



MICHIGAN

OFFICE OF THE AUDITOR GENERAL

AUDIT REPORT



THOMAS H. MCTAVISH, C.P.A.
AUDITOR GENERAL

The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

– Article IV, Section 53 of the Michigan Constitution

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Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

Adrian Training School

Department of Human Services

Report Number:
431-0272-06

Released:
May 2007

The Adrian Training School (ATS) is a licensed juvenile justice facility. ATS's mission is to provide safe and secure residential treatment services to young women and their families with the goal of successful community reentry. In achieving its mission, ATS provides its residents with rehabilitation programs (including treatment and educational programs), medical services, housing, and food. The Bureau of Juvenile Justice, Department of Human Services, operates ATS.

Audit Objective:

To assess ATS's efforts to ensure the effectiveness of its rehabilitation programs.

Audit Conclusion:

ATS's efforts to ensure the effectiveness of its rehabilitation programs were effective. However, we noted one reportable condition (Finding 1).

Reportable Condition:

ATS should expand its processes for measuring the effectiveness of its programs (Finding 1).

Noteworthy Accomplishments:

ATS identified the need for a transitional program and developed the Young Women Attaining Transitional Experience Program. ATS partnered with DaimlerChrysler Financial Services to fund improvements to the building that will be used by the transitional program residents. Also, DaimlerChrysler Financial Services plans to offer mentors and provide driver's

education to the transitional program residents.

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Audit Objective:

To assess ATS's efforts to ensure the safety of its residents.

Audit Conclusion:

ATS's efforts to ensure the safety of its residents were effective. Our report does not include any reportable conditions related to this audit objective.

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Agency Response:

Our audit report contains 1 finding and 1 corresponding recommendation. The Department of Human Services' preliminary response indicates that it agrees with the recommendation.

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May 22, 2007

Mrs. Marianne Udow, Director
Department of Human Services
Grand Tower
Lansing, Michigan
and
Ms. Sandra Bow, Director
Adrian Training School
2300 North Adrian Highway
Adrian, Michigan

Dear Mrs. Udow and Ms. Bow:

This is our report on the performance audit of the Adrian Training School, Department of Human Services.

This report contains our report summary; description of agency; audit objectives, scope, and methodology and agency responses; comments, finding, recommendation, and agency preliminary response; three exhibits, presented as supplemental information; and a glossary of acronyms and terms.

Our comments, finding, and recommendation are organized by audit objective. The agency preliminary response was taken from the agency's response subsequent to our audit fieldwork. The *Michigan Compiled Laws* and administrative procedures require that the audited agency develop a formal response within 60 days after release of the audit report.

We appreciate the courtesy and cooperation extended to us during this audit.

AUDITOR GENERAL

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Description of Agency

The Adrian Training School (ATS), a licensed juvenile justice facility, is located on a 55-acre campus at the northern edge of Adrian. ATS was established by the Michigan Legislature in 1881. The Bureau of Juvenile Justice (BJJ), Department of Human Services, operates ATS. BJJ classified ATS as a closed medium security facility. ATS provides residents with out-of-home care, such as counseling, education, medical services, food, and clothing. The residents are young women between the ages of 12 and 21. The circuit courts in all counties throughout Michigan refer young women directly to ATS or to BJJ for placement in the most appropriate setting based on a variety of factors, including age, security level, and treatment needs. The young women referred to ATS have common difficulties, such as education deficits, criminal behavior, substance abuse, sexual or physical abuse, and self-destructive behavior.

ATS's mission* is to provide safe and secure residential treatment services to young women and their families in the juvenile justice system with the goal* of successful community reentry. In achieving its mission, ATS provides a wide variety of treatment programs, including group, individual, and family therapies; substance abuse treatment; a 12-step program; art therapy; expressive and experiential interventions; and psychiatric and psychological services. In addition, all residents receive education regarding reproductive health and human immunodeficiency virus (HIV), acquired immune deficiency syndrome (AIDS), and pregnancy prevention. Further, there are two specialized treatment groups. The first group is a weekly therapy group for residents who have committed sexual offenses or have engaged in harmful sexual behaviors. The second group resides at the West Williams Cottage where ATS provides services for up to 10 residents with severe mental health issues. ATS based all treatment programs on the Know, Learn, Practice, Plan process. This process operates on the basis that the residents need to understand the cause of their destructive and self-defeating behavior so they can change their behavior patterns.

ATS provides educational programs, delivered by certified teachers, to its residents. The educational programs are a collaborative effort among teachers, treatment teams, and families. Small class sizes (12 and under) by grade level enable ATS to focus the class instruction on the special needs and individual goals of its residents. ATS provides special education services to its residents as needed. ATS provides a core

* See glossary at end of report for definition.

curriculum that includes English, mathematics, and social studies. It also provides other classes that include health and physical education, science, computers, computer repair, fine art, performance arts, preemployment, and life skills. In addition, ATS provides special education services to its residents as needed, tutorial services in reading and mathematics, and general educational development (GED) instruction and testing to eligible residents.

ATS provides medical services at the campus clinic, including general health screening, immunizations, dental services, and referral to specialists when indicated. Also, HIV and AIDS counseling and testing are available.

ATS had 130 employees and 56 residents as of September 30, 2006.

Audit Objectives, Scope, and Methodology and Agency Responses

Audit Objectives

Our performance audit* of the Adrian Training School (ATS), Department of Human Services (DHS), had the following objectives:

1. To assess ATS's efforts to ensure the effectiveness* of its rehabilitation programs.
2. To assess ATS's efforts to ensure the safety of its residents.

Audit Scope

Our audit scope was to examine the program and other records related to the Adrian Training School. 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. Our audit procedures, performed from August through October 2006, generally covered the period January 1, 2005 through September 30, 2006.

Audit Methodology

We conducted a preliminary review of ATS to gain an understanding of its activities and programs to form a basis for selecting certain operations for audit. We interviewed ATS staff to gain an understanding of ATS operations. In addition, we reviewed applicable laws, policies, and procedures to gain an understanding of management control* related to pertinent ATS functions.

To accomplish our first objective, we obtained an understanding of ATS's programs and its processes for evaluating the programs by interviewing ATS staff and reviewing applicable policies. In addition, we tested ATS resident case files and management documents to determine whether ATS monitored its programs for effectiveness.

To accomplish our second objective, we obtained an understanding of ATS's efforts to ensure the safety of its residents by interviewing ATS staff and reviewing applicable

* See glossary at end of report for definition.

laws, rules, policies, and procedures. In addition, we reviewed licensing reports, special investigations, associated corrective action plans, and resident case files.

We use a risk and opportunity based approach when selecting activities or programs to be audited. Accordingly, our audit efforts are focused on activities or programs having the greatest probability for needing improvement as identified through a preliminary review. By design, our limited audit resources are used to identify where and how improvements can be made. Consequently, our performance audit reports are prepared on an exception basis. To the extent practical, we add balance to our audit reports by presenting noteworthy accomplishments for exemplary achievements identified during our audits.

Agency Responses

Our audit report contains 1 finding and 1 corresponding recommendation. DHS's preliminary response indicates that it agrees with the recommendation.

The agency preliminary response that follows the recommendation in our report was taken from the agency's written comments and oral discussion subsequent to our audit fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and Department of Management and Budget Administrative Guide procedure 1280.02 require DHS to develop a formal response to our audit findings and recommendations within 60 days after release of the audit report.

COMMENTS, FINDING, RECOMMENDATION,
AND AGENCY PRELIMINARY RESPONSE

EFFORTS TO ENSURE EFFECTIVENESS OF REHABILITATION PROGRAMS

COMMENT

Background: The Adrian Training School (ATS), in conjunction with a juvenile justice specialist, the resident, and the resident's family, creates treatment plans that address the needs of each resident. The residents have common difficulties, such as educational deficits, criminal behavior, substance abuse, sexual or physical abuse, and self-destructive behavior. ATS provides treatment programs and educational programs for its residents. In addition, ATS identifies common problems of its residents and provides distinct group programs. ATS assigns residents to a specific treatment group during their intake process.

Audit Objective: To assess ATS's efforts to ensure the effectiveness of its rehabilitation programs.

Conclusion: **ATS's efforts to ensure the effectiveness of its rehabilitation programs were effective.** However, our assessment disclosed one reportable condition* related to ATS program effectiveness (Finding 1).

Noteworthy Accomplishments: ATS identified a need for a transitional program and developed the Young Women Attaining Transitional Experience Program and is in the process of implementing the Program. The Program design includes a focus on successful reentry of residents back into the communities, by preparing them for work and keeping track of where they reside after their release. ATS partnered with DaimlerChrysler Financial Services to fund improvements to the building that will be used by the transitional program residents. Also, DaimlerChrysler Financial Services plans to offer mentors and provide driver's education to the transitional program residents. In addition, ATS recently developed an exit survey* and plans to send the survey to residents who have been released from ATS for one year.

* See glossary at end of report for definition.

FINDING

1. ATS Program Effectiveness

ATS should expand its processes for measuring the effectiveness of its programs. ATS's program measurement and evaluation are tied to its stated mission of providing safe and secure residential treatment services rather than to its overall goal of successful community reentry for its residents. As a result, ATS did not have the necessary information to identify possible changes to its programs to help ensure residents' future success.

Section 705, Act 147, P.A. 2005, requires the Department of Human Services (DHS), of which ATS is a component, to develop a methodology for measuring goals, objectives*, and performance standards* for the delivery of juvenile justice residential programs for both public and private residential programs. Also, the Act requires DHS to collect data from both public and private juvenile justice residential programs that can be used to evaluate performance achievements, such as ATS's goal of successful community reentry.

In our audit, we determined that ATS did not have a complete process in place to measure the overall success of reentry of the residents into the community.

ATS did have some measurement and program evaluation processes in place, such as:

- a. The measurement of educational outcomes* of its residents. ATS determines its residents' success based on the general educational development (GED) test and improvements in reading and mathematics skills using the California Achievement Test and the Test for Adult Basic Education.
- b. Participation in the Performance-based Standards (PbS) system developed by the Council of Juvenile Correctional Administrators.
- c. The completion of a needs and strength assessment scoring for the DHS Bureau of Juvenile Justice (BJJ).

These measurement and program evaluation processes are primarily relevant in determining if ATS was successful in meeting its mission of providing a

* See glossary at end of report for definition.

safe and secure residential treatment facility. However, they do little in measuring the overall success of reentry of the residents into the community.

BJJ informed us that it determined the success of ATS's programs through the use of recidivism data to measure the effectiveness of its programs after residents' release. However, ATS management informed us that it did not receive recidivism data from BJJ to use for program effectiveness evaluation during our audit period. In addition, there are other performance indicators* of successful community reentry, such as the level of reported earnings the residents achieve, their need for State financial assistance, and their pursuit of further education.

We recognize that there are many factors that affect the success of residents after release from ATS. Therefore, to more fully evaluate how well ATS is achieving its goal and to identify some of the barriers in place that hinder it in achieving its goal, ATS should determine the performance indicators that are most relevant and define what level of achievement would be considered a success. ATS should define and begin collecting required data and compare actual results to planned levels of achievement, historical trends, and populations of non-ATS youth with like characteristics. In addition, the information should be used to identify the barriers in place that limit successful reentry and to address those areas that are under ATS's control.

RECOMMENDATION

We recommend that ATS expand its processes for measuring the effectiveness of its programs.

AGENCY PRELIMINARY RESPONSE

ATS agrees and will make modifications to its system. It is ATS's continued goal to provide quality treatment services for female adolescents at ATS that meet the individual needs of the population that is served. ATS understands the need to measure and properly evaluate itself in order to determine if it is successfully doing what it says it is to do in the ATS mission statement. The staff at ATS are committed and dedicated to providing a safe and secure environment.

EFFORTS TO ENSURE THE SAFETY OF RESIDENTS

COMMENT

Background: ATS's responsibilities, aside from its rehabilitation programs, include providing medical services, housing, and food and ensuring the overall safety of the residents.

Audit Objective: To assess ATS's efforts to ensure the safety of its residents.

Conclusion: **ATS's efforts to ensure the safety of its residents were effective.**
Our report does not include any reportable conditions related to this audit objective.

SUPPLEMENTAL INFORMATION

ADRIAN TRAINING SCHOOL (ATS)

Photograph of ATS Grounds



This photograph shows ATS grounds, including the Oak Grove Building (left) and the Adventure Education Building (right).

Photograph provided by Adrian Training School.

ADRIAN TRAINING SCHOOL (ATS)
Photographs of Educational Facility



This photograph shows a classroom used by ATS residents.
Photograph provided by Adrian Training School.



This photograph shows the ATS computer lab located in the Learning Center.
Photograph provided by Adrian Training School.

ADRIAN TRAINING SCHOOL (ATS)
Photographs of Transition Program Housing Unit



This photograph shows the ATS Transition Program banner.
Photograph taken by Office of the Auditor General staff.

ADRIAN TRAINING SCHOOL (ATS)
Photographs of Transition Program Housing Unit
(continued)



This photograph shows ATS and DaimlerChrysler Financial Services staff working together to ready the Transition Program Housing Unit.
Photograph provided by Adrian Training School.



This photograph shows a kitchen for use by youth in the Transition Program.
Photograph provided by Adrian Training School.

ADRIAN TRAINING SCHOOL (ATS)
Photographs of Transition Program Housing Unit
(continued)



This photograph shows a study room for use by youth in the Transition Program.
Photograph taken by Office of the Auditor General staff.



This photograph shows a bedroom in the Transition Program Housing Unit.
Photograph provided by Adrian Training School.

GLOSSARY

Glossary of Acronyms and Terms

AIDS	acquired immune deficiency syndrome.
ATS	Adrian Training School.
BJJ	Bureau of Juvenile Justice.
DHS	Department of Human Services.
effectiveness	Program success in achieving mission and goals.
exit survey	A survey of former residents that ATS will use to measure certain aspects of residents' success in community reentry and to determine how the former residents felt that ATS programs assisted with their community reentry. Also, the survey allows ATS to identify the need for additional services for former residents.
goals	The agency's intended outcomes or impacts for a program to accomplish its mission.
HIV	human immunodeficiency virus.
management control	The plan of organization, methods, and procedures adopted by management to provide reasonable assurance that goals are met; resources are used in compliance with laws and regulations; valid and reliable data is obtained and reported; and resources are safeguarded against waste, loss, and misuse.
mission	The agency's main purpose or the reason that the agency was established.
objectives	Specific outcomes that a program seeks to achieve its goals.

outcomes	The actual impacts of a program.
performance audit	An economy and efficiency audit or a program audit that is designed to provide an independent assessment of the performance of a governmental entity, program, activity, or function to improve public accountability and to facilitate decision making by parties responsible for overseeing or initiating corrective action.
performance indicators	Information of a quantitative or qualitative nature used to assess achievement of goals and/or objectives.
performance standard	A desired level of output or outcome.
reportable condition	A matter that, in the auditor's judgment, represents either an opportunity for improvement or a significant deficiency in management's ability to operate a program in an effective and efficient manner.

