

**Commonwealth of Pennsylvania**

**Department of Public Welfare**

**Allentown State Hospital**

**July 1, 2002, to September 9, 2005**

**Performance Audit**





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September 8, 2006

The Honorable Edward Rendell  
Governor  
Commonwealth of Pennsylvania  
Harrisburg, Pennsylvania 17120

Dear Governor Rendell:

This report contains the results of a performance audit of the Department of Public Welfare's Allentown State Hospital from July 1, 2002, to September 9, 2005. The audit was conducted under the authority provided in Section 402 of The Fiscal Code and in accordance with *Government Auditing Standards* as issued by the Comptroller General of the United States.

The report details our audit objectives, scope, methodology, findings, and recommendations. The audit noted that approval requirements for SAP R/3 purchase requisitions could be improved. In addition, two Allentown purchasing department employees were authorized to perform incompatible purchasing duties. In addition, two hospital employees used hospital-issued cellular telephones for personal use. Finally, payroll timekeepers had the ability to change employee hours and method of compensation in the payroll records without prior supervisory approval. The contents of the report were discussed with the officials of Allentown State Hospital and all appropriate comments are reflected in the report.

We appreciate the cooperation extended to us by the management and staff of Allentown State Hospital and by others who provided assistance during the audit.

Sincerely,

JACK WAGNER  
Auditor General



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## **Background Information**

### **Department of Public Welfare – Office of Mental Health and Substance Abuse Services**

The Office of Mental Health and Substance Abuse Services, under the Department of Public Welfare (DPW), operates under the following vision statement:

*Every person with a serious mental illness and/or addictive disease, and every child and adolescent who abuses substances and/or has a serious emotional disturbance will have the opportunity for growth, recovery, and inclusion in their community, have access to services and supports of their choice, and enjoy a quality of life that includes family and friends.*

Over the past 30 years, the Commonwealth's public mental health program has changed from a main emphasis on state mental health hospitals to an emphasis on community mental health services. Behavioral health services range from community to hospital programs with emphasis on helping children, adolescents, and adults to remain in their communities. Community-based services are emphasized, with the goal to help people who have serious mental illness or serious emotional disturbance break the cycle of repeated hospital or residential admissions.

In addition, the Department operates nine state hospitals for persons with serious mental illness, which provide special intensive treatment services for patients needing extended psychiatric inpatient services. Admission of persons committed under the Mental Health Procedures Act is made through the County Mental Health/Mental Retardation program after the community has provided short-term treatment.

### **Bureau of Hospital Operations**

The primary purpose of the Bureau of Hospital Operations is to ensure state-of-the-art inpatient treatment to persons committed under the Mental Health Procedures Act to the nine state mental hospitals. The Bureau also ensures that individuals who come for service develop the skills, resources, and supports needed for recovery and are able to return to the community.

The Bureau oversees and manages nine state-owned and operated mental hospitals and one restoration center, including three maximum-security forensic units for persons with serious mental illness and charged with or convicted of criminal offenses.

## **Background Information**

Since all patients are admitted through the County Mental Health system, the Bureau collaborates with county, local hospital and community provider staff, constituents, and other stakeholders to establish effective community/hospital linkages and continuity of care for patients discharged back into the community. The Bureau collaborates with other Office of Mental Health and Substance Abuse Services bureaus and divisions in planning, developing, and implementing community integration initiatives as a resource for expanding community-based services to enhance the Commonwealth's development of a recovery-supporting approach to service.

### **County Mental Health System**

The Pennsylvania Mental Health/Mental Retardation Act of 1966 and its implementing regulations require county governments to provide community mental health services including short-term inpatient treatment, partial hospitalization, outpatient care, emergency services, specialized rehabilitation training, vocational rehabilitation and residential arrangements.

The Commonwealth's 67 counties are divided into 45 single or multi-county service units. A single entry point for services has been established by regulations in each service area. Community mental health services are administered through county Mental Health/Mental Retardation program offices (Offices). These Offices are part of county government and overseen by a county Mental Health/Mental Retardation administrator. The Offices are a referral source, determine a person's eligibility for service funding, assess the need for treatment or other services, and make referrals to appropriate programs to fit treatment and/or other service needs.

The cost of these services will vary depending upon the type of service. The Commonwealth's Medical Assistance Program, either through a managed care organization or the traditional fee-for-service system, pays for many of these services, when rendered to eligible individuals. People who use services, but are not on Medical Assistance and are without access to other insurance, are assessed by the Offices on their ability to pay for services.

### **Allentown State Hospital**

Allentown State Hospital (Allentown), established in 1912, is one of the nine state mental hospitals operated by DPW's Office of Mental Health and Substance Abuse Services. The hospital, located in the city of Allentown, Lehigh County, provides psychiatric and long-term programs and serves in Carbon, Lehigh, Monroe, Northampton, and Pike counties.

As of June 30, 2005, Allentown had a 181-bed capacity. The hospital's physical plant consists of 30 buildings situated on approximately 200 acres of land. A chief executive

## **Background Information**

officer administers Allentown's day-to-day operations with the assistance of management personnel assigned to various divisions. Additionally, a nine-member board of trustees acts in an advisory capacity to the hospital's management.

The following schedule presents selected unaudited Allentown operating statistics compiled for the years ended June 30, 2003, 2004, and 2005:

	2003	2004	2005
Operating expenditures (rounded in millions) <sup>1</sup> :			
State	\$28.6	\$30.5	\$30.6
Federal	<u>0.6</u>	<u>0.8</u>	<u>0.8</u>
Total	<u>\$29.2</u>	<u>\$31.3</u>	<u>\$31.4</u>
Employee complement positions at year-end	409	415	396
Average daily client population <sup>2</sup>	166	165	162
Actual client days of care	60,435	60,239	59,114
Bed capacity at year-end	181	181	181
Available client days of care	66,065	66,246	66,065
Percent of utilization (based on client days of care)	91.5%	90.9%	89.5%
Average client cost per day <sup>3</sup>	\$484	\$521	\$531
Average client cost per year <sup>4</sup>	\$176,609	\$190,523	\$193,679

<sup>1</sup> Fixed asset costs, depreciation, and regional and department level direct and indirect costs were not allocated to the totals reported here.

<sup>2</sup> Daily client population was calculated by dividing the actual client days of care for the year by the number of calendar days in the year.

<sup>3</sup> Average client cost per day was calculated by dividing the total operating expenses by the combined actual client days of care. Note, this rate is not the same as a certified per diem rate since the total operating expenses exclude depreciation and allocated direct and indirect costs from region and department level offices.

<sup>4</sup> Average client cost per year was calculated by multiplying the average client cost per day by the number of calendar days in the year.

## **Objectives, Scope, and Methodology**

The audit objectives are detailed in the body of the report. We selected the objectives from the following general areas: procurement, timekeeping and payroll, leased hospital property, staff training, and guardian office.

To accomplish the audit objectives, we interviewed various DPW and Allentown management and staff, obtained and reviewed available records, and analyzed pertinent regulations, policies, and guidelines.

The scope of the audit was from July 1, 2002, to September 9, 2005, unless indicated otherwise in the individual report chapters. Allentown management's written response to the audit was submitted on February 2, 2006, and all management comments are included after each respective recommendation in the report.

## **Chapter I – Procurement**

### **Objective and Methodology**

The “Integrated Enterprise System” (IES) is a Commonwealth project to streamline and standardize key administrative business systems and processes utilizing the SAP R/3 software package. Allentown began using SAP R/3 in its procurement process in October 2002.

Allentown’s purchases of goods and supplies are paid with advancement account checks, Visa purchasing cards, or Commonwealth Treasury checks. The method of payment is dependent upon the dollar value and the nature of the purchase. All purchases made from a state contract or valued greater than \$3,000 are processed through the Materials Management module of SAP R/3, which leads to the issuance of a Commonwealth Treasury check. Visa purchasing cards can be used to pay for transactions with a value less than \$3,000, and an advancement account check can be used to pay for those transactions with a value less than \$1,500. The Commonwealth has established various operating guidelines for these payment methods.<sup>5</sup>

The objective of this part of the audit was to assess compliance with applicable Commonwealth policies and procedures for the purchasing of materials and supplies. To accomplish this objective, we performed the following procedures:

- Interviewed management and staff responsible for the purchase of materials and supplies.
- Reviewed Commonwealth procurement policies and procedures.
- Analyzed the supporting documentation associated with 37 of 2,640 purchase orders processed through the SAP R/3 accounting package between July 2002 and April 2005.
- Examined the supporting documentation associated with 37 of 2,969 Visa purchasing card transactions processed between July 2002 and April 2005.
- Reviewed the supporting documentation associated with 37 of 799 purchases processed through the advancement account between July 2002 and April 2005.

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<sup>5</sup> Management Directive 310.1 Agency Operated Advancement Accounts, Management Directive 310.23 Commonwealth Purchasing Card Program, and [www.ies.state.pa/lib/imaginepa/Allroles.html?securityNav=1#\\_Toc102547731](http://www.ies.state.pa/lib/imaginepa/Allroles.html?securityNav=1#_Toc102547731).

## **Chapter I – Procurement**

- Evaluated the roles assigned to Allentown business office personnel in the SAP R/3 Materials Management module to determine adequate segregation of duties.
- Reviewed the cellular telephone contract monthly statements for March 19, 2005, through May 18, 2005.

### **Audit Results**

#### **Finding I-1 – Visa purchasing card transactions complied with Commonwealth policies and procedures.**

For the 37 Visa purchasing transactions tested, Allentown processed all transactions in accordance with Commonwealth policies and procedures. Appropriate approvals, purchasing and receiving documents, and invoices accompanied all sampled transactions.

#### **Finding 1-2 – Advancement account transactions were processed in accordance with Commonwealth policies and procedures.**

Appropriate approvals, purchasing, and receiving documents and invoices accompanied all reviewed advancement account transactions. All of those items also complied with applicable Commonwealth policies and procedures. Accounting department personnel received the vendor invoice and reviewed the supporting documentation for accuracy and approval. The invoice data was then entered into the SAP R/3 accounting package and forwarded to DPW's Comptroller's office for review. The Comptroller's office accepted the transactions, issued check numbers, and Allentown printed the checks and completed the transactions.

In addition to Allentown-established controls, the Comptroller's Office also performed monthly audits of advancement account transactions, which include an examination of the support documentation for the selected transactions.

#### **Finding 1-3 – SAP R/3 purchase orders were processed correctly.**

All analyzed SAP R/3 purchase orders were processed correctly. Materials and supplies were requested and received and invoices were paid accurately and timely. Allentown's purchasing department created each purchase order and employees from the storeroom or receiving department processed each goods receipt. The Comptroller's Office in Harrisburg completed the match of information between the purchase order, receiving report, and

## **Chapter I – Procurement**

invoice, submitted the documents to the Treasury Department who issued the check for payment.

### **Finding I-4 – Purchase requisition approval thresholds in the SAP R/3 module were not consistent with Allentown’s internal policy.**

The SAP R/3 Materials Management module did not provide Allentown management with a mechanism to ensure that all purchase requisitions were forwarded to the Facility Financial Manager as required by Allentown policy. The module has a built-in check, which automatically forwards purchase requisitions with a value of \$20,000 and above and certain specific items regardless of dollar value to Allentown’s Chief Operating Officer for approval.

Allentown officials indicated that they implemented an internal policy requiring requisitioners to forward all purchase requisitions to the Facility Financial Manager for approval. Allentown took the initiative to train the requisitioners and was continually reinforcing the policy for all purchase requests to be forwarded to the Facility Financial Manager and all requests over \$10,000 to be forwarded to the Chief Operating Officer. However, Allentown management must rely on the integrity of the individual requisitioners to forward purchase requisitions less than \$20,000 to the Facility Financial Manager and Chief Operating Officer.

The difficulty with this internal approval process results from the inclusion of only the purchase requisitioner information on the electronic purchase requisition. Evidence of the review of the requisition by the Facility Financial Manager, and for requisitions over \$10,000, by the Chief Operating Officer does not appear anywhere on the electronic requisition. As a result, when purchasing department employees receive electronic purchase requisitions, they are unable to verify the requisite approvals. As a result, the purchasing department can only assume that the internal policy was followed and that the purchase request was approved by the Facility Financial Manager and for requisitions over \$10,000, by the Chief Operating Officer. Although all purchases over \$3,000 are reviewed by the DPW Comptroller’s Office, Allentown management could better determine the propriety of a purchase.

As an added control, the Facility Financial Manager daily reviews a list of the purchase orders generated for the previous day for the appropriateness and propriety of each order. Although the order may have already been made, this review allowed the Facility Financial Manager the opportunity to cancel the order if it was deemed unnecessary or inappropriate. However, this step could be eliminated if the SAP R/3 Materials Management module automatically forwarded all purchase requisitions to the Facility Financial Manager and for requisitions over \$10,000, to the Chief Operating Officer for approval, before the purchase requisition is sent to the purchasing department in concert with the Allentown’s internal policy.

## **Chapter I – Procurement**

Based on the information available at Allentown, we could not determine if the SAP R/3 Materials Management module could be reconfigured to establish a default to ensure compliance with the hospital's internal approval requirements.

### **Recommendation:**

- Allentown management should determine if the SAP R/3 routing default for purchase requisitions over \$20,000 could be changed to comply with their internal policy.

### **Management Comments:**

*We agree with this finding. We will refer this finding to DPW and the OA's Office for Information Technology, Bureau of Integrated Enterprise Systems (IES) for their review and to make a determination if the SAP system default can be changed.*

## **Finding I-5 – Certain SAP roles created internal control weaknesses.**

Two Allentown purchasing department employees were incorrectly role-mapped. Role mapping is the IES process of assigning staff to individual accounting, budget, and finance functions that correspond to duties and responsibilities. SAP role-mapping guidelines state that positions that receive the purchaser role cannot receive any of the following roles:

- ✓ *EB Pro Requisitioner*
- ✓ *EB Pro Receiver*
- ✓ *R/3 Receiver*
- ✓ *Invoice Entry Processor* <sup>6</sup>

One Allentown employee was role-mapped for the duties of Purchaser, EBPro Requisitioner, and EBPro Receiver, which permitted that employee to requisition, purchase, and receive goods or services. The other employee was assigned the duties of Purchaser and EBPro Requisitioner, which permitted that employee to requisition and purchase items. With the ability to perform these functions, the positions in question have the authority to circumvent the segregation of duties over the purchasing function. These individuals could authorize the purchase of unneeded items, or could divert purchases for personal gain. Assigning one of the above purchasing duties to another individual would help prevent the two individuals from making personal or unneeded purchases.

To compensate for the inappropriate role mapping, the Facility Financial Manager, as noted earlier, daily reviews a list of all of the purchase orders generated for the previous day for the appropriateness and propriety of each order. While this control could identify

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<sup>6</sup> This information was obtained from the following Internet site: <http://www.imaginepa.state.pa.us>.



## **Chapter I – Procurement**

unwarranted purchases, the review is conducted after the purchasing process has begun. In addition, on days when the Facility Financial Manager was not at his screen, such as leave days or travel days, the purchase orders generated for the previous day would not be reviewed.

### **Recommendation:**

- Allentown management should amend the roles mapped for its purchasing department employees to eliminate incompatible purchasing functions.

### **Management Comments:**

*We agree with this finding. The Purchasing Department employees SAP roles were amended to comply with the finding.*

### **Finding I-6 – Employees used cellular telephones for personal business.**

Two hospital employees utilized hospital-issued cellular telephones for personal use. As a result, the hospital incurred excess charges related to the extra minutes attributed to the employees.

As part of its efforts to find a cost effective solution to the Commonwealth's needs for wireless communication, the Department of General Services entered into agreements with three major companies for wireless communication services. These agreements became effective in April 2004 and were the only wireless communications options available to Commonwealth institutions.

A review of the cellular billing statement for March 19, 2005, thru April 18, 2005, revealed exceptions with the personal usage of two of the telephones. The plans assigned to the two telephones in question included 100 minutes each. However, during the period reviewed, the minutes used were 1,440 and 2,488, respectively.

Although unused hospital plan minutes absorbed some of the overage, the pooled minutes were insufficient to cover the overage. Accordingly, Allentown was charged \$143.99 and \$80.80 for the extra minutes utilized. A review of the following cellular billing statement for April 19, 2005, through May 18, 2005, revealed additional personal usage by the same two employees. The minutes used were 1,578 and 2,685 and resulted in the hospital being charged \$327.73 and \$187.34 respectively.

Commonwealth policy restricts the personal use of wireless equipment unless warranted by an emergency. In the event of personal use for non-business, non-emergency related reasons, including both incoming and outgoing calls, employees are to notify their

## **Chapter I – Procurement**

supervisor of the use and the reason as soon as possible. Individuals will be responsible for the cost of personal use.<sup>7</sup>

When the auditors brought the excessive minutes to the attention of management, a memo was issued to employees on June 24, 2005, emphasizing personal use of Commonwealth cellular telephones was not allowed unless warranted by an emergency. Additionally, Allentown billed the two employees \$471.72 and \$268.14 for unauthorized personal use of cell phones from March 19, 2005, through May 18, 2005.

Prior to the current audit, the purchasing department reviewed the billing statements prior to payment, however, the review did not include a detailed analysis of individual usage for propriety. The review focused on the reasonableness of the total monthly amount and that the amount charged for extra minutes used was not excessive. Allentown management subsequently designated the Facility Financial Manager as the telecommunication management officer responsible for monitoring the contract and reviewing the monthly statements for personal calls and failure to adhere to plan provisions.

### **Recommendations:**

- Allentown management should conduct timely detailed analysis of monthly cellular telephone bills to ensure limited and appropriate personal usage of the telephones and compliance with plan provisions.
- Allentown management should communicate in writing, exceptions noted in the analysis to the employee's Department Director and a corrective action response should be provided to the telecommunication management officer.
- Allentown management should perform ongoing analyses of cellular plans and adjustments made based upon changing hospital needs.

### **Management Comments:**

*We agree with this finding. The Financial manager now performs a detailed analysis of the monthly cellular telephone bills and communicates all exceptions in writing to the appropriate Executive Staff member for action.*

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<sup>7</sup> Management Directive 240.11 (Amended) effective October 8, 2004 "Commonwealth Wireless Communication Policy."

## **Chapter II – Timekeeping and Payroll**

### **Objectives and Methodology**

Allentown's payroll system automatically generates payroll payments based on the last inputted data. For most employees who work regular shifts with no overtime, there is no need to make adjustments. However, for employees who work overtime or different shifts, payroll information must be inputted as earned. Employees working second and third shifts are entitled to shift differential pay if the overtime shift occurs before or directly after their regular shift or if the overtime shift is worked on their regular shift during their scheduled day off. Allentown payroll personnel must determine that overtime and shift differentials earned are consistent with DPW and Allentown policies and procedures<sup>8</sup> and negotiated labor agreements.<sup>9</sup>

In February 2004, Allentown implemented an online service known as the employee self-service system, which helps an employee manage employment information, such as requesting leave and viewing work schedules. Allentown's timekeeping section monitors leave input for employees having access to this system and inputs leave usage for employees who do not have access to it.

The objectives for this part of the audit were to determine if Allentown accurately posted overtime and shift differential hours, accurately calculated employee compensation, accurately posted employee leave, and established effective internal controls.

To accomplish these objectives, we performed the following procedures:

- Interviewed Allentown management and staff responsible for processing and overseeing the payroll function.
- Reviewed applicable Commonwealth administrative policies, Allentown policies and procedures, and labor agreements.

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<sup>8</sup> Department of Public Welfare Administrative Manual § 7025, entitled "Payroll" and the Commonwealth of Pennsylvania Governor's Office Management Directive 315.10 entitled, "Recording and Reporting of Wage, Overtime, Shift Differential, and Short-Term Leave Without Pay." Allentown State Hospital Policy and Procedure Memorandums entitled, "Time and Attendance," and "Overtime Approval."

<sup>9</sup> American Federation of State, County and Municipal Employees, Contract Effective July 1, 2003, to June 30, 2007, Recommendation No. 19 Salary and Wages and State Employees International Union, Contract effective July 1, 2003, to June 30, 2007, Article 16, Salary and Wages.

## **Chapter II – Timekeeping and Payroll**

- Reviewed payroll reports, which included an employee's regular hours, overtime, shift differential, and types of leaves used for the pay period ending April 15, 2005.
- Evaluated transactions for 22 out of a population of 88 employees who received overtime during the pay period ending on April 15, 2005.
- For the transactions selected, we compared employee hours paid to the applicable approved work schedule.
- Determined that leave was posted correctly to the employee's leave record.

### **Audit Results**

#### **Finding II-1 – Overtime and shift differential transactions were accurately processed and leave use was correctly posted.**

All overtime and shift differential transactions evaluated were posted accurately. Overtime and shift differential hours paid agreed with the approved work schedule and complied with the applicable labor agreement. In addition all leave used was correctly posted to the applicable employee's leave record.

#### **Finding II-2 – Management did not monitor changes to employee time records.**

Allentown timekeepers have the ability to change employee hours worked and the method of compensation without prior supervisory approval. As a result, employees could unintentionally or intentionally be paid at an incorrect rate or for an incorrect number of hours worked.

Allentown management is responsible for ensuring that employees are compensated for actual hours worked based on the applicable union agreement. In addition, management is responsible for ensuring that all transactions are processed correctly and recorded accurately. Allentown does not perform a reconciliation of the overtime occurrence reports with employee time records to ensure accurate timekeeping inputted data. Allentown management also does not require prior management approval for changes to employee time records. When an employee requests a change or a correction in pay, the SAP R/3 Payroll module allows the timekeeper to make that change without management's approval. In addition, management does not require timekeepers to keep any records of the changes or corrections made to an employee's time record.

The Facility Financial Manager conducted a payroll audit of three different Allentown departments every pay period. This audit included a comparison of work schedules and

## **Chapter II – Timekeeping and Payroll**

approved overtime reports to the amounts paid per payroll reports. The audit provided an after-the-fact verification of payroll, but would not detect any erroneous changes made by timekeeping prior to payment.

### **Recommendations:**

- Allentown management should require timekeepers to keep records of any changes made to an employee's time record with a signature of the employee and approval from management.
- Allentown management should expand their audit of payroll.
- Allentown management should investigate if the SAP R/3 Payroll module has any approval levels for corrections made to an employee's time records.

### **Management Comments:**

*We agree with this finding. Adjustments and changes will be noted in the SAP CAT2 screen. Documentation will also be forwarded to the Financial Manager for review and sign-off and a log of these transactions will be kept in Timekeeping's files. The payroll audits have been expanded to include Timekeeping each pay period.*

## **Chapter III – Leased Hospital Property**

### **Objective and Methodology**

As the emphasis for mental health services has changed from institutional to community care, the DPW has an overabundance of available physical plant capacity. Instead of allowing this surplus property to remain unoccupied, DPW, through the Department of General Services, has leased these properties to other state agencies, government entities, and non-profit organizations.

All organizations located on Allentown's grounds are responsible for utilities, maintenance, and any services provided by the facility under a leasing agreement, a Memorandum of Understanding, or a Department of Public Welfare Occupancy Agreement.<sup>10</sup> Charges are based on the total amount of heated square footage occupied by the organization multiplied by the utility maintenance rate determined by the Facility Financial Manager. To calculate the utility and maintenance rates the Facility Financial Manager divided the previous year's utility and maintenance costs by Allentown's total square footage.

The objective of this part of the audit was to determine if Allentown enforced the lease requirements and collected the required utility and maintenance costs from all tenants. To accomplish this objective, we performed the following procedures:

- Interviewed Allentown management and staff who oversee the lease arrangements with outside parties.
- Reviewed Commonwealth and DPW leasing guidelines.
- Reviewed all agreements for occupied space.
- Toured all properties leased by other organizations.
- Reviewed invoices and payment records for eight leases with organizations utilizing space from July 1, 2002, to June 30, 2005.

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<sup>10</sup> Department of Public Welfare Administrative Policy entitled "Lease or Other Agreement for Occupancy at Hospital/Center Buildings" issued September 1, 2004.

## **Chapter III – Leased Hospital Property**

### **Audit Results**

#### **Finding III-1 – Allentown substantially complied with leasing requirements.**

Allentown calculated lease payments based on the actual occupied square footage and the previous year's utility costs as required for all eight leases. All payments were made timely and Allentown had fully executed lease agreements for seven out of eight leased spaces. For the remaining leased space, Allentown had an agreement that included the occupied square footage as required. However, the lease agreement did not have the approving signatures of the occupying agency or DPW as required. After this issue was brought to the attention of the Allentown Facility Financial Manager, a signed copy of the lease was obtained.

## **Chapter IV – Staff Training**

### **Objective and Methodology**

Allentown is responsible for providing daily direct care for the health, safety, and well-being of its patients. To meet this responsibility, they must train the direct care staff to ensure that patients receive competent, consistent, and sufficient care.

DPW regulations require Allentown to provide each direct care worker with initial and continuing education that focuses on the skills and safety of both the direct care staff and patients.<sup>11</sup> Various Governor's Office Management Directives and DPW policies have established both content and frequency requirements for mandatory training courses.<sup>12</sup> The hospital's human resources department has incorporated these, as well as its own, required courses into an Annual Training Plan.

The objective of this part of the audit was to determine if Allentown provided direct care staff with an initial orientation and required continuing education. To accomplish this objective, we performed the following procedures:

- Interviewed Allentown personnel responsible for preparing the training plan, scheduling training, and monitoring attendance.
- Reviewed applicable staff orientation and continuing education Management Directives and DPW and hospital policies and procedures.
- Examined Allentown's orientation program for its direct care staff.
- Reviewed the annual training plan for the training year ended June 30, 2005.
- Examined the training records for 35 of the 243 direct care staff.

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<sup>11</sup> Department of Public Welfare Personnel Manual § 7121 entitled "Training and Development" reissued January 27, 1995 and § 7124 entitled "In-Service Training" reissued February 19, 1999.

<sup>12</sup> Governor's Office Management Directive 535.1 issued February 9, 2000, entitled, "Employee Training and Development."



**Audit Results**

**Finding IV-1 – Allentown complied with orientation and continuing education training requirements.**

All Allentown direct care workers included in our sample received, when appropriate, the required orientation or continuing education training. The only exceptions were two employees who were on extended unpaid leave and one employee who had an exempt form on file with the training coordinator.

Orientation training included Confidentiality, Patient Abuse, Patient's Rights, Performance Improvement/Patient Safety, Psychiatric Emergency Response, Swallow Safe/Dysphagia, State Employee Assistance Program, and Human Resources Policies. Examples of continuing education training included: Infection control/HIV/AIDS, Sexual Harassment Policy, Response Training Refresher, Environment of Care/Fire Safety, and CPR.

## **Chapter V – Guardian Office**

### **Objective and Methodology**

DPW was mandated by a Federal Court order<sup>13</sup> to establish an independent guardian office in each state hospital and mental retardation center. All guardian officers report to, and are supervised by, the Bureau of Guardianship Programs in Harrisburg for compliance with department policies and procedures.<sup>14</sup> Effective July 1, 2005, the functional responsibilities for guardianship programs were transferred to the Bureau of Administrative Services in the DPW Office of Administration.<sup>15</sup>

The guardian officer at Allentown serves as representative payee and/or court appointed financial guardian for incompetent clients when no family or outside agency is available. Even after a client is discharged, the guardian officer may remain the legal guardian and /or the representative payee for the client for a period of time.

The objective of this part of the audit was to determine if the guardian officer complied with DPW payment requirements for discharged hospital clients for which the guardian officer remained legal guardian/or representative payee. To accomplish this objective, we performed the following procedures:

- Interviewed Allentown's guardian officer.
- Reviewed DPW's Guardian Officer's Manual.
- Reviewed for propriety all of the withdrawal transactions from January 1, 2005, through May 31, 2005, for all 15 discharged clients for whom the guardian officer remains legal guardian and/or representative payee.

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<sup>13</sup> Elvira Vecchione et. Al. v. Helene Wohlgemuth, et. Al., Civil Action – No 73-162, (E.D. Pa. 1978) The Vecchione Court Decision resulted from a class action suit filed in June 1973, on behalf of Elvira Vecchione, then a patient/resident at Philadelphia State Hospital.

<sup>14</sup> Department of Public Welfare, Division of Guardianship Programs Policy and Procedure Manual Revised March 2005.

<sup>15</sup> Administrative Bulletin #2005-14 Department of Public Welfare, effective July 1, 2005.

## **Chapter V – Guardian Office**

### **Audit Results**

#### **Finding V-1 – The guardian officer complied with DPW guidelines.**

Allentown's guardian officer processed all examined transactions in accordance with DPW guidelines. Client withdrawal orders were completed for all payments as required. Additionally, all items purchased were allowable based on DPW requirements.

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This report is a matter of public record. Copies of this report may be obtained from the Pennsylvania Department of the Auditor General, Office of Communications, 318 Finance Building, Harrisburg, Pennsylvania 17120. If you have any questions regarding this report or any other matter, you may contact the Department of the Auditor General by accessing our Web site at [www.auditorgen.state.pa.us](http://www.auditorgen.state.pa.us).