



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF PUBLIC HEALTH

Compliance Examination
 For the Two Years Ended June 30, 2019

Release Date: June 25, 2020

FINDINGS THIS AUDIT: 26				AGING SCHEDULE OF REPEATED FINDINGS			
	<u>New</u>	<u>Repeat</u>	<u>Total</u>	Repeated Since	Category 1	Category 2	Category 3
Category 1:	0	3	3	2017	19-2	19-13, 19-17, 19-19, 19-21, 19-22	
Category 2:	4	19	23	2015		19-12, 19-14, 19-15, 19-20	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>	2013	19-3	19-5, 19-6, 19-8, 19-16	
TOTAL	4	22	26	2011		19-7, 19-9, 19-18	
				2007	19-1	19-4, 19-10	
FINDINGS LAST AUDIT: 28				2003		19-11	

SYNOPSIS

- **(19-01)** The Department did not exercise adequate internal controls over State vehicles.
- **(19-02)** The Department did not comply with provisions of the MC/DD Act.
- **(19-03)** The Department did not maintain adequate controls over its property and related records.
- **(19-07)** The Department did not exercise adequate controls over the approval and reporting of overtime to ensure employees' overtime requests were properly approved and overtime worked details were timely reported.

Category 1: Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).

Category 2: Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.

Category 3: Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**DEPARTMENT OF PUBLIC HEALTH
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2019**

EXPENDITURE STATISTICS	2019	2018	2017
Total Expenditures.....	\$ 441,253,899	\$ 379,939,043	\$ 372,816,753
OPERATIONS TOTAL.....	\$ 242,466,453	\$ 209,359,088	\$ 201,313,548
% of Total Expenditures.....	55.0%	55.1%	54.0%
Personal Services.....	104,727,233	91,027,645	89,191,519
Other Payroll Costs (FICA, Retirement).	67,547,392	40,138,159	39,227,577
All Other Operating Expenditures.....	70,191,828	78,193,284	72,894,452
AWARDS AND GRANTS.....	\$ 198,760,008	\$ 170,550,338	\$ 171,435,442
% of Total Expenditures.....	45.0%	44.9%	46.0%
REFUNDS.....	\$ 27,438	\$ 29,617	\$ 67,763
% of Total Expenditures.....	0.0%	0.0%	0.0%
Total Receipts.....	\$ 253,823,964	\$ 252,975,425	\$ 234,751,422
Average Number of Employees.....	1,167	1,174	1,100

AGENCY DIRECTOR
During Examination Period: Dr. Nirav D. Shah (through 2/10/19), Dr. Ngozi Ezike (effective 2/11/19) Currently: Dr. Ngozi Ezike

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

**INADEQUATE CONTROLS OVER THE
ADMINISTRATION OF STATE VEHICLES**

The Illinois Department of Public Health (Department) did not exercise adequate internal controls over State vehicles.

The Department's fleet consisted of 84 vehicles at June 30, 2018 and 96 vehicles at June 30, 2019. Of those vehicles, 42 were personally assigned to employees during Fiscal Year 2018 and 38 in Fiscal Year 2019.

Following are a few items noted during testing:

No analysis whether maintaining vehicles were justified

- The Department had not performed an analysis of its automobiles to determine whether maintaining each vehicle could be justified as the most cost effective solution for the specific operational needs of the Department. The auditors analyzed the total activity of the Department's vehicles used during Fiscal Years 2018 and 2019. The Department's vehicles traveled between 1 and 41,791 miles during Fiscal Year 2018, and 2 and 44,596 miles during Fiscal Year 2019.

Monthly logs and vehicle use certifications were not reviewed

- The Department did not exercise adequate controls over the personal use of State vehicles. The auditors noted the following:

- Seventy-six (100%) monthly vehicle logs and vehicle use certification forms tested were not reviewed and reconciled for the determination of the fringe benefit value submitted for tax purposes. The Department only used the commuting days reflected in the certification forms to report fringe benefits. In addition, 15 of 76 (20%) monthly vehicle logs and vehicle use certification forms tested differed as to the number of commuting days the State vehicle was used, resulting in understatements of reported fringe benefit payments for tax purposes totaling \$255 and \$39 in Fiscal Years 2018 and Fiscal Year 2019, respectively.

Reported fringe benefit payments were understated

Vehicle use forms were submitted from 12 to 27 days late

- Twenty-nine of 76 (38%) vehicle use certification forms tested were not submitted to the Payroll Division on the 10th of the month following the usage. The vehicle use certification forms were submitted from 12 to 27 days late.

No justification for employee commuting miles

- For one of 51 (2%) employees tested who was assigned a State vehicle, the Department was unable to provide justification for the commuting miles of more than 30% of the vehicle's total mileage. The employee had commuting miles of 588 miles or 69% of the vehicle's total mileage during Fiscal Year 2018.

Annual license and insurance coverage forms not on file

- The Department did not exercise adequate control over the required annual certifications of licensure and automobile liability coverage form. Forty-nine of 91 (54%) employees tested did not have the certifications on file. Forty-two certifications pertained to Fiscal Year 2018 and seven to Fiscal Year 2019. (Finding 1, pages 13-19) **This finding has been repeated since 2007.**

We recommended the Department perform an analysis of its automobiles, monitor the submission of accident reports, enforce vehicle maintenance schedules, enforce controls over fringe benefit reporting, review and enforce procedures over the timely filing of annual certifications of license and liability insurance, and remind staff of reporting requirements.

Department concurred with the finding

Department officials concurred with the finding and recommendation.

NONCOMPLIANCE WITH THE MC/DD ACT

The Department did not comply with provisions of the MC/DD Act (Act). The Act, effective July 29, 2015, required long-term care facilities for individuals under age 22 to be known and licensed as medical complexes for the developmentally disabled under the Act instead of the Intermediate Care Facility/Individual Intellectually Disabled (ID/DD) Community Care Act.

Following are a few items we noted during testing of certain provisions of the Act.

No rules for interim on-site reviews of construction projects at facilities

- The Department implemented a procedure to conduct interim on-site reviews of large or complex construction projects at the facilities and an expedited process for emergency repairs or replacement of like equipment. However, the Department did not establish the rules for the procedure and expedited process as required.

Facilities did not provide comments within 10 days of inspection report

- During testing of the inspections conducted for the State license renewals of the 10 MC/DD facilities during Fiscal Year 2018 and Fiscal Year 2019, we noted the following:
 - Eight (80%) facilities did not provide comments or

documentation within 10 days of receipt of the copy of the inspection report.

Facility was inspected 120 days prior to license renewal

- One (10%) facility was inspected by the Department more than 120 days prior to license renewal.

Facility inspected after renewal license was issued

- One (10%) facility was inspected by the Department after the renewal license had been issued.

Administrative Code not updated for periodic review of the use of restraints

- The Administrative Code was not updated to address the requirement that each policy should include the periodic review of the use of restraints.

No database of residents who have injured staff, visitors, or other residents

- The Department did not develop a de-identified database of residents who have injured facility staff, facility visitors, and other residents.

No continuing record of residents determined to be offenders

- The Department did not keep a continuing record of all residents determined to be identified offenders and did not report the number of identified offender residents to the General Assembly on an annual basis as required. (Finding 2, pages 20-25)

We recommended the Department ensure it complies with all provisions of the Act.

Department concurred with the finding

Department officials concurred with the finding and recommendation.

PROPERTY CONTROL WEAKNESSES

The Department did not maintain adequate controls over its property and related records.

Following are a few items noted during testing:

Property additions were recorded from 8 to 90 days late

- Sixteen of 37 (43%) property additions tested, totaling \$374,246, were recorded from eight to 90 days late.

Property deletions forms were not properly completed

- For seven of 60 (12%) property deletions tested, totaling \$135,396, the Department did not properly complete the Department of Central Management Services (CMS) Surplus Delivery Form.

Property deletions were recorded from 98 to 1,329 days late

- Five of 60 (8%) property deletions tested, totaling \$11,988, were recorded from 98 to 1,329 days late.

Property additions discrepancies totaled \$735,123

- For the Fiscal Year 2019 C-15 Reports:
 - Property additions did not agree with the detailed list of additions provided by the Department. The discrepancies totaled \$735,123.
 - Property deletions totaling \$4,968,505 did not agree

Property deletions discrepancies totaled \$1,018,989

Transfers incorrected reported

Property ending balance discrepancy totaled \$1,485,604

with the detailed list of deletions provided by the Department. The discrepancies totaled \$1,018,989.

- Net transfers totaling \$63,744 were incorrectly reported as deletions and additions.
- The property balance at June 30, 2019, totaling \$15,488,649 did not agree with the balance per Department inventory listing. The discrepancy totaled \$1,485,604. (Finding 2, pages 26-29) **This finding has been repeated since 2013.**

We recommended the Department implement procedures to strengthen controls over equipment and ensure accurate recordkeeping and accountability for all State owned property is maintained.

Department concurred with the finding

Department officials concurred with the finding and recommendation.

INADEQUATE CONTROLS OVER APPROVAL AND REPORTING OF OVERTIME

The Department did not exercise adequate controls over the approval and reporting of overtime to ensure employees' overtime requests were properly approved and overtime worked details were timely reported. The Department paid \$2,870,875 for nearly 68,545 hours of overtime during Fiscal Years 2018 and 2019.

Based upon our review of the overtime pre-approval requests and overtime worked details, we noted the following:

Overtime hours were not pre-approved

- For 37 of 60 (62%) employees tested, overtime pre-approval requests totaling 212 hours were not pre-approved by the supervisors. These requests were approved from one to 21 days after the overtime was worked.

Overtime requests exceeded the allowed maximum of 10 hours

- Twenty of 60 (33%) employees tested had overtime pre-approval requests that exceeded the allowed maximum of 10 hours. These requests ranged from 12 to 40 hours.

Overtime detail entered from 3 to 29 days after the overtime was worked

- Thirty of 60 (50%) employees tested worked 286 hours of overtime and did not enter the detail in the timekeeping system, eTime, within two workdays as required. The details were submitted and entered from three to 29 days after the overtime was worked. (Finding 7, pages 36-37) **This finding has been repeated since 2011.**

We recommended the Department ensure overtime pre-approval requests are timely submitted, properly approved in advance, and documentation of pre-approval is maintained.

Department concurred with the finding

Department officials concurred with the recommendation and finding.

OTHER FINDINGS

The remaining findings are reportedly being given attention by the Department. We will review the Department's progress toward the implementation of our recommendations during our next examination.

ACCOUNTANT'S OPINION

The accountants conducted a compliance examination of the Department for the two years ended June 30, 2019, as required by the Illinois State Auditing Act. The auditors qualified their report on State Compliance for findings 2019-001, 2019-002, and 2019-003. Except for the noncompliance described in these findings, the auditors state the Department complied, in all material respects, with the requirements described in the report.

The compliance examination was conducted by E.C. Ortiz & Co., LLP.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

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