

**Commonwealth of Pennsylvania**  
**Department of Public Welfare**  
**Danville State Hospital**  
**July 1, 2003, to January 31, 2007**  
**Performance Audit**





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July 12, 2007

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 Danville State Hospital from July 1, 2003, to January 31, 2007. The audit was conducted under the authority provided in Section 402 of The Fiscal Code and in accordance with Government Auditing Standards issued by the Comptroller General of the United States.

The report details our audit objectives, scope, methodology, findings, and recommendations. The report notes that Danville could save \$3,000 restructuring its cellular telephone plans, and recommends that Danville improve the fire extinguisher maintenance. The report also notes that Danville complied with policy and procedures in all other areas tested.

We discussed the contents of the report with the officials of Danville State Hospital and all appropriate comments are reflected in the report.

We appreciate the cooperation extended to us by the management and staff of Danville 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. The range of services includes outpatient, partial, residential, short-term inpatient hospital care, emergency crisis intervention services, counseling, information, referral, and case management services.

In addition, DPW 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 State 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.

## **Background Information**

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.

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 in order 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. The program offices are part of county government and are overseen by a county Mental Health/Mental Retardation administrator. The program 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. The program offices assess an individual's ability to pay for services when Medical Assistance and other insurance alternatives are not available.

### **Danville State Hospital**

Danville State Hospital opened in 1872 and is one of nine state mental hospitals operated by DPW's Office of Mental Health and Substance Abuse Services. It is the second-oldest state psychiatric facility in Pennsylvania. The hospital is located in the town of Danville, Montour County, approximately ten miles west of Bloomsburg.

## **Background Information**

The Hospital operates under the following vision statement:

*Danville State Hospital will expand its role as an integral part of the mental health continuum by providing optimal treatment and services in partnership with the community.*

The hospital provides psychiatric and long-term programs to clients over 18 years of age and serves the following counties: Centre, Clinton, Columbia, Huntingdon, Juniata, Lycoming, Mifflin, Montour, Northumberland, Schuylkill, Snyder, and Union County-operated mental health programs facilitate admissions.

As of June 30, 2003, the hospital had a 150-bed capacity, all of which were certified for participation in the Medicare and Medical Assistance programs. In addition, the Joint Commission on Accreditation of Health Care Organizations surveyed the hospital in March 2003 and extended a three-year accreditation.

The hospital's physical plant consists of approximately 50 buildings situated on approximately 275 acres of land. A chief executive officer administers the hospital'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.

## **Background Information**

The following schedule presents selected unaudited hospital operating statistics compiled for the years ended June 30, 2004, 2005 and 2006:

	2004	2005	2006
Operating expenditures (rounded in millions) <sup>1</sup> :			
State	27.4	27.9	32.7
Federal	0.9	0.5	0.6
Total	28.3	28.4	33.3
Employee complement positions at year end	361	403	420
Average daily client population <sup>2</sup>	135	133	170
Actual client days of care	49,407	48,438	61,886
Bed capacity at year end	137	147	172
Available client days of care	50,142	53,655	62,780
Percent of utilization (based on client days of care)	98.5%	90.3%	98.6%
Average client cost per day <sup>3</sup>	\$573.45	\$586.88	\$538.70

<sup>1</sup> Operating expenses were recorded net of fixed asset costs, an amount that would normally be recovered as part of depreciation.

<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 for nursing and domiciliary 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.

## *Objectives, Scope, and Methodology*

We selected the objectives from the following general areas: Guardian Operations and Vocational Adjustment Services, payroll and timekeeping, cellular phones, incident reporting and prevention, contracts, expenditures, and pharmacy operations.

The specific objectives of this audit were:

- To determine if Danville adequately safeguarded and invested the Guardian Office funds and the Vocational Adjustment Services (VAS) funds.
- To test the accuracy of the Danville's timekeeping and payroll system.
- To determine if all the cellular phones at Danville were needed, necessary, and utilized.
- To determine if direct care staff received mandatory training.
- To determine whether Danville reported and investigated incidents timely and assessed the adequacy of incident prevention.
- To determine compliance with contract bidding and monitoring policies and procedures.
- To determine if direct pay transactions processed without an electronic three-way match were adequately documented and approved.
- To determine if the pharmacy was adequately secured, inventory was effectively controlled, and all pharmacists had current licenses.

In addition, we determined the implementation status of the recommendations made during the prior audit of the hospital regarding annual inspections, inventory, and maintenance of fire extinguishers and established fire safety procedures.

To accomplish our audit objectives, auditors reviewed DPW established Guardian Office policies and procedures, DPW and Danville payroll, timekeeping, and overtime policies and procedures, the Vocational Adjustment Services (VAS) Manual. Auditors also used the commonwealth's policies and procedures on wireless communication devices, management directives, DPW and Danville policies and procedures for staff orientation and continuing training. Additionally, the auditors reviewed the applicable General Services and Public

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

Welfare policies and procedures issued for contracting, and the fire safety materials developed by the National Fire Protection Association, and the applicable union agreements. The auditors also reviewed DPW's Abuse Investigations Resource Manual, the Complaints Processing Manual, and Danville's policies and procedures for the prevention, reporting, investigation, and management of abuse and non-abuse complaints. We also reviewed DPW's written response dated March 28, 2006, replying to the prior Auditor General audit report.

We interviewed various DPW and hospital management and staff, including the Guardian Officer, the Director of Vocational Adjustment Services, the Staff Development Director, the Investigative Coordinator, the Fire Marshall, the contract monitor, the budget analyst and accountant, as well as personnel from Danville's Business Office and Pharmacy.

To determine if client funds were adequately safeguarded and invested, auditors analyzed 29 of 1,170 official receipts processed between July 1, 2005, and June 30, 2006, and 29 of 595 disbursement checks processed between July 1, 2005, and June 30, 2006, and 15 of 65 client time reports from July 1, 2005, to June 30, 2006. They also reviewed bank account reconciliations for June and March 2006, determined that checking and saving accounts were reconciled monthly, traced the reconciled bank statements for December 2005 and June 2006 to monthly financial reports, and determined that all funds were deposited in interest bearing accounts. Additionally, the auditors conducted an unannounced count of the petty cash.

To test the accuracy of Danville's timekeeping and payroll system auditors analyzed the supporting documents for 30 of 152 employees who received overtime during the pay period ending June 16, 2006, examined payroll reports listing an employee's regular hours, overtime, shift differential and types of leaves used for pay period ending June 16, 2006, and analyzed work schedules for the 30 records tested. For the tested records they determined that Overtime Occurrence Reports were approved and appropriately posted to employees' records for all overtime granted. The auditors also analyzed and tested the accuracy of leave records for 55 of 705 employees who requested leave during the pay period ending June 16, 2006, and reviewed the most current Cumulated Time Evaluation Results Report (Error Report) to ensure corrections were made prior to generating the payroll.

To determine if all the cellular phones at Danville were needed, necessary, and utilized, auditors reviewed all cellular phone invoices for the period June 17, 2005 through June 17, 2006, and analyzed cellular phone usage and costs for the period.

To determine if direct care staff received mandatory training auditors examined Danville's orientation program for its direct care staff, reviewed the Annual Training Plan for the fiscal year 2005-2006, and 2006-2007, examined the training records for 55 of the 302 direct care staff, and examined professional licenses required for 18 of the 55 employee records sampled.

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

To assess incident prevention and reporting, auditors analyzed 12 of 27 complaints filed during the period July 1, 2005 through June 20, 2006.

To determine compliance with contract bidding and monitoring policies and procedures, we selected and analyzed 14 of 31 service purchase contracts in effect for the period July 1, 2005, through June 30, 2006.

To determine if direct pay transactions processed without an electronic three-way match were adequately documented and approved, auditors evaluated Danville's established management controls, and analyzed the list of transactions for fiscal 2005-2006, and selected 17 of 154 transactions for detailed testing.

To audit pharmacy operations auditors obtained and reviewed all pharmacists licenses, reviewed and analyzed the annual physical inventory and spot checks including the associated adjustments for propriety and management review. We also conducted a spot check of 23 out of 93 controlled drugs and 29 out of 1123 non-controlled drugs using the interval method of sample selection. Auditors also participated in a tour of the pharmacy to gain an updated understanding of pharmacy operations.

To determine the status of implementation of the recommendations made during the prior audit and to evaluate established fire safety procedures auditors examined physical inventory of fire extinguishers, examined the documentation for fire extinguisher purchases, physically examined fire extinguishers, and toured resident areas and administrative building.

The scope of the audit covered the period July 1, 2003, to January 31, 2007, unless indicated otherwise in the individual report sections.

## **Audit Results**

### **Guardian Operations and Vocational Adjustment Services**

In the spring of 1978, a federal court decision mandated the Department of Public Welfare to establish an independent Guardian Officer in each state hospital and mental retardation center.<sup>4</sup> The Guardian Officer serves as representative payee and/or court appointed financial guardian for incompetent patients when no family or outside agency is available. With written consent, competent patients can open accounts and receive assistance with money management. DPW has established policies and procedures to ensure each Guardian Officer operates consistently.<sup>5</sup>

Monies come into the Guardian Office from various sources on behalf of the client. These sources include social security or railroad retirement payments, payroll from the workshop, and gifts from family members or friends. These monies are commingled into the Guardian Office checking account with a local bank. Monies not immediately needed are transferred into an interest bearing money market account and certificates of deposit. Interest is prorated to each client account at the end of each month. Payments are made from the checking account or petty cash for client's personal expenses, trips, and incidental shopping.

#### **Finding 1 – Danville adequately safeguarded and invested Guardian Office funds in interest bearing accounts.**

All 29 tested receipt transactions were appropriately signed, correctly recorded, and deposited timely. In addition, all 29 tested disbursement transactions were properly approved, documented and met eligibility criteria. Checks associated with the 29 disbursements traced to bank statements without exception and each check was authorized properly. Client funds were deposited in interest-bearing accounts. The interest rate received was competitive with current market conditions. Bank accounts were reconciled by the guardian office and petty cash funds were accurate and traced to the financial report without exception.

Based on our audit, we determined that the guardian office funds at Danville were secure and invested to achieve maximum returns while minimizing risk.

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<sup>4</sup> U.S. District Court, Eastern District of Pennsylvania, Veccione vs. Wohlgemuth, Civil Action No. 73-162; Stipulation of Council.

<sup>5</sup> Department of Public Welfare, Bureau of Administrative Services, Division of Guardianship Programs, Policy and Procedure Manual – revised: September 2005.



The Vocational Adjustment Service (VAS) Department at Danville State Hospital recognizes that a crucial aspect of client recovery is vocational activity. DPW seeks to enlighten clients about the intrinsic value of work and to offer them the opportunity to select and participate in both educational and work activities designed to empower them to fulfill their potential and reach their vocational goals. The Vocational Adjustment Services Manual provided guidance for Danville.<sup>6</sup>

**Finding 2 – Danville safeguarded and invested VAS funds adequately.**

All client funds were deposited in interest bearing accounts. Bank accounts were reconciled monthly and bank statements for December 2005 and June 2006 were traced to monthly financial reports without exception. All 15 client time reports were accurate, complete, and properly approved. In addition, all 12 disbursements transactions were accurate, and properly approved.

**Payroll and Timekeeping**

Danville State Hospital's payroll system generates payroll payments automatically based on an employee's work schedule. For employees who work regular shifts with no overtime, there is no need to make adjustments; however, for employees who work overtime or different shifts, this information must be inputted. Danville's Timekeeping Department is responsible for inputting and processing all employee overtime. The timekeeper must determine that overtime and shift differentials earned are consistent with DPW and Danville policies and procedures,<sup>7</sup> and with negotiated labor agreements.<sup>8</sup> Employees working the second and third shifts are entitled to shift differential if the overtime shift occurs before or directly after their regular shift, or if the overtime shift was worked on their regular shift during their scheduled day off. Before any overtime is processed, Danville requires all employees to submit a completed Overtime Occurrence Report (PW 1027), which should be properly signed and contain detailed justification for overtime to the Payroll Office prior to the assignment of overtime, or in case of an emergency, at the beginning of the next workday after the occurrence of the overtime.

In February 2004, Danville implemented an online service known as the Employee Self-Service System (ESS), which helps the employee manage their employment information such as requesting leave and viewing work schedules. The Timekeeping Department monitors leave input for employees having access to this system, and inputs leave usage for employees who do not have access to it. The timekeeper receives a Cumulated Time

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<sup>6</sup> Vocational Adjustment Services policy -VAS.001.

<sup>7</sup> Danville State Hospital Policy/Procedure Number 102.084

<sup>8</sup> Master Agreement 2003-2007, Council 13, American Federation of State, County and Municipal Employees (AFSCME)-AFL-CIO, Article 20.

## **Audit Results**

Evaluation Report, which lists all employees whose leave is different from their original schedule. This report enables the timekeeper to determine if any leave taken had not been recorded.

### **Finding 3 – Danville recorded overtime and shift differential accurately and posted leave correctly to employee leave records.**

Overtime and/or shift differential earned by all 30 tested employees was appropriately recorded, documented, and approved. Timekeepers inputted overtime using overtime occurrence reports.

In addition, the leave for all 55 employees were properly approved and correctly posted to their leave records. Management approved all requested leave before it was automatically transferred to the timekeeper. In addition, for each pay period from July 2005 to June 2006, an error report was generated listing any leave requested that was not posted to the employee record. Management reviewed these reports and all corrections were made prior to the release of the payroll.

## **Cellular Phones**

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

The Commonwealth issued a management directive establishing policy and guidelines for the procurement, allocation, and use of wireless communication devices and service provider plans.<sup>9</sup> Allocation of wireless communication devices are determined as operationally necessary by the Agency Head and one agency Deputy Secretary with operational responsibility for the management of these devices.

As of June 30, 2006, Danville had 23 cellular phones with either 500 or 100 available monthly minutes. The plan allows for sharing unused minutes.

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<sup>9</sup> Management Directive 240.11 Amended issued October 8, 2004 titled "Commonwealth Wireless Communication Policy."

**Finding 4 – Danville could save approximately \$3,000 by eliminating underused cellular phones and reducing plan minutes.**

Danville had five cellular phones that appeared to be underutilized and therefore in excess to its needs. In addition, five other cellular phones had minute plans that exceeded historical usage needs. If the unneeded cellular phones were eliminated and excessive minute plans reduced, Danville could have saved approximately \$3,000 for the fiscal year ending June 30, 2006.

Danville's switchboard area had six cellular phones used by staff when escorting hospital clients either on or off hospital grounds. Four of these cellular phones used less than 17% of available minutes. However, because of coverage needs only two of the cellular phones could be eliminated. In addition, three others cellular phones assigned to specific positions used less than 100 minutes out of an available 1200 minutes during the fiscal year ended June 30, 2006 and therefore could be eliminated. For these positions, other methods of communication are available. Eliminating these five cellular phones could save approximately \$2,300.

In addition, Danville had five cellular phones that have available 500 minutes per month; however, over the one-year billing period ending June 17, 2006 only 5,570 minutes of the 26,500 minutes available were used. If these cellular phones were switched to the 100-minute a month plan the hospital would have saved over \$850

According to Danville management, a usage analysis of cellular phones was never conducted since the inception of the contract in 2004.

Recommendations:

Danville management should conduct an analysis of cellular phone usage to determine current need. At a minimum Danville should consider eliminating the cellular phones identified as unnecessary, and unneeded and reducing excess contracted minutes.

Management Comments:

Danville management agreed with the recommendation and indicated that they would analyze cellular phone usage.

**Staff Training**

Danville is responsible for providing daily direct care for the health, safety, and well-being of its residents. The Hospital must train the direct care staff to ensure that residents receive competent, consistent, and sufficient care.

## **Audit Results**

The Commonwealth of Pennsylvania establishes policy relating to training activities that both supports and improves employee and organizational effectiveness.<sup>10</sup> The Department of Public Welfare regulations require the facility to provide each direct care worker with initial orientation and continuing education that focuses on the skills and safety of both the direct care staff and residents at the hospital.<sup>11</sup> Danville's Staff Development Office is responsible for preparing an Annual Training Plan that outlines training and educational efforts enhancing the competencies, knowledge, skills and abilities of all the hospital staff.

### **Finding 5 – Danville complied with training regulations for direct care staff.**

Danville direct care staff received the required training as identified in Danville's Annual Training Plan. Danville provided training courses on subjects such as Infection control/HIV/AIDS, HIPAA, Crisis Intervention Training, and Fire Safety. An annual training plan was prepared listing all training courses as well as a variety of means to receive that training. Employees training records were maintained and up-to-date. In addition, newly hired employees received orientation. Finally, all the employees sampled held the required professional licenses.

## **Incident Reporting and Prevention**

Danville must respect the moral rights and provide the appropriate venue for its clients to report any act of alleged abuse. As defined in the Pennsylvania Code,<sup>12</sup> categories of abuse (incidents) include, but are not limited to; physical, non-physical, neglect, or exploration. DPW requires Danville to maintain procedures to ensure that all client complaints are addressed, investigated, and resolved. Handling and managing the abuse investigation process is the responsibility of Danville's Investigative Coordinator.

### **Finding 6 – Danville tracked and monitored incidents of abuse complaints incidents as required.**

Danville maintained a computerized tracking system to monitor its incidents of abuse investigative process. Danville's Investigative Coordinator has assigned 34 employees that covered all three shifts to investigate incidents of abuse. These employees all received at least 24 hours of training in investigating incidents of abuse. All examined complaints filed from July 1, 2005, through June 2006 indicated all files had evidence of sufficient documentation, appropriate action, and met the 5 day timeliness requirement. The client,

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<sup>10</sup> Management Directive 535.1 Employee Training and Development

<sup>11</sup> Department of Public Welfare Manual 7124.1

<sup>12</sup> Title 55, Pennsylvania Code Chapter 5100, Mental Health Procedures.

investigator, description of complaint, fact sheet, investigative summary, evidence summary, and official action were all included in the file. In addition, appropriate approvals by the superintendent and other responsible officials were evidenced on applicable forms.

## **Contracts**

Commonwealth institutions often contract with vendors instead of providing services in-house. Full time positions may not be warranted or institutional personnel may not have the expertise to provide the services in-house. As a result, contracting provides the institution with a more economical and efficient means of obtaining needed services. General Services has issued procurement policies and procedures<sup>13</sup> that are incorporated in Public Welfare's procurement policies and procedures.

### **Finding 7 – Danville processed all examined contracts according to Commonwealth guidelines.**

All fourteen contracts examined were advertised, and bid in accordance with Commonwealth requirements. In addition, Danville substantiated the need for each of the reviewed contracts. Finally, Danville sufficiently monitored each contract and processed vendor invoices as required.

## **Expenditures**

The Commonwealth implemented the SAP R/3 software package to standardize key administrative systems. Typically, expenditure transactions processed by SAP R/3 require the purchase order, vendor invoice, and receiving report to agree prior to payment authorization. One exception to this three-way match requirement occurs when payments processed as direct pay or FB 60 transactions. These transactions are considered approved when the order is placed and are mostly travel expenses, hotel charges, and one-time vendor payments.

Vendor invoices are often mailed directly to the Comptroller, manually approved (initialed) by agency personnel and then processed for payment by the Comptroller Office based on the manual agency approval.

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<sup>13</sup> Department of General Services Field Procurement Handbook No. M215.3.

## **Audit Results**

### **Finding 8 – Danville had adequate control over direct pay (FB 60) transactions.**

The payments examined were for training, travel, telecommunications, computer, and refunds. That examination did not disclose any errors, discrepancies and/or omissions. All transactions tested were posted correctly and documents to support these transactions such as purchase orders, invoices and receiving reports were on file and valid. In addition, Danville's FB 60 transaction control system included an internal review every three days of transactions posted by the Comptroller to ensure Danville incurred those expenses.

## **Pharmacy Operations**

Danville State Hospital operates an in-house pharmacy to provide necessary pharmaceutical care for its residents. The pharmacy employs five full time pharmacists and at June 30, 2006, Danville's pharmacy consisted of 1,098 non-controlled drugs and 89 controlled substances valued at nearly \$109,500. The DPW has established operating procedures to ensure that the pharmacies at its various institutions are consistently operated.<sup>14</sup>

### **Finding 9 – Danville maintained adequate control over pharmacy operations.**

At Danville, only the pharmacists had keys to the pharmacy. The accounting department was responsible for recordkeeping, conducting annual physical inventories, and monthly spot checks. Controlled substances were maintained in a small locked room within the pharmacy.

The inventory test counts yielded no discrepancies for the 23 controlled drugs tested and only one discrepancy for the 29 non-controlled drugs tested. This discrepancy was the result of a posting error that was subsequently corrected. Finally, all pharmacists' licenses were current.

## **Fire Safety**

A major responsibility of Danville management is to establish a safe, secure living and working environments for residents employees. A major function in this responsibility is fire safety of which maintaining fire extinguishers is a key element. To provide information on the proper care and maintenance of fire extinguishers, the National Fire Protection Association has issued national standards and guidelines.<sup>15</sup>

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<sup>14</sup> DPW Administrative Manual, Section 7085.5 Inventory Management.

<sup>15</sup> National Fire Protection Agency (NFPA) Chapter 10 Standards for Portable Fire Extinguishers.

**Finding 10 – Danville did not comply with National Fire Protection Association guidelines.**

Danville did not comply with the portable fire extinguisher standards as established by the National Fire Protection Association (NFPA). Danville’s fire safety manager inspected fire extinguishers both monthly as well as yearly as required. However, the safety manager did not have the required manufacturer training to do the annual inspections. NFPA Section 6.1.2 states, “A person who has undergone the training necessary to perform maintenance and has the manufacturer’s service manual shall service the fire extinguishers not more than one year apart.”

As of January 2007, Danville maintained 556 portable fire extinguishers, 525 or 94% of which were overdue on six-year maintenance. NFPA section 6.3.3 states “Every 6 years, stored pressure fire extinguishers that require a 12 year hydrostatic test shall be emptied and subjected to the applicable maintenance procedures.”

Danville did not post 91 fire extinguishers purchased since 2004 to the fire extinguisher inventory records. In addition, fire extinguisher inspections were not documented. NFPA section 6.2.4 states “Personnel making inspections shall keep records of all fire extinguishers inspected.”

**Recommendations:**

Danville management should either provide the fire safety manager with the training necessary to complete fire extinguisher inspections in accordance with NFPA requirements or contract with a certified inspection company. In addition, Danville should maintain an accurate record of fire extinguishers and include the six-year maintenance and twelve year hydrostatic test dates.

**Management Comments:**

Danville management agreed with the recommendations and plan to develop and implement a new process to address all cited deficiencies and corresponding recommendations.

## **Status of Prior Audit Findings and Recommendations**

The following is a summary of the findings and recommendations presented in our audit report for the period July 1, 2001, to March 12, 2004, along with a description of the hospital's disposition of the recommendations.

### **Prior Audit Results**

#### **Finding I-1 Portable fire extinguishers were not maintained in accordance with National Fire Protection Association standards.**

Our prior audit reported that 280 or 46% of Danville's fire extinguishers were overdue on required six-year maintenance tests as required by the National Fire Protection Association. We recommended that Danville maintain portable fire extinguishers in accordance with NFPA standards.

#### **Status:**

Danville did not comply with our recommendation. We again discuss this issue in the current audit report in Finding 10.



## *Audit Report Distribution List*

This report was initially distributed to the following:

### Commonwealth of Pennsylvania

The Honorable Edward G. Rendell  
Governor

The Honorable Robin L. Wiessmann  
State Treasurer  
Pennsylvania Treasury Department

The Honorable Edwin B. Erickson  
Chair  
Public Health and Welfare Committee  
Senate of Pennsylvania

Department of Public Welfare  
The Honorable Estelle B. Richman  
Secretary

The Honorable Vincent J. Hughes  
Democratic Chair  
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Senate of Pennsylvania

Joan Erney  
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Mental Health & Substance Abuse Services

The Honorable Frank L. Oliver  
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Donna Ashbridge  
Chief Executive Officer

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).