EXECUTIVE SUMMARY

DEPARTMENT OF HUMAN SERVICES
DIVISION OF DEVELOPMENTAL DISABILITIES
NEW LISBON DEVELOPMENTAL CENTER

We found the financial transactions included in our testing were related to the center's programs, were reasonable, and were recorded properly in the accounting systems. In making this determination, we noted certain reportable conditions involving authorized coverage levels, sick leave monitoring, Cottage Training Supervisor overtime, expenditures, and client accounts that merit management’s attention. Additionally, we found that the center has resolved the significant issues noted in our prior report. We also made an observation concerning the center's Moderate Security Unit.

AUDIT HIGHLIGHTS

- The center has authorized coverage levels for each cottage to ensure the safety of the center’s residents and employees. We analyzed the staffing spreadsheets of five sampled months and found a direct care shortage of one or more staff members, on average, 295 times during each month (approximately 20 percent of the shifts). A shortage of two or more direct care employees is considered critical. The cottages experienced critical shortages 187 times (2.6 percent) during our five sampled months. Employees could have been reassigned from cottages that met their staffing requirements for 147 of these critical shortages.

- Direct care employees earned $3.1 million in overtime during calendar year 2014, of which an estimated $1.3 million was the result of sick leave call-outs. The center does not enforce its entire sick leave usage and verification policy. Sixty-two percent of the sampled employees exceeded the usage requirements of a portion of the policy which would have required medical verification.

- Supervisory coverage is not scheduled efficiently. During calendar year 2014, the center paid $751,000 in overtime to an average of 104 Cottage Training Supervisors. Based on the April 2014 allocations, there was an average of 51 supervisors scheduled from Friday to Monday compared to an average of 99 scheduled from Tuesday to Thursday. The center could reduce overtime hours by balancing the schedule and assigning regular days off evenly throughout the week.

- The center’s Moderate Security Unit (MSU) is used as an alternative to detention in a correctional facility, or as a residential requirement for probation, for individuals with developmental disabilities. We observed the MSU census has declined from 29 individuals in July 2012 to 12 individuals in July 2015. Sentences for five of these individuals will be completed between October 2015 and August 2017. The MSU is funded solely by the state and does not qualify for federal cost sharing. Salaries for employees assigned to the MSU when 29 individuals resided at the unit totaled $2.6 million, or $88,000 per resident, compared to $1.8 million, or $155,000 per resident, when 12 individuals resided at the unit. Since the population has decreased, the cost per resident has increased because of the coverage needed for these individuals.

AUDITEE RESPONSE

The department generally concurs with our findings and recommendations.

For the complete audit report here.