EXECUTIVE SUMMARY
DIVISION OF MENTAL HEALTH AND ADDICTION SERVICES
ANN KLEIN FORENSIC CENTER

Our audit found the financial transactions included in our testing were related to the forensic center’s programs, were reasonable, and were recorded properly in the accounting systems, except for the reimbursement of salary expense from the department to cover deficits that should have been transacted by means of a transfer to properly reflect the cost of the center. Non-appropriated account activity appeared proper and the per diem billing methodology and calculation as they apply to the forensic center were reasonable. In making these determinations, we noted weaknesses related to separation of employment, overtime, revenue controls, and the “Our Store” fund.

AUDIT HIGHLIGHTS

- Vacation, sick, and administrative leave time is credited to state employees in January under the assumption that it will be earned during the calendar year. Upon separation from service, the credited leave time must be prorated to reflect the time actually earned in the final year. Our review of 15 of the 71 separations of permanent employees that occurred during our audit period found that 6 of the 15 former employees owe a total of 385 hours or $17,700 because of overdrawn leave time that was never recovered. In addition, 8 of the 15 separated employees owe a total of 237 hours or $10,200 due to the incorrect proration of earned leave time calculated upon their separation. The forensic center made no attempts to collect the debt prior to submission to the Set-Off of Individual Liability program. We also found that the center’s practice to pay employees after verification of a submitted timesheet failed in 7 of the 15 separations we reviewed. There were overpayments of $24,500 of which $14,200 was recovered. Our review of the remaining 56 separations during our audit period revealed additional overpayments of $10,800 to six employees of which $3,200 was recovered.

- The forensic center expended $4 million for medical security officers’ overtime in fiscal year 2011, an increase of 60 percent over the prior year. One major reason appeared to be an increase in continuous visual observation of patients who are at risk of hurting others or themselves. We found that, if the center hired more temporary employees at $17.74 per hour in comparison to an average overtime rate of $41.70 per hour for medical security officers, the center could save significant overtime costs. For example, if half of 2011 overtime costs were replaced with services provided by temporary employees, the center could save $800,000 annually. We also identified 2,600 hours of overtime costing $110,000 that could have been avoided if light duty officers replaced a regularly scheduled officer assigned to the loading dock and have him assigned where needed rather than overtime for a medical security officer. Our review also found required staffing levels were exceeded daily by scheduling two additional medical security officers, resulting in unnecessary overtime totaling $62,000 from June 6 to October 10, 2011.

AUDITEE RESPONSE
The department generally concurs with our findings and recommendations.

For the complete audit report, click here.