

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES

ILLINOIS CENTER FOR REHABILITATION AND EDUCATION

LIMITED SCOPE COMPLIANCE EXAMINATION

For the Two Years Ended June 30, 2009

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

TABLE OF CONTENTS

	<u>Page</u>
Center Officials	1
Management Assertion Letter	2
Compliance Report	
Summary	4
Accountants' Report	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	5
Schedule of Findings	
Current Findings	9
Prior Findings Not Repeated	10
Supplementary Information for State Compliance Purposes	
Summary	11
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	12
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	14
Description of Locally Held Funds	15
Schedule of Locally Held Funds – Cash Basis	17
Schedule of Changes in State Property (not examined)	19
Comparative Schedule of Cash Receipts and Deposits	20
Analysis of Significant Variations in Expenditures	21
Analysis of Significant Lapse Period Spending	24
Schedule of Changes in Inventories (not examined)	26
Analysis of Operations	
Center Functions and Planning Program	27
Average Number of Employees	29
Employee Overtime (not examined)	30
Contractual Payroll Employees (not examined)	30
Shared Resources (not examined)	31
Center Utilization (not examined)	31
Annual Center Statistics	
Cost Per Year/Day Per Student (not examined)	32
Ratio of Employees to Students (not examined)	32
Reported Employee Job Injuries (not examined)	32
Food Services (not examined)	33
Service Efforts and Accomplishments (not examined)	34

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION LIMITED SCOPE
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

CENTER OFFICIALS

Superintendent	Ms. Therese Manderino
Business Office Administrator	Mr. Moses Tejuoso

The Center is located at:

1950 West Roosevelt Road
Chicago, Illinois 60608



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

Therese Manderino
Superintendent

MANAGEMENT ASSERTION LETTER

April 14, 2010

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

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2009 and June 30, 2008, the Agency has materially complied with the assertions below.

- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the agency are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the

accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

Yours very truly,

Illinois Center for Rehabilitation and Education



Therese Manderino, Superintendent



Moses Tejuoso, Business Administrator

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

COMPLIANCE REPORT

SUMMARY

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

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes (Report) relates only to those chapters of the "Audit Guide for Performing Financial Audits and Compliance Attestation Examinations of Illinois State Agencies" (*Audit Guide*) which are identified in the Report as having compliance testing performed and does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

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

There were no findings indentified during the engagement which are required to be included in the report.

PRIOR FINDINGS NOT REPEATED

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2007.

EXIT CONFERENCE

Center officials waived an exit conference in an email dated April 6, 2010.

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2867



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. • SUITE 5-900
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 performed a limited scope compliance examination of the State of Illinois Department of Human Services – Illinois Center for Rehabilitation and Education's compliance with the requirements listed below, as more fully described in the Audit Guide for Performing Financial Audits and Compliance Attestation Examinations of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2009. The management of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education is responsible for compliance with these requirements. Our responsibility is to express an opinion on the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's compliance based on our examination.

- A. The State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. The State revenues and receipts collected by the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.

- E. Money or negotiable securities or similar assets handled by the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education on behalf of the State or held in trust by the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our limited scope compliance examination of the Center was limited to the following areas of the *Audit Guide*:

- Chapter 8 – Personal Services Expenditures
- Chapter 9 – Contractual Services Expenditures
- Chapter 11 – Commodities Expenditures
- Chapter 17 – Revenues, Refunds and Receivables
- Chapter 18 – Appropriations, Transfers and Expenditures
- Chapter 22 – Review of Agency Functions and Planning Program
- Chapter 30 – Auditing Compliance With Agency Specific Statutory Mandates

The areas of the *Audit Guide* not examined at the Center have had procedures performed on a Department-wide basis through the compliance examination of the Department of Human Services Central Office, and accordingly, any findings from the results of those procedures have been included in the Department of Human Service – Central Office compliance report.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide* as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's compliance with specified requirements.

In our opinion, the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2009.

Internal Control

The management of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education is responsible for establishing and maintaining effective internal control over compliance with the requirements 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 - Illinois Center for Rehabilitation and Education's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing our examination procedures for the purpose of expressing our opinion on

compliance and to test and report on internal control over compliance in accordance with the *Audit Guide* issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Illinois Department of Human Services - Illinois Center for Rehabilitation and Education's internal control over compliance.

A *deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

As required by the *Audit Guide*, immaterial findings excluded from this report have been reported in a separate letter.

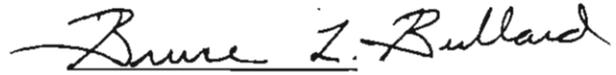
Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, to the 2009 and the 2008 Supplementary Information for State Compliance Purposes, except for information on the Schedule of Changes in State Property, Schedule of Changes in Inventories, Employee Overtime, Contractual Payroll Employees, Shared Resources, Center Utilization, Annual Center Statistics, and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2007 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the

General Assembly, the Legislative Audit Commission, the Governor, Center and Department of Human Services management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Bruce L. Bullard". The signature is written in a cursive style with a horizontal line underneath the name.

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

April 14, 2010

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2009

Current Findings

There were no current findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2009.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
FINDINGS, RECOMMENDATIONS AND CENTER RESPONSES
For the Two Years Ended June 30, 2009

Prior Findings Not Repeated

There were no findings noted during the Limited Scope Compliance Examination for the two years ended June 30, 2007.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
LIMITED SCOPE COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

Fiscal Schedules and Analysis

- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Description of Locally Held Funds
- Schedule of Locally Held Funds – Cash Basis
- Schedule of Changes in State Property (not examined)
- Comparative Schedule of Cash Receipts and Deposits
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Lapse Period Spending
- Schedule of Changes in Inventories (not examined)

Analysis of Operations

- Center Functions and Planning Program
- Average Number of Employees
- Employee Overtime (not examined)
- Contractual Payroll Employees (not examined)
- Shared Resources (not examined)
- Center Utilization (not examined)
- Annual Center Statistics
 - Cost Per Year/Day Per Student (not examined)
 - Ratio of Employees to Students (not examined)
 - Reported Employee Job Injuries (not examined)
 - Food Services (not examined)
- Service Efforts and Accomplishments (not examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the *Audit Guide*, as adopted by the Auditor General, except for information on the Schedule of Changes in State Property, Schedule of Changes in Inventories, Employee Overtime, Contractual Payroll Employees, Shared Resources, Center Utilization, Annual Center Statistics and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2009

	APPROPRIATIONS NET OF TRANSFERS	EXPENDITURES THROUGH JUNE 30, 2009	LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2009	TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2009	BALANCES LAPSED AUGUST 31, 2009
PUBLIC ACT 95-0734					
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services	\$ 3,904,500	\$ 3,549,064	\$ 218,396	\$ 3,767,460	\$ 137,040
Student compensation	2,000	1,720	-	1,720	280
State contributions to state employees' retirement system	724,000	684,223	37,118	721,341	2,659
State contributions to Social Security	257,700	241,770	13,116	254,886	2,814
Contractual Services	923,900	834,558	84,261	918,819	5,081
Travel	2,400	1,795	530	2,325	75
Commodities	61,700	60,766	349	61,115	585
Printing	2,600	2,501	-	2,501	99
Equipment	32,000	31,817	-	31,817	183
Telecommunications services	67,300	59,666	2,636	62,302	4,998
Operation of auto equipment	18,400	16,524	1,725	18,249	151
Subtotal - Fund 001	<u>\$ 5,996,500</u>	<u>\$ 5,484,404</u>	<u>\$ 358,131</u>	<u>\$ 5,842,535</u>	<u>\$ 153,965</u>
<u>VOCATIONAL REHABILITATION FUND - 081</u>					
Secondary transitional experience program	<u>\$ 60,000</u>	<u>\$ 47,456</u>	<u>\$ -</u>	<u>\$ 47,456</u>	<u>\$ 12,544</u>
GRAND TOTAL - ALL FUNDS	<u>\$ 6,056,500</u>	<u>\$ 5,531,860</u>	<u>\$ 358,131</u>	<u>\$ 5,889,991</u>	<u>\$ 166,509</u>

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2008

	<u>APPROPRIATIONS NET OF TRANSFERS</u>	<u>EXPENDITURES THROUGH JUNE 30, 2008</u>	<u>LAPSE PERIOD EXPENDITURES JULY 1ST TO AUGUST 31, 2008</u>	<u>TOTAL EXPENDITURES 14 MONTHS ENDED AUGUST 31, 2008</u>	<u>BALANCES LAPSED AUGUST 31, 2008</u>
PUBLIC ACT 95-0348					
<u>GENERAL REVENUE FUND - 001</u>					
Personal Services	\$ 3,825,600	\$ 3,581,176	\$ 161,149	\$ 3,742,325	\$ 83,275
Student compensation	2,000	1,320	-	1,320	680
State contributions to State employees' retirement system	612,300	546,747	21,631	568,378	43,922
State contributions to Social Security	266,300	245,493	9,663	255,156	11,144
Contractual Services	870,400	786,130	82,762	868,892	1,508
Travel	4,500	3,727	421	4,148	352
Commodities	69,600	66,775	1,765	68,540	1,060
Printing	2,700	1,772	-	1,772	928
Equipment	23,500	22,242	1,142	23,384	116
Telecommunications services	41,100	37,949	3,149	41,098	2
Operation of auto equipment	16,400	13,037	1,118	14,155	2,245
Subtotal - Fund 001	<u>\$ 5,734,400</u>	<u>\$ 5,306,368</u>	<u>\$ 282,800</u>	<u>\$ 5,589,168</u>	<u>\$ 145,232</u>
<u>VOCATIONAL REHABILITATION FUND - 081</u>					
Secondary transitional experience program	<u>\$ 60,000</u>	<u>\$ 41,069</u>	<u>\$ 2,045</u>	<u>\$ 43,114</u>	<u>\$ 16,886</u>
GRAND TOTAL - ALL FUNDS	<u><u>\$ 5,794,400</u></u>	<u><u>\$ 5,347,437</u></u>	<u><u>\$ 284,845</u></u>	<u><u>\$ 5,632,282</u></u>	<u><u>\$ 162,118</u></u>

Note: The information reflected in this schedule was taken from the Center's records and reconciled to records of the State Comptroller.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
Years Ended June 30,

	FISCAL YEARS		
	2009	2008	2007
	P.A. 95-0734	P.A. 95-0348	P.A. 94-0798
GENERAL REVENUE FUND - 001			
Appropriations (net of transfers)	\$ 5,996,500	\$ 5,734,400	\$ 5,187,300
EXPENDITURES			
Personal services	\$ 3,767,460	\$ 3,742,325	\$ 3,514,883
Student compensation	1,720	1,320	1,832
State contributions to State employees' retirement system	721,341	568,378	384,478
State contributions to Social Security	254,886	255,156	248,222
Contractual services	918,819	868,892	867,470
Travel	2,325	4,148	2,214
Commodities	61,115	68,540	65,419
Printing	2,501	1,772	1,044
Equipment	31,817	23,384	23,283
Telecommunications services	62,302	41,098	40,646
Operation of auto equipment	18,249	14,155	16,535
Total Expenditures - Fund 001	<u>\$ 5,842,535</u>	<u>\$ 5,589,168</u>	<u>\$ 5,166,026</u>
LAPSED BALANCES	<u>\$ 153,965</u>	<u>\$ 145,232</u>	<u>\$ 21,274</u>
VOCATIONAL REHABILITATION FUND - 081			
Appropriations (net of transfers)	\$ 60,000	\$ 60,000	\$ 60,000
EXPENDITURES			
Secondary transitional experience program	\$ 47,456	\$ 43,114	\$ 47,754
Total Expenditures - Fund 081	<u>\$ 47,456</u>	<u>\$ 43,114</u>	<u>\$ 47,754</u>
LAPSED BALANCES	<u>\$ 12,544</u>	<u>\$ 16,886</u>	<u>\$ 12,246</u>
GRAND TOTAL - ALL APPROPRIATED FUNDS			
Appropriations (net of transfers)	\$ 6,056,500	\$ 5,794,400	\$ 5,247,300
Total Expenditures	<u>\$ 5,889,991</u>	<u>\$ 5,632,282</u>	<u>\$ 5,213,780</u>
Lapsed Balances	<u>\$ 166,509</u>	<u>\$ 162,118</u>	<u>\$ 33,520</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2009

The locally held funds of the Center are grouped into two fund categories and are non-appropriated funds. The funds are not held in the State Treasury and are described as follows:

1. Governmental Funds

General Funds

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

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

Permanent Trust Fund

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

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
DESCRIPTION OF LOCALLY HELD FUNDS
For the Two Years Ended June 30, 2009

2. Fiduciary Fund Type

Agency Fund

The Agency Fund consists of the DHS / DORS Agency Fund. Agency funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For the Year Ended June 30, 2009

	1149 DHS/DORS Special Revenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	Petty Cash Account
Balance - July 1, 2008	\$ 38,627	\$ 22,154	\$ 57,873	\$ 103
Receipts				
Income from sales	14			
Investment income	1,768		2,021	
Local governmental units				
Private organizations				
Donations	5,567			
Student deposits		84,862		
Appropriations				
Grant funds				
Transfers in				
Other	623			1,835
Total Receipts	<u>\$ 7,972</u>	<u>\$ 84,862</u>	<u>\$ 2,021</u>	<u>\$ 1,835</u>
Disbursements				
Commodities	942			
Contractual services	7,238		602	
Student awards and grants				
Equipment				
Grant funds				
Student withdrawals				
Transfers out				
Other		71,440		1,808
Total Disbursements	<u>\$ 8,180</u>	<u>\$ 71,440</u>	<u>\$ 602</u>	<u>\$ 1,808</u>
Balance - June 30, 2009	<u>\$ 38,419</u>	<u>\$ 35,576</u>	<u>\$ 59,292</u>	<u>\$ 130</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF LOCALLY HELD FUNDS - CASH BASIS
For the Year Ended June 30, 2008

	1149 DHS/DORS Special Rvenue Fund	1147 DHS/DORS Agency Fund	1150 DHS/DORS Permanent Trust Fund	Petty Cash Account
Balance - July 1, 2007	\$ 35,321	\$ 29,392	\$ 59,571	\$ 293
Receipts				
Income from sales	1,404			
Investment income	1,991		2,710	
Local governmental units				
Private organizations				
Donations	7,687			
Student deposits		71,577		
Appropriations				
Grant funds				
Transfers in				
Other	1,355			1,625
Total Receipts	<u>\$ 12,437</u>	<u>\$ 71,577</u>	<u>\$ 2,710</u>	<u>\$ 1,625</u>
Disbursements				
Commodities	2,099		200	
Contractual services	6,357		4,208	
Student awards and grants				
Equipment	675			
Grant funds				
Student withdrawals				
Transfers out				
Other		78,815		1,815
Total Disbursements	<u>\$ 9,131</u>	<u>\$ 78,815</u>	<u>\$ 4,408</u>	<u>\$ 1,815</u>
Balance - June 30, 2008	<u><u>\$ 38,627</u></u>	<u><u>\$ 22,154</u></u>	<u><u>\$ 57,873</u></u>	<u><u>\$ 103</u></u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF CHANGES IN STATE PROPERTY (not examined)
Years Ended June 30, 2008 & 2009

	Land and land improvements	Buildings and building improvements	Site improvements	Capital lease equipment	Equipment	Total
Balance June 30, 2007	* \$ 337,168 *	* \$ 9,231,990 *	* \$ 488,348 *	* \$ - *	* \$ 603,623 *	* \$ 10,661,129 *
Additions:						
Purchases					23,207	23,207
Transfers-in:						
Intra-agency					6,800	6,800
Inter-agency						-
Capital Development Board		7,613				7,613
Surplus Property					1,585	1,585
Adjustments					551	551
Total Additions	<u>\$ -</u>	<u>\$ 7,613</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,143</u>	<u>\$ 39,756</u>
Deductions:						
Transfers-out:						
Intra-agency					39,659	39,659
Inter-agency					667	667
Surplus property						-
Scrap property					943	943
Other					5,605	5,605
Adjustments						-
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,874</u>	<u>\$ 46,874</u>
Balance June 30, 2008	<u>\$ 337,168</u>	<u>\$ 9,239,603</u>	<u>\$ 488,348</u>	<u>\$ -</u>	<u>\$ 588,892</u>	<u>\$ 10,654,011</u>
Additions:						
Purchases					35,252	35,252
Transfers-in:						
Intra-agency					34,757	34,757
Inter-agency						-
Capital Development Board						-
Surplus Property					300	300
Adjustments					10	10
Total Additions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,319</u>	<u>\$ 70,319</u>
Deductions:						
Transfers-out:						
Intra-agency					2,676	2,676
Inter-agency					12,056	12,056
Surplus property						-
Scrap property					403	403
Other					1,483	1,483
Adjustments					240	240
Total Deductions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,858</u>	<u>\$ 16,858</u>
Balance June 30, 2009	<u>\$ 337,168</u>	<u>\$ 9,239,603</u>	<u>\$ 488,348</u>	<u>\$ -</u>	<u>\$ 642,353</u>	<u>\$ 10,707,472</u>

Note: The property balances at June 30, 2008 and 2009 were taken from Center records.

*The beginning balances were adjusted to agree to the Center's records.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
COMPARATIVE SCHEDULE OF CASH RECEIPTS AND DEPOSITS

Years Ended June 30,

	FISCAL YEARS		
	2009	2008	2007
GENERAL REVENUE FUND - 001			
<u>RECEIPTS</u>			
Jury duty, witness fees, military duty	\$ 130	\$ 45	\$ 130
Telephone reimbursements	105	38	23
Miscellaneous	20	-	-
TOTAL RECEIPTS	<u>\$ 255</u>	<u>\$ 83</u>	<u>\$ 153</u>
<u>DEPOSITS</u>			
Receipts recorded by Center	\$ 255	\$ 83	\$ 153
Add: Deposits in transit - Beginning of year	5	11	1
Add: Receipts from ICRE - Wood	20	87	-
Deduct: Deposits in transit - End of year	30	5	11
Deduct: Receipts processed incorrectly by DHS	-	-	28
DEPOSITS RECORDED BY COMPTROLLER	<u>\$ 250</u>	<u>\$ 176</u>	<u>\$ 115</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

Fiscal Year 2009

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2009 and June 30, 2008 are shown below:

	FISCAL YEAR ENDED JUNE 30		INCREASE (DECREASE)	
	<u>2009</u>	<u>2008</u>	<u>AMOUNT</u>	<u>%</u>
Student compensation	\$1,720	\$1,320	\$400	30%
State contribution to State employees' retirement system	\$721,341	\$568,378	\$152,963	27%
Travel	\$2,325	\$4,148	(\$1,823)	(44%)
Printing	\$2,501	\$1,772	\$729	41%
Equipment	\$31,817	\$23,384	\$8,433	36%
Telecommunications services	\$62,302	\$41,098	\$21,204	52%
Operation of auto equipment	\$18,249	\$14,155	\$4,094	29%

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

Student compensation

The increase in FY09 student compensation expenditures was due to an increased number of eligible/interested students in the education vocational program.

State contribution to State employees' retirement system

The increase in the State contribution to State employees' retirement system expenditures was due to the contribution percentage increasing from 16.561% in FY08 to 21.049% in FY09.

Travel

The decrease in FY09 travel expenditures was due to fewer staff traveling for training and student related activities.

Printing

The increase in FY09 printing expenditures was due to the Center purchasing more bond paper used by various departments for copier machines and in-house printing of special projects.

Equipment

The increase in FY09 equipment expenditures was due to purchases of replacement medical equipment, residential services department equipment, and specialty beds.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

Fiscal Year 2009 - continued

Telecommunications services

The increase in FY09 telecommunications services expenditures was due to the Center replacing the old telephone system for a more manageable and economical system.

Operation of auto equipment

The increase in FY09 operation of auto equipment expenditures was due to the Center spending more for gasoline, routine maintenance, routine inspection, and mechanical repairs.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

Fiscal Year 2008

A comparative schedule of significant variations in expenditures (20% or more) for the fiscal years ended June 30, 2008 and June 30, 2007 are shown below:

	FISCAL YEAR ENDED JUNE 30		INCREASE (DECREASE)	
	<u>2008</u>	<u>2007</u>	<u>AMOUNT</u>	<u>%</u>
Student compensation	\$1,320	\$1,832	(\$512)	(28%)
State contribution to State employees' retirement system	\$568,378	\$384,478	\$183,900	48%
Travel	\$4,148	\$2,214	\$1,934	87%
Printing	\$1,772	\$1,044	\$728	70%

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

Student compensation

The decrease in FY08 student compensation expenditures was due to a decreased number of eligible/interested students in the education vocational program.

State contribution to State employees' retirement system

The increase in the State contribution to State employees' retirement system expenditures was due to the contribution percentage increasing from 11.525% in FY07 to 16.561% in FY08.

Travel

The increase in FY08 travel expenditures was due to increased staff travel for training and student related activities.

Printing

The increase in FY08 printing expenditures was due to the Center purchasing more bond paper used by various departments for copier machines, in-house printing of special projects, and office use.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2009

We have reviewed lapse period spending for fiscal years ended June 30, 2009 and 2008 and have identified significant lapse period spending (20% or more). A schedule of significant lapse period spending for fiscal year 2009 is shown below:

Fiscal Year Ended June 30, 2009

<u>EXPENDITURE ITEM</u>	<u>TOTAL EXPENDITURES</u>	<u>LAPSE PERIOD EXPENDITURES</u>	<u>PERCENTAGE</u>
Travel	\$2,325	\$530	23%

Center management provided the following explanation for the significant lapse period expenditure identified above.

Travel

Two employees incurred travel expenses during June, and the reimbursements were processed for payment during the lapse period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2009

We did not identify any significant lapse period spending (20% or more) for the fiscal year ended June 30, 2008.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SCHEDULE OF CHANGES IN INVENTORIES (not examined)

For the Two Years Ended June 30, 2009

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Office and educational supplies	\$ 5,138	\$ 8,640	\$ 7,008	\$ 6,770
Food supplies	13,993	9,311	5,995	17,309
Household, laundry and cleaning supplies	17,310	12,008	13,803	15,515
TOTAL	<u><u>\$ 36,441</u></u>	<u><u>\$ 29,959</u></u>	<u><u>\$ 26,806</u></u>	<u><u>\$ 39,594</u></u>

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2008</u>
Office and educational supplies	\$ 6,012	\$ 5,305	\$ 6,179	\$ 5,138
Food supplies	15,252	3,745	5,004	13,993
Household, laundry and cleaning supplies	10,038	21,780	14,508	17,310
TOTAL	<u><u>\$ 31,302</u></u>	<u><u>\$ 30,830</u></u>	<u><u>\$ 25,691</u></u>	<u><u>\$ 36,441</u></u>

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

CENTER FUNCTIONS

The Illinois Center for Rehabilitation and Education – Roosevelt (Center) located at 1950 West Roosevelt Road, Chicago, Illinois is part of the Illinois Department of Human Services (Department), Division of Rehabilitation Services, and was established pursuant to the Disabled Persons Rehabilitation Act (20 ILCS 2405/11) (Act).

Under the Act, the Department operates and maintains the Center for the care and education of educable children with one or more physical disabilities and provides in connection therewith nursing and medical care and academic, occupational, and related training to such children. Any Illinois resident under the age of 22 years who is educable and has a severe physical disability as a result of cerebral palsy, muscular dystrophy, spina bifida, or other cause, may be admitted to the Center or be entitled to the services and facilities of the Center.

The Center's mission is to prepare its students with physical disabilities and other health impairments to achieve their personal transitional goals in the least restrictive environment with integrity and distinction through the highest quality support and services. The Center's goals and desired outcomes for its students include: the successful transition to work, school, or residential life, self-empowerment, and long-term placement after age 21.

The Center's education program is fully accredited by the North Central Association Commission on Accreditation and School Improvement, and is a 24-hour, 7-day per week residential education program. The Center began biweekly closings during the 2008-2009 school year. This schedule did not result in a reduction of class time but did result in savings.

The educational services provided at the Center follow the Life Centered Career Education (LCCE) curriculum from the Council for Exceptional Children. The LCCE curriculum is an education system designed to teach transition students important concepts and skills needed to function successfully in the home and community. In addition to the LCCE curriculum, many students attend local community schools to complete their K-12 educational requirements.

The Center's transition program is termed STEPS to Successful Living Program, which is an outcome based transition program that assists students in making a successful transition to the community of their choice in a living environment that supports their highest level of independence. Each student's program is customized and developed around his or her personal vision and goals based on a continuum of skills that are individualized, developmental, and sequential. As students take an increasing responsibility for themselves, they learn to direct their program, and ultimately, manage their lives. Implementation of the STEPS program occurs in environments such as training apartments, employment in the community, and medical appointments with community physicians.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

CENTER PLANNING

The Center's superintendent is responsible for designing goals, objectives, and performance measures that relate specifically to the Center. The superintendent achieves planning objectives by holding regular meetings with Center department heads to address specific program needs and goals. All goals and objectives are reported in the School Improvement Plan. The School Improvement Program is submitted to the Illinois North Central Association, whereby the Center receives its educational accreditation. This accreditation both (1) ensures that the Center has an appropriate curriculum in place for its residents and (2) provides a system for monitoring the quality of the Center's educational services.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For The Two Years Ended June 30, 2009

AVERAGE NUMBER OF EMPLOYEES

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

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Business Administration	13	13	12
Child Care / Residential	27	28	25
Educators / Transportation	7	7	5
Medical	12	12	16
Social Services	1	1	2
Therapy Services	4	4	0
Other	<u>2</u>	<u>2</u>	<u>3</u>
Total Employees	<u>66</u>	<u>67</u>	<u>63</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

EMPLOYEE OVERTIME (not examined)

Certain employees are eligible for overtime if the hours worked during a week exceed the standard workweek hours. The standard workweek hours range from 37 ½ to 40 depending on an employee’s job classification. In most cases employees are compensated at 1 ½ times their normal hourly rate for overtime hours worked. A supervisor must approve all overtime. Certain employees may receive compensatory time off in lieu of pay depending on the position classification of the employee’s job title.

The following table, prepared from Department records, presents the paid overtime and earned compensatory time incurred during fiscal year 2009, 2008 and 2007.

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Paid overtime hours worked during fiscal year	<u>3,766</u>	<u>6,712</u>	<u>8,237</u>
Value of overtime hours worked during fiscal year	<u>\$115,936</u>	<u>\$204,109</u>	<u>\$239,673</u>
Compensatory hours earned during fiscal year	<u>2,555</u>	<u>6,114</u>	<u>6,037</u>
Value of compensatory hours earned during fiscal year	<u>\$62,540</u>	<u>\$152,966</u>	<u>\$146,864</u>
Total paid overtime hours and earned compensatory hours during fiscal year	<u>6,321</u>	<u>12,826</u>	<u>14,274</u>
Total value of paid overtime hours and earned compensatory hours during fiscal year	<u>\$178,476</u>	<u>\$357,075</u>	<u>\$386,536</u>

CONTRACTUAL PAYROLL EMPLOYEES (not examined)

The Center did not hire individuals to perform personal services pursuant to a contract where the individual is deemed an “employee” under IRS regulations during the examination period.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

SHARED RESOURCES (not examined)

The Department of Human Services Central Office utilizes the Center's operation of automotive equipment line item for the Center and the Illinois Center of Rehabilitation and Education (ICRE) – Wood's automotive equipment needs. During the examination period, the Center had expenditures of \$1,899 and \$2,046 in fiscal year 2008 and fiscal year 2009, respectively, from their operation of automotive equipment line item for ICRE – Wood.

CENTER UTILIZATION (not examined)

The Center is situated on 2.37 acres (103,174 square feet) in Chicago, IL and has one building on its grounds separated into three areas. Center management has provided the information below outlining their utilization of the building on the grounds of the Center as of June 30, 2009.

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

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

COST PER YEAR/DAY PER STUDENT (not examined)

The following schedule represents costs per student based upon the Department of Human Services Management Cost System. This includes costs for depreciation and an allocation of costs incurred by the Department's Central Office and other State agencies.

	<u>2009</u>	<u>Fiscal Year</u> <u>2008</u>	<u>2007</u>
Cost per year per student	<u>\$138,548</u>	<u>\$133,031</u>	<u>\$122,955</u>
Cost per day per student	<u>\$447</u>	<u>\$428</u>	<u>\$397</u>

Note: Costs per day per student is based on 310 days in FY07, 311 days in FY08, and 310 days in FY09.

RATIO OF EMPLOYEES TO STUDENTS (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Average number of students	<u>42</u>	<u>42</u>	<u>42</u>
Average number of employees	<u>66</u>	<u>67</u>	<u>63</u>
Ratio of employees to students	<u>1.6 to 1</u>	<u>1.6 to 1</u>	<u>1.5 to 1</u>

REPORTED EMPLOYEE JOB INJURIES (not examined)

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Number of reported employee injuries	<u>1</u>	<u>2</u>	<u>6</u>

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

FOOD SERVICES (not examined)

The following table, prepared from the Center records, summarizes the number of meals served and the average cost per meal.

	Fiscal Year		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
Meals served	43,728	43,900	33,048
Total food and labor costs	<u>\$194,985</u>	<u>\$194,985</u>	<u>\$162,778</u>
Total average cost / meal	<u>\$4.45</u>	<u>\$4.44</u>	<u>\$4.93</u>

Note: An outside vendor provides meals at a fixed rate. The rate does not separate labor and food costs. Students are served 3 meals per day including weekends. Snacks are also provided but not included in the above figures.

STATE OF ILLINOIS
DEPARTMENT OF HUMAN SERVICES
ILLINOIS CENTER FOR REHABILITATION AND EDUCATION
SERVICE EFFORTS AND ACCOMPLISHMENTS
For the Two Years Ended June 30, 2009
(not examined)

The Center provided educational services to a total of 46 and 48 students during fiscal years 2008 and 2009, respectively. For each student enrolled at the Center, a Service Plan is drafted. The ultimate goal of this plan is to transition each student toward a productive life outside of the Center. The plan is divided into eight service areas: nursing, residential, educational, and social services, along with physical, occupational, speech, and activity therapies. Nursing and residential service areas reflect efforts of the Center's staff. The remaining six service areas reflect student efforts. The Center maintains data on service plan goals achieved. Goals differ between each student and each service area; however, all students are directed toward reaching their full potential. Information in the schedule below reflects the cumulative success rates of Center students when comparing stated goals to actual performance. Stated goals differ in each service area and are a result of both student and staff expectations. Goal implementers (staff) determine the evaluation criterion to monitor and update goals as required.

SERVICE PLAN GOALS ACHIEVED (not examined)

Service Area	2009		2008		2007	
	Elementary	High School	Elementary	High School	Elementary	High School
Social Services	100%	77%	80%	76%	85%	76%
Activity Therapy	53%	40%	65%	60%	60%	54%
Occupational Therapy	92%	85%	88%	92%	88%	83%
Physical Therapy	75%	85%	90%	75%	72%	74%
Speech	100%	65%	80%	84%	70%	71%
Education	100%	85%	100%	100%	100%	100%

ADDITIONAL SERVICE GOALS ACHIEVED (not examined)

Service Area	2009	2008	2007
	High School	High School	High School
Community Integration	50%	58%	50%
Graduation Rate	100%	100%	100%
Goals reached over all grades	73%	79%	100%
Students leaving school and entering appropriate post secondary work or training	100%	85%	80%