

***State of New York
Office of the State Comptroller
Division of Management Audit
and State Financial Services***

**OFFICE OF MENTAL RETARDATION
AND
DEVELOPMENTAL DISABILITIES**

**DEVELOPMENTAL CENTER
CLOSURE PLAN PROGRESS**

REPORT 98-S-47



H. Carl McCall

Comptroller



State of New York Office of the State Comptroller

Division of Management Audit and State Financial Services

Report 98-S-47

Mr. Thomas A. Maul
Commissioner
Office of Mental Retardation
and Developmental Disabilities
44 Holland Avenue
Albany, NY 12229

Dear Mr. Maul:

The following is our audit report on the Office of Mental Retardation and Developmental Disabilities relating to the progress made in its process of closing developmental centers.

This audit was performed pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law. Major contributors to this report are listed in Appendix A.

*Office of the State Comptroller
Division of Management Audit
and State Financial Services*

February 26, 1999

Executive Summary

Office of Mental Retardation and Developmental Disabilities

Developmental Center Closure Plan Progress

Scope of Audit

The Office of Mental Retardation and Developmental Disabilities (OMRDD) is responsible for providing a comprehensive, cost-effective and integrated system of services for mentally retarded and developmentally disabled persons in New York State. Prior to the late 1970s, OMRDD's primary means of caring for mentally retarded and developmentally disabled citizens was to place them in large institutions known as Developmental Centers (Centers). As a result of lawsuits filed in the 1970s in the wake of widespread abuses uncovered at the Willowbrook Center, OMRDD began to move consumers out of the State's 20 Centers and into community-based settings. This action is supported by studies which indicate that the quality of life is better in family-type settings, and that operating costs were between 5 and 19 percent lower for community-based services than for Centers. As part of this community placement effort, OMRDD began its movement toward institutional closure in 1986 when it announced that it would close the former Willowbrook State School. The process began to accelerate, and in December 1992, OMRDD instituted a policy to close all of the Centers by the year 2000. Through September 1998, 12 of the original 20 Centers have been closed.

Our audit addressed the following question relating to the closing of OMRDD's Centers for the period January 1, 1993 through September 30, 1998:

- What progress has OMRDD made in accomplishing its plan to close all Centers by the year 2000?

Audit Observations and Conclusions

We found that OMRDD has made significant progress in closing Centers, closing 12 of the 20 Centers and reducing the population from 27,000 consumers to less than 1,400 as of September 30, 1998. However, we found that OMRDD will not meet its goal of moving its consumers into community-based settings and of closing all Centers by the year 2000, and has not publicly disclosed this situation to its stakeholders. In addition, OMRDD has been successful in its commitment to retraining and reinvesting its Center staff. We also found OMRDD could be more involved in working with the Empire State Development Corporation in the disposition of its unneeded Center properties.

The Mental Hygiene Law requires OMRDD to annually submit a comprehensive implementation plan to the Governor and Legislature regarding the closure of the Centers. The annual updates are required in order to ensure responsiveness to changing needs and goals. However, we found that the only update to the comprehensive implementation plan was prepared by OMRDD in December 1993; OMRDD has not provided any formal updates since then. OMRDD officials told us that they will not be closing all Centers by the year 2000. We attempted to determine the nature of OMRDD's current plans regarding Center closure. However, OMRDD officials would tell us only that they will continue downsizing the Center census and seek community placements for individuals, when appropriate. We also noted that OMRDD is falling behind schedule for closing some Centers. OMRDD closed nine centers through 1993, almost all of which were closed within the originally planned time frame. However, since the last closure plan update, OMRDD has missed plan dates for closing Centers. For example, in 1994 O.D. Heck officials reported that the Center would close in 1995. Yet this Center remains open and had only 21 consumers as of September 30, 1998. OMRDD officials have not formally communicated to the Governor, Legislature and affected communities that they will not meet their goal to move all Center consumers to community-based settings and close all Centers by the year 2000. We recommend that OMRDD comply with the law regarding the submission of annual updates to the comprehensive implementation plan, and clearly articulate the current policy regarding closure of Centers and share this policy with appropriate stakeholders. (See pp. 4-6)

It appears as though OMRDD has been very effective in its goal to reinvest its Center staffing in the community-based programs. According to OMRDD officials, staff retention efforts have resulted in less than a 5 percent reduction in full time equivalent staff. This minimal reduction has been accomplished through use of various innovative programs and initiatives, as well as the cooperative work of various State agencies and employee groups. (See pp. 7-8)

Although OMRDD has taken some actions to reduce the operating costs of the consolidated and closed Centers, it could do more to facilitate in this area. OMRDD does not track the maintenance costs or outstanding bonds on these properties, and in spite of the potentially significant cost of carrying its surplus property, OMRDD has not made a concerted effort to reduce these costs. We recommend that OMRDD take an active role to facilitate the marketing and sale of the closed Center properties. (See pp. 8-12)

Comments of OMRDD Officials

OMRDD officials agree with our recommendations and indicated that actions have been initiated to implement them. Their complete response is attached as Appendix B.

Contents

Introduction

Background	1
Audit Scope, Objective and Methodology	2
Response of OMRDD Officials to Audit	3

Closure Plan

Progress

Communicating Closure Plan Policy	4
Recommendation	6
Staff Retention	7
Disposition of Facilities	8
Recommendations	12

Appendix A

Major Contributors to This Report

Appendix B

Response of OMRDD Officials

Introduction

Background

The Office of Mental Retardation and Developmental Disabilities (OMRDD) is responsible for providing a comprehensive, cost-effective and integrated system of services for mentally retarded and developmentally disabled persons in New York State. Prior to the late 1970s, OMRDD's primary means of caring for mentally retarded and developmentally disabled citizens was to place them in large institutions known as Developmental Centers (Centers). Most people with developmental disabilities, ranging from mild to the most severe, would spend their lives at the Centers as there were no other options. There were 20 Centers, each representing a geographic region. At the height of their use, the State's Developmental Center population totaled over 27,000 individuals.

In addition to the general Center population, some Centers have special housing units. For example, Sunmount Developmental Center has a general population of 53 consumers. It also houses 56 consumers in a multiple disabled unit and 30 consumers in a secure unit. These special housing unit consumers are not included in the general Center population to be moved out of the Developmental Centers into community-based settings.

As a result of lawsuits filed in the 1970s in the wake of widespread abuses uncovered at the Willowbrook Center, OMRDD began to move as many consumers as possible out of the State's 20 Centers and into community-based settings. This action was supported by studies which indicate that the quality of life is better in family-type settings, and that OMRDD's consumers are able to reside in the smaller settings, as long as appropriate support services are provided. Further, in 1990 OMRDD hired a consultant to examine the fiscal impact of closing the Centers; this study determined that operating costs were between 5 and 19 percent lower for community-based services than for Centers.

As part of this community effort, OMRDD began its movement toward institutional closure in 1986 when it announced that it would close the former Willowbrook State School. The process began to accelerate with the announcement in 1987 that six additional centers would close. In December 1992, OMRDD instituted a policy to close all of the Centers by the year 2000. Through September 1998, 12 of the original 20 Centers have been closed. The following table summarizes the closure status of the 20 Centers.

Developmental Center	Year Closed
Willowbrook	1987
Westchester	1988
Craig	1988
Rome	1989
Manhattan	1991
Newark	1991
Bronx	1992
Long Island	1993
J.N. Adam	1994
Wilton	1995
Letchworth	1996
Syracuse	1998
O. D. Heck	N/A
West Seneca	N/A
Sunmount	N/A
Wassaic	N/A
Monroe	N/A
Brooklyn	N/A
Bernard Fineson	N/A
Broome	N/A

N/A= Not Applicable. Center is still open as of September 30, 1998.

**Audit Scope,
Objective and
Methodology**

We audited certain aspects of OMRDD's operations relating to its closing of Centers for the period January 1, 1993 through September 30, 1998. The primary objective of our performance audit was to review OMRDD's

progress in accomplishing its plan to close all Centers in the State by the year 2000. The Center's special housing units were not included in the scope of our audit. To accomplish our objective, we reviewed operating policies and practices, interviewed OMRDD and other officials, and reviewed and analyzed reports and records which are maintained or prepared by OMRDD.

We conducted our audit in accordance with generally accepted government auditing standards. Such standards require that we plan and perform our audit to adequately assess those operations which are included within our audit scope. Further, these standards require that we understand OMRDD's internal control structure and its compliance with applicable laws, rules and regulations that are relevant to the operations which are included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgements, and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions, and recommendations.

Response of OMRDD Officials to Audit

We provided draft copies of this report to OMRDD officials for their review and comment. Their comments have been considered in preparing this report and are included as Appendix B.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office of Mental Retardation and Developmental Disabilities shall report to the Governor, the State Comptroller and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor.

Closure Plan Progress

We found that OMRDD has made significant progress in closing Centers. As of September 1998, 12 of the 20 Centers have been closed, and the Center population has been significantly reduced from 27,000 consumers to less than 1,400. In addition, OMRDD has been successful in its commitment to retraining and reinvesting its Center staff, by keeping employees within the agency or State service, or helping employees obtain employment in the private sector. However, we found that OMRDD will not meet its goal of moving all its consumers into community-based settings and of closing all Centers by the year 2000, and has not publicly disclosed this situation to its stakeholders. In addition, OMRDD could do more to facilitate the disposition of its unneeded Center properties.

Communicating Closure Plan Policy

Title C Article 13.17 of the Mental Hygiene Law required OMRDD to submit preliminary and comprehensive implementation plans to the Governor and Legislature by January 1, 1993, regarding the closure of the Centers. OMRDD prepared these documents as required. In addition, OMRDD is required to update the comprehensive plan annually, and for each individual Center targeted for closure, the law requires OMRDD to prepare a comprehensive implementation plan for that closure. The annual updates are required in order to ensure responsiveness to changing needs and goals.

The law requires these plans to identify the individual centers proposed to be closed and the date of the proposed closure, and to address the effects of closing the Center on the care, treatment and rehabilitation of the mentally retarded and developmentally disabled, the State workforce and the residents of the affected community. In particular, the plans should include a placement policy that ensures consumers receive appropriate services to meet their specific individual needs, and should provide projected and actual numbers of consumers placed into community residential settings. The plans should include information on the Center workforce, such as projected change in the number of Center and community-based employees, and proposed retraining and redeployment programs. OMRDD is also responsible for giving advanced notice of at least 18 months to community residents and local governments affected by a Center's closure, producing an estimate of the fiscal impact of closing the Center, and establishing a timetable for closing the Center.

We found that the only update to the comprehensive implementation plan was prepared by OMRDD in December 1993; OMRDD has not prepared any updates since then. During our audit, officials told us that the plan is being updated, and that the update is under review by executive management.

However, they indicated that the update will no longer be a comprehensive plan for the closure of Centers, but instead will report only on what has taken place with Center closure since the 1993 plan. If OMRDD prepares this update as described, it will not comply with the requirements of the Mental Hygiene Law.

OMRDD officials also told us that they will not be closing all Centers by the year 2000. We attempted to determine the nature of OMRDD's current plans regarding Center closure. However, OMRDD officials would tell us only that they will continue downsizing the Center census and seek community placements for individuals, when appropriate.

As part of its process of developing the comprehensive closure plan, OMRDD has requested each individual Center to prepare annual progress reports on its long-term plans for providing services. We reviewed the available progress reports submitted by the Centers, and found instances where OMRDD has missed the time frames established in the reports. For example, OMRDD closed nine Centers through 1993, almost all of which were closed within the originally planned time frame. However, OMRDD has not prepared updated closure plans since 1993, and thereafter has missed the original planned dates for closing Centers. According to its October 1992 progress report, the Wilton Developmental Center was planned to close in March 1993; however, it did not actually close until 1995. Similarly, the Syracuse Developmental Center was originally planned to close in September 1995, but the last consumers did not leave until March 1998. In addition, in 1994 O.D. Heck officials reported that the Center would close by the end of 1995, and Wassaic officials reported that the Center would close by December 1998. However, as of September 30, 1998 these Centers remain open, and O.D. Heck had only 21 consumers.

OMRDD officials told us that, as the remaining census of the Centers is reduced, the individuals who remain in the Centers are those who require the greatest level of care. As a result, according to OMRDD officials, these individuals are more difficult to place in the community and more time is needed to develop the appropriate community services for these individuals than was required for the consumers who were placed in the

community earlier. OMRDD officials indicated that this is a factor in the pace of downsizing the currently existing Centers.

While this may be a valid issue, it does not appear to be a primary factor which affects the pace of closing Centers. As indicated, OMRDD has closed 12 of its 20 Centers; for each of these Centers, some of the consumers required more intensive services than others. Yet, most of these closures were accomplished within the original time frames by developing the appropriate community services and placing the individuals in community-based settings. For example, Bronx Developmental Center reported that 75 percent of the Center consumers were in the profound range of mental retardation, 25 percent were non-ambulatory, 38 percent were aggressive or assaultive, 17 percent were blind, and 62 percent had behavioral needs. Yet, this Center was able to close in 1992, ahead of the scheduled closure date.

OMRDD officials have not formally communicated, to the Governor, Legislature and affected communities that they will not meet their goal to move all Center consumers to community-based settings and to close all Centers by the year 2000. OMRDD officials responded that, although they have not prepared annual updates to the plan, as required by law, they have continued to keep the Legislature and public aware of their plans and actions. OMRDD officials indicate that they consider the information provided in the annual budget preparation and oral testimony on the budget to adequately inform members of the legislative committees about OMRDD's programmatic goals and policy modifications. However, OMRDD's annual budget process has indicated support for its policy to close Centers. For example, OMRDD's Budget Request for Fiscal Year 1997-98, prepared in November 1996, states that it supports the continued placement of appropriate individuals from institutions into the community, including the closure of the Monroe and O. D. Heck Centers.

Recommendation

1. Develop annual updates to the comprehensive implementation plan that clearly articulate closure status and submit these updates to the Governor and Legislature, as required by the Mental Hygiene Law. These annual updates should clearly articulate closure status to ensure that all appropriate stakeholders are informed of closure progress.

Staff Retention

As part of its policy to close all Centers, OMRDD officials made a commitment in the late 1980s to reinvest their Center staff by keeping employees within the agency, keeping employees within State service, or helping employees obtain employment in the private sector, if necessary. To help meet those goals, OMRDD formed a partnership with the Civil Service Employees Association and the Public Employees Federation to establish Employee Services Offices (ESOs) at the Centers which were slated for closure. ESOs assisted the Center employees with preparing resumes, identifying their strengths and weaknesses, identifying and attending training opportunities, and obtaining jobs. According to OMRDD officials, the ESO function worked so well that it has been taken over by the Department of Civil Service and is in operation statewide. The ESO serves at-risk employees throughout the State system, and OMRDD now relies on the statewide ESO when needed.

In addition, OMRDD negotiated with the Department of Civil Service and Division of the Budget to allow OMRDD to use traditional institutional titles in community-based programs. This provided OMRDD with a way of retaining valued staff in those cases where transfer to an appropriate community title was not feasible. OMRDD also implemented the Statewide Job Opportunity Program, which was designed to insure that every fillable vacancy in the agency was made available to all qualified OMRDD employees regardless of current work location.

Working with the Department of Civil Service, OMRDD established a transition exam for Center staff, which gave employees, including non-direct care positions such as clerical and food service employees, the opportunity to transition into a direct care position within the community. Training was also provided to these employees as a supplement to the exam to assist in this transition. OMRDD also worked with the Division of the Budget to consolidate the various Center job titles into a new Developmental Aide title. This consolidation provided OMRDD management with the flexibility needed to appropriately reassign employees to community-based settings.

For individuals willing to relocate, job fairs with representatives from other State agencies and the private sector were held at Centers targeted for closure to assist employees in making potential job contacts. In December 1987, OMRDD announced the relocation assistance program, a joint labor/management initiative supported by funding from the Civil Service Employees Association, the Public Employees Federation, and the Division of Management/Confidential Affairs. This program was designed to make it easier for employees to consider relocating and accepting

employment in a different geographic area, by providing additional time off for job interviews in distant locations, payment of travel and moving expenses, and stipends of up to two weeks' salary to cover extraordinary expenses incurred in relocating. In addition, for employees who did transition into another position within OMRDD, the traditional probationary period for the new position was waived.

The closure of Centers has changed the composition of the staff required to provide quality care to people with developmental disabilities. The number of support staff has decreased, while the number of direct care workers has increased, resulting in a relatively small overall change in the number of full time equivalent staff in the regions which have had Centers closed. According to OMRDD officials, staff retention efforts have resulted in less than a 5 percent reduction in full time equivalent staff.

We conclude that OMRDD has been very effective in its goal to reinvest its Center staffing in the community-based programs. This reinvestment has been accomplished through use of various innovative programs and initiatives, as well as the cooperative work of various State agencies and employee groups.

Disposition of Facilities

Chapter 723 of the Laws of 1993 created the New York State Interagency Council on Mental Hygiene Property Utilization (IAC). Although the IAC was created primarily to oversee the community reinvestment of resources for mental health services and to develop a rational approach for the closing of mental health facilities, OMRDD officials told us that the provisions of the law also apply to developmental centers. As part of the approach adopted by the IAC, the Mental Hygiene agencies (OMRDD, Office of Mental Health, Office of Alcoholism and Substance Abuse Services) are to consider the regional and local needs of the communities where institutions are located, and consider reducing the operating costs to the State of holding these closed facilities.

The IAC designated the Empire State Development Corporation (ESDC) as the coordinating entity for the marketing and/or sale of closed facilities. Although ESDC was designated as the agency responsible for the marketing and sale of the facilities, there are no restrictions on OMRDD's role in the marketing or disposing of Centers that have been closed. In fact, OMRDD officials are involved with the IAC working group, which meets monthly to review alternative uses of the Center campuses until the final disposition of those campuses.

We found that OMRDD has disposed of three Centers and has taken some actions to reduce the operating costs of the remaining consolidated and closed Centers. As part of the progress towards downsizing and closing the Centers, operations were consolidated on the existing campuses in order to reduce the overall maintenance and operating costs. OMRDD has also taken cost saving measures such as using vacated buildings for administrative purposes and replacing large-scale heating plants with smaller boilers. Also, portions of the closed or consolidated campuses have been made available for alternative uses. For example, in 1994 and 1995, tenants were approved to use vacant buildings at the O.D. Heck and Bronx Centers, and alternative uses were identified for unneeded property at the Wilton Center. OMRDD has identified several other alternative uses for some of its unneeded properties; OMRDD officials provided data which shows that over \$1 million is received annually as rental income at seven of the Centers. OMRDD officials also told us that a major portion of the Willowbrook Center campus was transferred in 1988 to the City University of New York and is now Staten Island College. Also, a large portion of the Wilton Center campus was sold in 1996, and OMRDD officials told us that a portion of the Newark Center was also sold.

Although OMRDD has found alternative uses for some of its unneeded property, OMRDD could do more to facilitate the identification of alternative uses for this property. OMRDD officials told us that it is ESDC's responsibility for marketing Center property, and that OMRDD prefers to avoid actively trying to develop alternative uses for its unneeded property. For example, OMRDD officials told us that the Corona building at the Bernard Fineson Center in Queens has been unused since 1992, and characterized this building as easy to sell. However, there has been no attempt by OMRDD to market the building until recently, when ESDC began advertising the vacated properties as available. Similarly, the Long Island Center has been closed since March 1993, and OMRDD officials told us that there is a lot of potential interest in property on Long Island.

In comparison, the IAC working group minutes indicate that the Office of Mental Health (OMH) was able to sell some of its unneeded Rochester Psychiatric Center property to a provider agency in 1995. OMH officials told us that this transaction was initiated by the provider agency making inquiries as to the availability of space, and OMH officials then worked with the provider to determine the processes needed to complete the sale of the property. Although the Office of General Services was designated as the lead agency, it appears that OMH was active in the process.

OMRDD officials told us that they do not have the resources to market the unneeded property, and that it is fiscally more prudent to simply leave the property unused than to maintain it in usable condition and lease the property to other organizations. For the majority of the closed and consolidated Centers, OMRDD continues to maintain the property, although much of it is obsolete or unnecessary for its purposes. For example, although a large portion of land at the Wilton Center was sold, OMRDD still maintains the vacated buildings on this closed campus.

We attempted to determine OMRDD's total costs of maintaining the vacated Centers and unused portions of the consolidated Centers. However, OMRDD officials were unable to provide this data, but told us that these costs are relatively minor and, as such, are not segregated by individual property. Instead, they told us that the maintenance costs are consolidated within geographic regions. The regional costs include the costs of maintaining all the Center and community-based programs and administrative offices within the geographic region. Therefore, OMRDD is not able to determine how much of its resources are needed to continue to care for the property it no longer needs.

In 1994, the IAC estimated that the costs of maintaining these properties would become a significant drain on the resources of the responsible agencies. For example, the IAC estimated that the costs of maintaining four Centers which were closed (J.N. Adam, Bronx, B. Fineson, and Long Island Centers) would exceed \$9 million for fiscal year 1994-95. The IAC further estimated that the costs of maintaining closed Centers would increase substantially by fiscal year 2000-01, assuming OMRDD closed the remaining Centers as planned.

OMRDD officials also told us that the outstanding bonds on Center property are a significant factor in disposing of the unneeded property. These outstanding bonds affect any potential sales of the property, since the selling price of the property must be sufficient to retire the outstanding debt. However, OMRDD officials told us that they do not monitor the outstanding bond amounts by individual facility. Instead, they indicated that the total annual bond payments for all facilities, institutional and community-based, was approximately \$60 million.

OMRDD officials were able to obtain the outstanding bond amounts for eight of the Centers which are currently closed and being marketed as available for sale. As of August 1998, these eight Centers had outstanding bonds in excess of \$54 million. However, the actual amount of the total outstanding bond indebtedness on OMRDD's total unused property

is even greater, since a large portion of most of the Centers which remain open is currently unused. Unused property exists at those Centers which remain open, as a result of those Centers consolidating their operations as the consumer census has decreased. This unused property has outstanding bonds associated with it.

In spite of the potentially significant cost of carrying its surplus property, it does not appear as though OMRDD is making a concerted effort to reduce the costs related to maintenance and outstanding debt. For example, in 1996 a portion of the vacant land at the Wilton Center was sold to a private company for \$650,000. Although OMRDD owes \$6.7 million on the Wilton Center, the proceeds of this sale were not used to reduce this outstanding debt. Since the property which was financed through the bond issuances can not be sold for less than the outstanding debt, this debt could discourage parties potentially interested in purchasing this property. OMRDD officials told us that the vacant land was not subject to the bond restrictions, and the proceeds did not have to be used to pay off the outstanding bonds.

Although some Center properties have been closed for more than five years, they remain as agency assets, and the State's costs of maintaining these closed facilities have not been reduced in a timely manner. The responsibility for paying the costs associated with these properties is OMRDD's, yet OMRDD does not track the maintenance costs or outstanding bonds on these properties. Since OMRDD is not aware of the magnitude of these costs, it may not believe there is significant reason to reduce them. By taking a more active role in working with ESDC in the marketing and sale of the closed Center properties, OMRDD could help to expedite the disposition process and avoid incurring the expenses that are associated with ownership and maintenance of these properties.

Recommendations

2. Take a more active role in working with ESDC in facilitating the identification of alternative uses for closed Centers in order to reduce the State's operating costs.
3. Monitor all costs of maintaining unused and unneeded Center property, including outstanding bond payments.
4. Actively pursue methods of reducing the costs of the closed Centers, including reducing the outstanding debt, whenever possible.

Major Contributors to This Report

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February 10, 1999

Mr. Kevin M. McClune
Audit Director
Office of the State Comptroller
A.E. Smith State Office Building
Albany, New York 12236

Dear Mr. McClune:

The Office of Mental Retardation and Developmental Disabilities has reviewed the Office of the State Comptroller's Draft Audit Report No. 98-S-47 entitled: "Developmental Center Closure Plan Progress". Our responses to the recommendations contained in this report are attached for your consideration.

Thank you for the opportunity to comment.

Sincerely,

Thomas A. Maul
Commissioner

Attachment

cc: Dr. Abelseth
Mr. Catchpole
Mr. Johnson
Mr. Kaplan
Mr. VanDeloo



Providing supports and services for people with developmental disabilities and their families



OMR 2-99

**Office of Mental Retardation and Developmental Disabilities' (OMRDD)
Response to the Office of the State Comptroller's (OSC)
Draft Audit Report No. 98-S-47 Entitled:
"Developmental Center Closure Plan Progress"**

Recommendation No. 1:

Develop annual updates to the comprehensive implementation plan that clearly articulate closure status and submit these updates to the Governor and Legislature, as required by the Mental Hygiene Law. These annual updates should clearly articulate closure status to ensure that all appropriate stakeholders are informed of closure progress.

Response:

The closure report for the periods through 1997 will be released on or before February 12, 1999. OMRDD will continue to supply annual reports as required by the Mental Hygiene Law.

Recommendation No. 2:

Take a more active role in working with ESDC in facilitating the identification of alternative uses for closed Centers in order to reduce the State's operating costs.

Response:

OMRDD will continue to work with ESDC in facilitating the identification of alternative uses for closed Centers in order to reduce the State's operating costs.

Forming alternate use committees regarding the different campuses with available buildings and land;

Providing significant amounts of data and arranging meetings with local officials for ESDC commissioned studies;

Continues to initiate sale or lease of available space to various entities;

Transferring property to other State agencies, DOCS, CUNY and voluntary providers;

Working with surveyors and assessors, local governmental entities, utilities, and water and sewage authorities to segregate salable property to accommodate potential sale;

Participating in public hearings regarding sales;

Seeking legislation to accommodate property sales; and

Providing tours to perspective buyers and lessors.

Recommendation No. 3:

Monitor all costs of maintaining unused and unneeded Center property, including outstanding bond payments.

Response:

OMRDD will more closely track the cost of maintaining unused campus property, and petition the Dormitory Authority to provide more frequent and better prescribed reports of outstanding bond payments.

Recommendation No. 4:

Actively pursue methods of reducing the costs of the closed Centers, including reducing the outstanding debt, whenever possible.

Response:

Although OMRDD does not control the disposition of proceeds from the sale of OMRDD property, we will continue to advocate for the reduction of outstanding debt upon the receipt of funds from the sales of DC property. OMRDD will also continue to pursue the reduction of the costs of closed DCs as we have in the past, including:

When appropriate, relocate offices and programs from leased space to available campus buildings; and

Downsize power plants and mothball closed buildings.