

# UCP, state resolve cash flow problems

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Advance City Hall Bureau

An agreement between United Cerebral Palsy and New York State has ended a 10-day cash flow problem that nearly cut off food service for hundreds of mentally retarded patients, officials

said yesterday.

The agency accumulated a \$1.1-million deficit over eight or nine months because of record-keeping problems, officials said, and the deficit became critical at the end of January.

UCP, a private nonprofit agency, is under contract to the state to run facilities for the mentally retarded. These include apartments throughout the city and two institutions on Staten Island — the Karl D. Warner Center in Willowbrook and the Nina Eaton Center in Ocean Breeze.

Cora Hoffman, an agency spokeswoman, said the financial problems started when UCP closed down or transferred to state control about 30 of its 100 apartments. She said computer records became disorganized, and some patients stopped getting Medicaid and other government benefits.

"They have experienced some cash flow problems. It was basically a matter of paperwork," said Paul R. Kietzman, a lawyer for the state Office of Mental Retardation.

Mrs. Hoffman said the agency was forced to delay payments to its food service vendor, in order to make its employee payroll. Most of the records were straightened out last week, she said.