

"The center's building supervisors were not reporting employees' lost time (an absent employee with insufficient leave credits to cover such absences) or terminations to the personnel or payroll offices" in a timely manner, the report continues.

"Therefore, the payroll office was compelled to review all time and accrual records each payday for such occurrences."

Auditors say they were unable to certify the reasonableness of the community store's balance sheet or income statement because of poor controls over merchandise inventories and a substantial adjustment, \$31,600, made to accounts receivable, which could not be supported.

The report charges the center "violated certain state purchasing guidelines by splitting purchase orders to avoid bidding requirements, avoiding centralized contracts and not using the petty cash fund for making purchases under \$25."

It reports that members of the staff, rather than use available telephone directories, chalked up a bill of \$1,700 for "information" or directory assistance calls in a 10-month period.

The report states that tighter controls over traffic entering the center's grounds was needed to aid security and "to discourage criminals from looking upon the center as easy prey."

Reported illegal acts rose from 369 in the first nine months of 1971 to 522 in the first nine months of 1978, the audit reports. In addition, fire and safety inspections were not being performed monthly, as required, and emergency procedures needed to be clarified.

"In the cases of two patients' deaths, subsequent reviews showed in one case hesitation in obtaining prompt medical health," the report states, "and in the other instance, a patient died after consuming a glass Christmas tree ornament, although his file showed he had a history of being operated on twice before for similar incidents."

The comptroller offered scores of recommendations to correct poor and inadequate practices at the center.

\$13,815 and in October, the variance grew to \$48,213.

Under state regulations, the ledger card balances and cashbook balances are to be reconciled monthly, the audit notes, adding, "The center did not do this."

The audit blames poor inventory control for such excessive storehouse stock as a 41-month supply of mayonnaise, a 7½-month supply of pork jowls and a 54-month supply of Stelini macaroni.

The center's cash office balance on March 31, 1979, was \$750,000, the report states, but auditors were unable to verify total cash receipts and disbursements because of the center's incomplete financial records.

"The cashbook was not posted for about 10 months — between May 1977 and March 1978," the report continues. "During the other periods, it was not maintained correctly, making reconciliation difficult.

"Failure to maintain these most basic cash records is a serious breach of fiscal accountability."

Other inadequate internal controls relative to cash reported by the audit are single-signature checks and failure to maintain an inventory of cash receipt books.

"In one instance," the auditors reveal, "we found six checks for one resident totaling \$60 left by a visitor. The oldest (was) dated one year prior. They were retained on the wards rather than transferred to the business office for deposit in the patient's account.

"Sixty dollars is important to a resident. Nor was that an isolated incident.

"Unclaimed amounts (\$8,100) belonging to residents deceased or discharged at least six months previously were not remitted to the state comptroller's Abandoned Property Unit as required."

The audit charges that the business office made no independent review of payroll transactions to ensure only authorized changes had been made. It also held onto unclaimed paychecks instead of returning them to the Taxation and Finance Department.