



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

*Performance Audit*  
*Mt. Pleasant Center*  
*Bureau of Hospitals, Centers, and Forensic*  
*Mental Health Services*  
*Department of Community Health*

Report Number:  
391-0305-06

Released:  
April 2007

*The Center is the only State-operated facility serving individuals with developmental disabilities. The Center's mission is to empower individuals to achieve independence and personal aspirations. The Center subscribes to the person-centered planning process to treat patients, which is designed to enable patients to acquire, improve, and maintain skills leading toward greater independence. The Center is a certified participant in the Medicaid Intermediate Care Facility for Persons with Mental Retardation Program. As of June 30, 2006, the Center had 538 employees and 175 patients.*

***Audit Objective:***

To assess the effectiveness of the Center's efforts to deliver selected patient care services.

***Audit Conclusion:***

We concluded that the Center was moderately effective in its efforts to deliver selected patient care services. We noted two material conditions (Findings 1 and 2) and three reportable conditions (Findings 3 through 5).

***Material Conditions:***

The Center needs to improve its monitoring of patient services to help ensure that the Center complies with patient treatment plans, Center policy, and State law and federal regulations (Finding 1).

The Center did not ensure that direct care staff received the training as required by Center policies and procedures. Also, the Center had not updated its training policies and procedures to help ensure that its training program meets the Center's

operational needs. In addition, the Department of Community Health (DCH), in conjunction with the Center, had not developed an overall training strategy which would help the Center document its training practices. (Finding 2)

***Reportable Conditions:***

Our audit also disclosed reportable conditions related to person-centered planning process, dental care, and complaints (Findings 3 through 5).

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***Audit Objective:***

To assess the Center's efforts to safeguard and efficiently use selected resources.

***Audit Conclusion:***

We concluded that the Center's efforts were moderately effective in safeguarding and efficiently using selected resources. We noted two material conditions (Findings 6 and 7) and five reportable conditions (Findings 8 through 12).

**Material Conditions:**

The Center had not established effective controls over its inventories (Finding 6).

The Center did not effectively complete its biennial internal control assessment (Finding 7).

**Reportable Conditions:**

Our audit also disclosed reportable conditions related to medication purchases and utilization, medication refunds and rebates, patients' personal property, inventory of noncontrolled substances, and procurement card approvals (Findings 8 through 12).

**Noteworthy Accomplishments:**

In 1999, the Center, in conjunction with the Walter P. Reuther Psychiatric Hospital, entered into a 10-year energy management contract with a private vendor. The vendor installed equipment and systems for the purpose of reducing energy use and/or costs. The vendor charged the Center for the cost of the installation and guaranteed the Center and the Walter P. Reuther Psychiatric Hospital a minimum annual savings. For the first five years of the contract (2001 through 2005), the Center saved \$883,916 over 1998 base year costs.

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**Agency Responses:**

Our audit report contains 12 findings and 19 corresponding recommendations. DCH's preliminary response indicated that DCH and the Center generally agreed with all 19 recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: <http://audgen.michigan.gov>



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