$ 3,828,752
Add: Deposits in Transit, Beginning of Year	10,343	4,559	8,676
Less: Deposits in Transit, End of Year	0	(10,343)	(4,559)
Receipts per Comptroller Records	\$ 3,829,589	\$ 3,842,066	\$ 3,832,869

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2006

Fiscal Year 2006

A comparative schedule of significant variations in expenditures exceeding 20% and \$10,000 for the fiscal year ended June 30, 2006 and June 30, 2005 are shown below:

	FISCAL YEAR ENDED		INCREASE	
	JUNE 30		(DECREASE)	
<u>General Revenue Fund – 001</u>	<u>2006</u>	<u>2005</u>	<u>AMOUNT</u>	<u>%</u>
Employee retirement contributions paid by employer	\$ 38,762	\$ 7,046	\$ 31,716	450%
State contributions to State employees' retirement system	331,094	708,370	(377,276)	(53%)
Contractual services	100	75,100	(75,000)	(100%)
<u>LaSalle Veterans' Home Fund – 272</u>				
Personal services	\$ 1,206,895	\$ 868,863	\$ 338,032	39%
State contributions to State employees' retirement system	94,061	140,039	(45,978)	(33%)
State contributions to social security	89,591	64,849	24,742	38%

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

**General Revenue Fund – 001**

Employee retirement contributions paid by employer

The increase in employee retirement contributions paid by employer is due to the Home making payments for one half of fiscal year 2006 compared to one pay period in fiscal year 2005.

State contributions to State employees' retirement system

The decrease in State contributions is due to the retirement rate changing to 7.792%, which is a decrease from the FY05 rate of 16.107%.

Contractual services

The decrease in contractual services is due to an auto liability settlement payment made in fiscal year 2005 for \$75,000.

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ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2006

**LaSalle Veterans' Home Fund – 272**

Personal services and State contributions to social security

The increase in personal services and State contributions to social security is due to a funding swap that occurred between the General Revenue Fund and the LaSalle Veterans' Home Fund in fiscal year 2006. Appropriations change each year depending on the total budget and the amount the Home's Fund can support based on receipt projections.

State contributions to State employees' retirement system

The decrease in State contributions is due to the retirement rate changing to 7.792%, which is a decrease from the FY05 rate of 16.107%.

STATE OF ILLINOIS  
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**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2006

Fiscal Year 2005

A comparative schedule of significant variations in expenditures exceeding 20% and \$10,000 for the fiscal year ended June 30, 2005 and June 30, 2004 are shown below:

	FISCAL YEAR ENDED		INCREASE	
	<u>JUNE 30</u>		<u>(DECREASE)</u>	
<u>General Revenue Fund – 001</u>	<u>2005</u>	<u>2004</u>	<u>AMOUNT</u>	<u>%</u>
Personal services	\$4,504,010	\$3,426,686	\$ 1,077,324	31%
Employee retirement contributions paid by employer	7,046	115,556	(108,510)	(94%)
State contributions to State employees' retirement system	708,370	289,880	418,490	144%
State contributions to social security	324,210	252,916	71,294	28%
Contractual services	75,100	100	75,000	75,000%
 <u>LaSalle Veterans' Home Fund – 272</u>				
Personal services	\$ 868,863	\$1,807,223	\$ (938,360)	(52%)
Employee retirement contributions paid by employer	15,223	60,786	(45,563)	(75%)
State contributions to State employees' retirement system	140,039	243,014	(102,975)	(42%)
State contributions to social security	64,848	134,019	(69,171)	(52%)
Contractual services	1,302,033	1,040,417	261,616	25%
Telecommunications	18,408	57,876	(39,468)	(68%)

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

**General Revenue Fund – 001**

Personal services and State contributions to social security

The increase in personal services and State contributions to social security is due to a funding swap that occurred between the General Revenue Fund and the LaSalle Veterans' Home Fund in fiscal year 2005. Appropriations change each year depending on the total budget and the amount the Home's Fund can support based on receipt projections.

Employee retirement contributions paid by employer

The decrease in employee retirement contributions paid by employer is due to the Home receiving funding for only the first pay period of fiscal year 2005.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
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**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2006

State contributions to State employees' retirement system

The increase is due to the State suspending payments to the State Employees' Retirement System in FY04 as a result of Public Act 93-0665, which became effective in March 2004. The Act suspended contribution payments from the effective date of the Act through the payment of the final payroll from FY04 appropriations. Contributions resumed in FY05. In addition, the overall State employee retirement rate increased from 13.439% in FY04 to 16.107% in FY05.

Contractual services

The increase in contractual services is due to an auto liability settlement payment made for \$75,000.

**LaSalle Veterans' Home Fund – 272**

Personal services, State contributions to State employees' retirement system, State contributions to social security

The decrease is due to a funding swap that occurred between the General Revenue Fund and the LaSalle Veterans' Home Fund in fiscal year 2005. Appropriations change each year depending on the total budget and the amount the Home's Fund can support based on receipt projections.

Employee retirement contributions paid by employer

The decrease is due to union contract terms, which made pension pickup payable only for bargaining unit employees at a reduced rate of 2% for half of the year for an average of 1% payout.

Contractual services

The increase in contractual services is due to additional costs for pharmaceutical services, repair and maintenance projects and other increases in hospital and medical services.

Telecommunications

The decrease in telecommunications is due to the installation of the Home's new phone system in fiscal year 2004.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2006

The Comparative Schedule of Cash Receipts documents the revenue generating activities for fiscal years 2004, 2005 and 2006.

Significant variations in receipts are considered to be those varying between years by more than 20% and amounting to \$10,000 or more.

**LaSalle Veterans' Home Fund**

Miscellaneous Receipts

The amount of miscellaneous receipts is dependent on many factors. The Home does not have control over the total amount of miscellaneous receipts they receive. Miscellaneous receipts include copy fees, Medicare payments, and insurance company receipts.

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**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2006

Our testing of lapse period expenditures for the fiscal year ended June 30, 2006 disclosed three appropriation line items and one non-appropriated line item for fiscal year 2006 with significant (20% or more) lapse period expenditures, as scheduled below:

	Fiscal Year Ended June 30, 2006		
	<u>TOTAL</u> <u>EXPENDITURES</u>	<u>LAPSE PERIOD</u> <u>EXPENDITURES</u>	<u>PERCENTAGE</u>
<u>LaSalle Veterans' Home Fund – 272</u>			
Printing	\$7,571	\$1,582	21%
Equipment	\$37,109	\$14,896	40%
Telecommunications	\$21,935	\$4,756	22%
<u>Veterans' Affairs Library Grant Fund – 775</u>			
Library expenses	\$11,000	\$9,811	89%

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

**LaSalle Veterans' Home Fund – 272**

Printing

The lapse period expenditures for printing included orders for paper and forms that were placed in June but not received prior to June 30.

Equipment

The lapse period expenditures for equipment included kitchen items such as an icemaker dispenser and meat rack, which were not received until the lapse period.

Telecommunications

The lapse period expenditures for telecommunications were due to the Home receiving CMS telecommunications invoices for June expenses late in July.

**Veterans' Affairs Library Grant Fund – 775**

Library expenses

This grant line requires that all funds remaining at the end of the fiscal year be returned to the Secretary of State. This refund was not completed until all invoices were processed, which occurred late in the lapse period.

STATE OF ILLINOIS  
DEPARTMENT OF VETERANS' AFFAIRS  
ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2006

Our review of lapse period expenditures for the fiscal year ended June 30, 2005 disclosed six appropriation line items and one non-appropriated line item with significant (20% or more) lapse period expenditures, as scheduled below:

	Fiscal Year Ended June 30, 2005		
	<u>TOTAL</u> <u>EXPENDITURES</u>	<u>LAPSE PERIOD</u> <u>EXPENDITURES</u>	<u>PERCENTAGE</u>
<u>General Revenue Fund – 001</u>			
Contractual services	\$75,100	\$75,000	100%
<u>LaSalle Veterans' Home Fund – 272</u>			
Personal services	868,863	227,485	26%
Employee retirement contributions paid by employer	15,223	3,850	25%
State contributions to State employees' retirement system	140,039	36,661	26%
State contributions to social security	64,849	16,854	26%
Electronic data processing	26,802	6,678	25%
<u>Veterans' Affairs Library Grant Fund – 775</u>			
Library expenses	9,080	3,833	42%

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

**General Revenue Fund – 001**

Contractual services

The lapse period expenditures of contractual services were due to an auto liability settlement payment made for \$75,000 during the lapse period.

**LaSalle Veterans' Home Fund – 272**

Personal services, Employee retirement contributions paid by employer, State contributions to State employees' retirement system, State contributions to social security

The lapse period expenditures were due to one payroll processed during lapse period while the total

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**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2006

year expenditures included 3 payrolls. Because of the appropriation split between General Revenue Fund and the LaSalle Veterans' Home Fund approximately 25% of these line items were expended during the lapse period.

Electronic data processing

The lapse period expenditures of electronic data processing were due to a payment for a new server.

**Veterans' Affairs Library Grant Fund – 775**

Library expenses

This grant line requires that all funds remaining at the end of the fiscal year be returned to the Secretary of State. This refund was not completed until all invoices were processed, which occurred late in the lapse period.

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ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES**  
For the Two Years Ended June 30, 2006

Cash and Cash Equivalents

Cash and cash equivalents of the Illinois Veterans' Home at LaSalle (Home) consist of cash on hand (petty cash fund); cash in the bank and short-term cash investments. The Home considers short-term cash investments with maturity of three months or less from placement date to be cash equivalents.

The LaSalle Veterans' Home Fund (272) is a nonshared fund held in the State Treasury. It is classified as a special revenue fund and is restricted to expenditures for specified purposes. It is appropriated by the General Assembly.

The Home is also the custodian of two locally held funds, the Residents' Benefit Fund (1261) (a trust fund) and the Residents' Trust Fund (1260) (an agency fund). Both funds are maintained at the LaSalle State Bank and are insured up to the Federal Deposit Insurance Corporation (FDIC) limit.

A summary of the Home's cash and cash equivalents as of June 30 is shown below:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Cash			
LaSalle Veterans' Home Fund	\$ 2,197,768	\$ 1,691,535	\$ 905,400
Residents' Benefit Fund	82,703	39,738	29,538
Residents' Trust Fund	239,776	182,902	152,357
Short-term Investments -			
Residents' Benefit Fund	47,206	55,198	54,234
	<u>\$ 2,567,453</u>	<u>\$ 1,969,373</u>	<u>\$ 1,141,529</u>

LaSalle Veterans' Home Fund cash and cash equivalents increased by 30% and 87% in fiscal years 2006 and 2005 respectively. The increase in fiscal year 2006 was due to an increase in the State appropriations to the Fund. The increase in fiscal year 2005 was due to the State using the Home fund to pay the Home's expenditures and maintain lower cash balances in 2004.

Residents' Benefit Fund cash and cash equivalents increased by 118% and 28% in fiscal years 2006 and 2005 respectively. The increase in fiscal year 2006 was due to the Home cashing in a CD in September 2005. The increase in fiscal year 2005 was due to increased donations to the Fund.

Residents' Trust Fund cash and cash equivalents increased by 31% and 20% in fiscal years 2006 and 2005 respectively. The increase in fiscal year 2006 was due to increased contributions. The increase in fiscal year 2005 was due to an increase in the maintenance fees received.

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**ANALYSIS OF SIGNIFICANT ACCOUNT BALANCES**  
For the Two Years Ended June 30, 2006

Inventory

The Home maintains an inventory of general stores and food supplies. The inventories are valued using the moving average method. A summary of the Home's inventory balance as of June 30 is shown below:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Stores	\$ 52,733	\$ 56,573	\$ 45,167
Food Supplies	25,411	25,603	40,573
	<u>\$ 78,144</u>	<u>\$ 82,176</u>	<u>\$ 85,740</u>

State Property

State Property is generally carried at cost, except for donated items. Donated state property is recorded at its fair market value at the time of donation. A summary of the Home's state property as reflected in the Home's General Fixed Asset Account Group is shown below:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Land and Land			
Improvements	\$ 270,737	\$ 270,737	\$ 270,737
Building and Building			
Improvements	9,311,332	9,668,815	9,440,921
Site Improvements	275,317	269,876	269,876
Equipment	1,538,214	1,547,358	1,483,384
	<u>\$ 11,395,600</u>	<u>\$ 11,756,786</u>	<u>\$ 11,464,918</u>

STATE OF ILLINOIS  
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ILLINOIS VETERANS' HOME AT LASALLE  
**ANALYSIS OF ACCOUNTS RECEIVABLE**  
For the Two Years Ended June 30, 2006

Accounts receivable of the Home consists of per diem reimbursements from the U. S. Department of Veterans' Affairs, maintenance fees from the residents, and miscellaneous receivables including interest income on locally held funds cash investments. The Home considers all balances collectible. No allowance for doubtful accounts is reflected in the Home's accounts.

A summary of the Home's accounts receivable as of June 30 is shown below:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Per Diem Reimbursement	\$ 193,370	\$ 191,436	\$ 192,407
Maintenance Fees	7,105	6,613	1,858
	<u>\$ 200,475</u>	<u>\$ 198,049</u>	<u>\$ 194,265</u>

The following is an aging of the Home's accounts receivable balances:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Not Past Due	\$ 193,370	\$ 191,436	\$ 192,407
1-30 Days Past Due	7,105	6,613	1,858
	<u>\$ 200,475</u>	<u>\$ 198,049</u>	<u>\$ 194,265</u>

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DEPARTMENT OF VETERANS' AFFAIRS  
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**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2006

Functions

The Illinois Veterans' Home at LaSalle (Home) was established by Public Act 85-1188 of the General Assembly effective January 1, 1989. It currently operates under the authority of 20 ILCS 2805 et seq. Construction of the Home was essentially completed in the fall of 1990 and the first residents were admitted in December 1990. The Home is a skilled nursing care facility with a capacity of 120 residents. On May 25, 2005 ground was broken for a new 80-bed addition to the Home. The \$13 million 60,000 square-foot addition will allow 40 residents into the Alzheimer's unit and 40 residents into the skilled care unit as well as hire 60 to 65 additional employees. The new addition is expected to be complete by the end of 2007.

The Home is subject to several regulatory agencies, including the U.S. Department of Veterans' Affairs, Illinois Department of Veterans' Affairs, Illinois Department of Public Health, and the Illinois State Fire Marshall. Funding is provided by resident maintenance fees based on residents' abilities to pay, the U.S. Department of Veterans' Affairs per diem patient care reimbursements, and appropriations from the State of Illinois.

The mission of the Home is to provide to all eligible veterans direct nursing services through the skilled nursing level that will meet or exceed all standards and requirements applicable to similar or like facilities within the State in accordance with the appropriate rules and regulations, policies and directives of the Department of Veterans' Affairs, Illinois Department of Public Health and the Statutes of Illinois and the Federal government.

Planning Program

The Home's top long-range issues and goals are outlined below:

- Operate the Home within the budget appropriations and provide a minimum of 2.5 hours of care per resident per day. It is the Home's objective to improve these 2.5 hours of care to 2.8 hours of care.
- Review other long-term care facilities' benchmarking strategies and practices that could assist in improving the quality of care and operating efficiency of the Home.
- Continue to work with the legislators to obtain approval from the Illinois Department of Central Management Services to allow the Home to hire "license pending" LPN, RN graduates in order for the Home to be competitive with other health care providers in hiring nursing professionals.

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- Develop a home-like atmosphere within the facility utilizing the Eden's philosophy or Illinois Pioneering concepts of long-term care.
- Continue to work with legislators to obtain funding to upgrade the cold water piping system.
- Continue to work with legislators to obtain funding for a complete roof replacement of the current building.
- Begin working with the Illinois Capital Development Board to convert the old general stores area to office space, meeting rooms, and additional storage space.
- Upon completion of 80-bed addition, construct an insulated building to serve as a garage and maintenance shop.

Auditor's Assessment of Home's Planning Program

The Home appears to be effectively using their planning program to improve their current management of the Home and has established adequate operating programs to meet their defined goals and objectives.

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**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2006

**INTRODUCTION AND BACKGROUND**

The Illinois Veterans' Home at LaSalle (Home) is part of the Department of Veterans' Affairs (Department). The Department's Central Office and the other Veterans' homes are examined separately and are not included in this report.

The Department receives appropriations to fund the operations of the Home. Funding for the Home is derived from the General Revenue Fund and the LaSalle Veterans' Home Fund, a special State revenue fund, into which is deposited: 1) charges to individual residents for maintenance; 2) reimbursements from the U.S. Department of Veterans' Affairs, and 3) reimbursements from Medicare for services provided.

**AVERAGE NUMBER OF EMPLOYEES**

Function	2006	2005	2004
Administration	4	4	4
Business/Accounting/Stores	9	9	9
Nursing Services	74	78	80
Dietary	13	14	16
Adjutant Services	8	8	9
Housekeeping	9	9	10
Building Maintenance	4	3	4
	<u>121</u>	<u>125</u>	<u>132</u>

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**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2006

**ANNUAL STATISTICS (not examined)**

RATIO OF EMPLOYEES TO RESIDENTS

The following comparative data was prepared from Department and Home records for the fiscal years ended June 30:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Certified capacity of Home	120	120	120
Average number of residents:			
Skilled Care	100	113	109
Average number of employees	121	125	132
Ratio of employees to residents:			
Skilled Care	1.21 to 1	1.11 to 1	1.21 to 1

COST PER RESIDENT

The following costs of resident care were prepared from Department and Home records for the fiscal years ended June 30:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Average healthcare spending per resident per year	\$7,805	\$6,992	\$6,175
Average cost per resident per meal (excludes labor cost)	\$2.11	\$1.87	\$2.01
Average annual cost meals per resident (excludes labor cost)	\$2,310	\$2,049	\$2,204
Average annual cost of care per resident: Skilled Care	\$77,365	\$72,555	\$70,127

Healthcare spending costs include costs for direct care staffing, pharmaceutical services, medical supplies, and services.

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**ANALYSIS OF OPERATIONS**  
For the Two Years Ended June 30, 2006

INJURY STATISTICS

The following was taken from the Department records, as reported to the Department of Public Health, for the fiscal years ended June 30:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Number of resident injuries	<u>29</u>	<u>46</u>	<u>29</u>

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**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
For the Two Years Ended June 30, 2006  
(not examined)

VETERANS SERVED

The purpose of the Home is to provide “nursing home” care to Illinois veterans. Below is a table, which indicates the number of veterans served by the Home during the two years ended June 30, 2006 with a comparison to fiscal year ended June 30, 2004:

	<u>2006</u>	<u>2005</u>	<u>2004</u>
Number of Residents, July 1	109	112	110
New Admissions	23	28	36
Discharges	2	1	3
Deaths	<u>29</u>	<u>30</u>	<u>31</u>
Number of Residents, June 30	<u>101</u>	<u>109</u>	<u>112</u>
Number of Veterans' Days of Care Furnished	<u>37,037</u>	<u>40,381</u>	<u>39,701</u>

The above information was taken from the Monthly Record of Members Changes prepared by the Home.