OEIG Investigation Focuses on Accounting of DHS Service Provider

In addition to investigating misconduct at State agencies themselves, the OEIG has the authority to investigate “vendors and others doing business with” State agencies. 5 ILCS 430/20-10(c). The OEIG frequently investigates grantees and vendors in programs administered and funded by agencies such as the Illinois Department of Human Services (DHS). A report on the accounting practices of a DHS vendor providing services to mentally ill individuals was recently publicly released.

In OEIG Case #16-00650, the OEIG investigated a provider of services under the federal Williams Consent Decree. The Williams Consent Decree enables class members to move from institutional settings into communities where they can live independently with professional support. Class members who, due to mental illness, are incapable of managing their own money, rely on service providers to manage their Social Security benefits.

The OEIG originally received an allegation that the service provider had stolen money from a particular class member. However, the OEIG expanded its investigation to generally examining the service provider’s cash disbursements to clients (a/k/a “pocket pulls”). The investigation revealed that the existing accounting documents frequently contained inconsistent cash distribution amounts. For instance, in one month, more than $15,000 in class member funds were unaccounted for.

The investigative report, which was first issued to DHS in January 2019, concluded that the service provider and its employees failed to manage the cash system in a manner consistent with sound fiscal standards, and failed to maintain internal controls that were consistent with any generally accepted accounting principles. The OEIG recommended that DHS audit the service provider’s accounting of State funds, ensure monitoring of the service provider’s accounting, and prohibit involved employees from working with State funds.

In response to the report, DHS conducted several fiscal reviews, which resulted in the recovery of $15,055.76, and placed the service provider on a corrective action plan. It also reported that none of the involved employees were with the service provider any longer. A copy of the report, In re: Human Resources Development Institute, Inc., Evelyn Willis, Sandy Clark, Tonyia Calhoun, and Chuck Hoepe (OEIG Case #16-00650), is available on the OEIG website.

Investigation on Improper Pay

Another OEIG investigative report was publicly released—In re: Rhoda Kimbrough (OEIG Case #17-01435)—involving timekeeping violations at DHS. As a result of the investigation, DHS is collecting a total of $6,917.31 in improper pay from the employee, who retired from State service.