

EXECUTIVE DIGEST

ADRIAN TRAINING SCHOOL

INTRODUCTION

This report contains the results of our performance and financial related audit of the Adrian Training School, Department of Social Services (DSS), for the period October 1, 1992 through July 31, 1994.

AUDIT PURPOSE

This performance and financial related audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness and efficiency. Financial related audits are conducted at various intervals to permit the Auditor General to express an opinion on the State's financial statements. Also, this audit complements the departmentwide financial audit.

BACKGROUND

The Adrian Training School is operated under the jurisdiction of the Office of Delinquency Services within DSS. The school is a residential treatment center for adjudicated youth between the ages of 12 and 21. The school has been a coeducational medium security institution since January 1973. There are no walls or fences surrounding the facility.

The school is a 120-bed facility composed of six cottages, each with a 20-bed capacity, and serves 80 males and 40 females. As of July 31, 1994, the on-campus population was 120 and the school had 125 employees. For fiscal year 1992-93, the school's expenditures totaled approximately \$7.9 million.

**AUDIT
OBJECTIVES
AND
CONCLUSIONS**

Audit Objective: To assess the effectiveness of the school in carrying out its responsibilities related to the treatment services provided to students.
Conclusion: We concluded that the school was reasonably effective in carrying out its responsibilities related to treatment services provided to students. However, our assessment disclosed reportable conditions relating to performance objectives, student service plans, and medical services (Findings 1 through 3).

Audit Objective: To assess the effectiveness of the school's internal control structure over selected activities.

Conclusion: We concluded that the internal control structure was reasonably effective and our assessment did not disclose any material weaknesses. However, we noted reportable conditions related to documentation of administration of student medication, clinic control over medications, clinic security, purchasing, building demolition and improvement projects, miscellaneous revenue, supplies and materials inventory, student property records, time and attendance reporting, cash receipts, and fixed asset recording (Findings 4 through 16).

Audit Objective: To assess the school's compliance with selected State laws and regulations.

Conclusion: Our assessment of the school's compliance with selected laws and regulations did not disclose any material instances of noncompliance. However, we noted reportable conditions related to student service plans and medical services (Findings 2 and 3). These findings are reported under the effectiveness of treatment services objective in this report. In addition, another reportable condition related to building improvement projects (Finding 9) is reported under the internal control structure objective in this report.

**AUDIT SCOPE
AND
METHODOLOGY**

Our audit scope was to examine the program and financial records of the Adrian Training School for the period October 1, 1992 through July 31, 1994. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

To assess the effectiveness of the school in carrying out its responsibilities related to treatment services provided to students, our methodology included interviewing agency personnel, reviewing student case files for identified individual student treatment needs, and reviewing the initial and updated treatment plans which addressed those needs. We reviewed student records for compliance with selected DSS licensing standards. We also reviewed and compared available statistical data to identify any significant trends for

released students. This data included planned completion rates, length of stay, educational achievement, and arrest and productive activity after release.

**AGENCY
RESPONSES
AND PRIOR AUDIT
FOLLOW-UP**

Our audit report includes 16 findings and 21 corresponding recommendations. The agency preliminary response indicated that the agency agreed with all of our recommendations.

The agency preliminary response also stated that DSS and the Adrian Training School's administration have reviewed the audit's reportable conditions dealing with the school's effectiveness. DSS is gratified that, in the main, there were no major findings but, rather, reportable conditions. Appropriate performance objectives for the residential treatment phase of the program will be developed. However, establishing appropriate post-treatment performance objectives will require additional resources for research. Reportable conditions dealing with service plans and preventive medical services are being or have been corrected. Findings on timely preventive medical service arose from a prolonged staff illness and medical absences. New staff have been assigned to these duties. In addition, the response stated that the reportable conditions noted in the internal control structure are under review and will be strengthened. The resulting corrective action measures will also address those reportable conditions dealing with the school's compliance with selected laws and regulations. DSS wishes to note that extensive coordination with the local historical society took place prior to demolishing the cited building.

The school complied with 28 of the 33 prior audit recommendations included in our current scope of audit.