

Office of Legislative
Auditor General



WILLIE MAYO, CPA, CIA, CICA
AUDITOR GENERAL

500 GRISWOLD STREET
STE. 848; GUARDIAN BLDG.
DETROIT, MICHIGAN 48226
TELEPHONE: (313) 224-0924

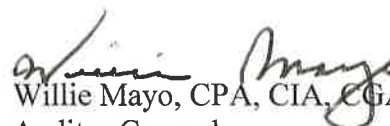
October 12, 2012

FINAL REPORT TRANSMITTAL LETTER

Honorable Wayne County Commissioners:

Enclosed is our final copy of the Corrective Action Plan (CAP) and Auditor General's Assessment for the Operational Assessment Review Report on the Wayne County Department of Senior and Veteran Services, Division of Veteran Services, dated September 13, 2012, DAP No. 2012-57-853. The contents of this report did not change from the draft report previously issued. The report was accepted by the Audit Committee at its meeting held on September 20, 2012 and formally received by the Wayne County Commission on October 4, 2012.

We are pleased to inform you that management and staff in the Department of Senior and Veteran Services offered their full and complete cooperation during the review. If you have any questions, concerns, or desire to discuss the CAP and summary in greater detail, we would be happy to do so at your convenience. This report is intended for your information and should not be used for any other purpose. Copies of all Office of Legislative Auditor General's final reports can be found on our website: <http://www.waynecounty.com/commission/lagreports.htm>


Willie Mayo, CPA, CIA, CGAP, CICA
Auditor General

REPORT DISTRIBUTION

Department of Senior and Veteran Services

Kevin Kelley, Director
Joe Howard, Division Director, Veteran Services

Department of Management & Budget

Carla E. Sledge, Chief Financial Officer
Terry L. Hasse – Director, Grants Compliance and Contract Management

Wayne County Executive



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DETROIT, MICHIGAN 48226
TELEPHONE: (313) 224-0924

September 13, 2012

DAP No. 2012-57-853

Honorable Ilona Varga, Chairwoman
Audit Committee
Wayne County Commission
County of Wayne, Michigan
500 Griswold Ave., Suite 766
Detroit, MI 48226

Subject: **Corrective Action Plan**, including the Auditor General's Assessment, dated June 29, 2012 for the Division of Veteran Services, Operational Assessment Review

Dear Chairwoman Varga:

In accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors, the Office of Legislative Auditor General (OAG) requested the Department of Senior and Veteran Services – Division of Veteran Services to submit a Corrective Action Plan (CAP) for recommendations identified in the Operational Assessment Review engagement dated January 10, 2012.

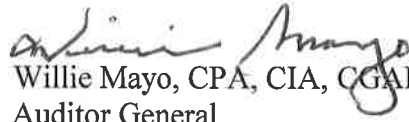
Veteran Services provided the CAP as requested. Attached is a Summary and Assessment of the CAP prepared by the OAG with eight recommendations. The summary schedule includes: the recommendations; management's comments on the findings and recommendations; management's action taken or planned; whether management has or intends to implement the recommendations; responsible person(s)/area; implementation or targeted implementation date; and, the Auditor General's assessment.

Our assessment of the eight (8) recommendations found that management has taken sufficient action to address six (6) recommendations identified in the report. However, a follow-up review may be necessary in the near future on two (2) recommendations to ensure that the intended action addresses the recommendation.



Honorable Ilona Varga
DAP No. 2012-57-853
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Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Willie Mayo", is written over the printed name and title.

Willie Mayo, CPA, CIA, CGAP, CICA
Auditor General

Pc: Kevin Kelley, Director of Senior and Veteran Services
Joe Howard, Division Director, Veteran Services
Carla E. Sledge, Chief Financial Officer, M&B
Terry L. Hasse, Director, Grants Compliance and Contracts Management

Attachment

Wayne County Department of Veteran and Senior Services
Division of Veteran Services
Operational Assessment Review

**Summary and Assessment of
CORRECTIVE ACTION PLAN**

Auditor General's Recommendation	Management's Comments on Findings and Recommendations	Management's Action Taken or Planned	Management has or Intends to Implement the Recommendation Yes/No	Responsible Person(s)/ Area	Implementation or Targeted Implementation Date	Auditor General's Assessment
2011-01 We recommend the Division of Veteran Services management: (A) With the assistance of corporation counsel, establish contracts or agreements with the stores that are used by veterans to purchase goods using vouchers issued by Wayne County Veteran Services. At a minimum, these agreements should require reviewing a photo identification of the veteran with the individual redeeming the voucher. (B) Expand the number of locations to make redeeming the vouchers more accessible to all Wayne County veterans.	Agreed	Wayne County Corporation Counsel is drafting template language for an agreement with grocers participating in the voucher program with the target completion date of June 30, 2012. Upon finalization of the agreement, letters to the Grocers Association through the local Chamber of Commerce will be developed and sent encouraging participation in the Veteran Services' food voucher program. In addition, all Wayne County Commissioners were requested to submit the names of any grocers that may be interested in participating. To date, responses have been minimal.	Yes	Director of Senior and Veteran Services	Implemented	We obtained and verified that contracts were signed and in place for the two grocers currently taking part in the Veteran Services food voucher program. We also verified within the contracts that a requirement exists for the grocers to verify the identity of the veteran in order to mitigate any possible fraud or abuse. Additionally, we obtained verification of communications to two grocers associations located within Wayne County along with forms to be filled out for any interested grocers. Also, we obtained a copy of the letter sent to County Commissioners requesting them to submit the names of any retailers that may be interested in taking part in the voucher program. Based on a limited review of the action taken, management appears to have taken sufficient action to address the recommendation.
2011-02 We recommend a joint collaborative effort be established between Division of Veteran Services and the Medical Examiner's Office to routinely review the U.S. Veteran database in an effort to provide assistance in the burial of unclaimed veterans.	Agreed	A Memorandum of understanding establishing a line of communication for financial assistance with burial expenditure between the Medical Examiner's Office and Veteran Services will be in place by June 30, 2012.	Yes	Director of Senior and Veteran Services	Implemented	We received and reviewed the agreement between Veteran Services and the Wayne County Medical Examiner (MEO). The agreement specifies the MEO will notify Wayne County Veteran Services of any unclaimed persons that may qualify for burial benefits.

**Wayne County Department of Veteran and Senior Services
Division of Veteran Services
Operational Assessment Review**

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bodies.						Based on a limited review of the action taken, management appears to have taken sufficient action to address the recommendation.
2011-03 We recommend Veteran Services establish an outreach program for veterans in Wayne County that would include satellite office hours, effective advertising, working with local veterans groups, and work with funeral home associations to ensure they are aware of the benefits available to the family in need.	Agreed	A Requisition for a Social Services Specialist position for Out-County services was submitted on February 20, 2012. This position will perform all duties with securing emergency veteran assistance and burial services to eligible veterans Out-County. The outreach function will incorporate both Commissioners' and department's activities to publicize and promote benefits available to eligible veterans County wide.	Yes	Director of Senior and Veteran Services	Implemented	We confirmed that an outreach coordinator was hired on May 14, 2012 and has completed extensive outreach since his start date. We received and reviewed a record of activities performed which included attending several veteran related events and handing out over 3,000 informational brochures which describes the Wayne County Veteran Services program and what services are offered to those that qualify. Based on a limited review of the action taken, management appears to have taken sufficient action to address the recommendation.
2011-04 We recommend the Office of Veteran Services, along with assistance from Corporation Counsel, should develop and implement comprehensive formalized policies and procedures for all functions of the division. A formal set of policies and procedures should clearly outline responsibilities of all	Agreed	In conjunction with other Wayne County Departments (Corporation Counsel, Management and Budget, and Purchasing) in house policies and procedures for intake process, eligibility determination, form completion, instruction, etc. are being developed with a target date for completion of June 30, 2012.	Yes	Director of Senior and Veteran Services	Implemented	We obtained and reviewed a set of in house policies and procedures outlining the various duties and criteria related to the intake process, eligibility and benefit determination, guidelines for disbursement of funds, and form completion. Based on a limited review of the action taken, management appears

**Wayne County Department of Veteran and Senior Services
Division of Veteran Services
Operational Assessment Review**

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employees, guidelines for disbursement of funds for services, and procedures for daily operations.						to have taken sufficient action to address the recommendation.
2011-05 We recommend the Division of Veteran Services include within their policies and procedures, a requirement that the selection of contractors, initial authorization, and subsequent inspection and approval of work not be performed by the same individual.	Agreed	Wayne County Division of Veteran Services, in conjunction with the Purchasing Division, is developing language for an IFB (Invitation for Bid) to secure a contract for third party inspection by June 30, 2012.	Yes	Director of Senior and Veteran Services	Partially Completed	We obtained and reviewed an IFB for a contract for third party professional residential home inspectors. The bid deadline was September 6, 2012. While it appears Veteran Services is seeking an independent inspector, there does not appear to be policies and procedures established to include this inspector for a segregation of duties for this critical function. However, management indicated that they are currently in the process of creating this policy and procedure for this function. Based on our limited review, if the planned action is implemented as described, the action appears to sufficiently address the recommendation. However, a follow-up review may be necessary in the near future to verify that the described action has occurred.

**Wayne County Department of Veteran and Senior Services
Division of Veteran Services
Operational Assessment Review**

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2011-06 We recommend the county perform a facility needs assessment on county departments/agencies, including the Division of Veteran Services, to determine if the county can save money by utilizing available space in county owned buildings, including the Guardian Building.	Agreed	A feasibility study will be conducted and completed by June 30, 2013 by the Building Division prior to the expiration of the existing lease in 2014.	Yes	Director of Senior and Veteran Services	June 30, 2013	We were informed that Veteran Services is working with both Buildings Division and Corporation Counsel, to meet with the current landlord at 28 W. Adams St., to discuss potential rent rate for 2014. Once this meeting has occurred and information has been obtained, a feasibility study will be completed to determine the cost benefit of moving the department upon the expiration of the lease. Based on our limited review, if the planned action is implemented as described, the action appears to sufficiently address the recommendation. However, a follow-up review may be necessary in the near future to verify that the described action has occurred.
2011-07 We recommend the Division of Veteran Services follow the procurement ordinance and other applicable policies and procedures when procuring services.	Agreed	The Veteran Services Division, in cooperation with the Division of Purchasing, is developing an RFQ (Request for Qualifications) to establish an expanded list of qualified vendors to perform emergency construction projects by September 30, 2012 (end of Fiscal year).	Yes	Director of Senior and Veteran Services	Implemented	We obtained and verified a copy of the RFQ to establish an expanded list of qualified vendors to perform emergency construction projects. We also obtained a list of vendors who submitted responses based on the RFQ. From this list, vendors will be selected to perform emergency construction projects. Based on a limited review of the

Wayne County Department of Veteran and Senior Services
Division of Veteran Services
Operational Assessment Review

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2011-08	We recommend HHS-Finance, along with Corporation Counsel, explore recording veteran's burial cost benefits and any other Veteran Services related costs currently recorded in the General Fund to be included within the Soldiers and Sailors Relief Fund.	Based on discussion between Wayne County Corporation Counsel and Commission Counsel, it was determined by the attorneys that burial assistance should be charged to the Wayne County General Fund. Ongoing research continues regarding other Veteran Services expenditures.	Yes	Director of Senior and Veteran Services	Implemented	action taken, management appears to have taken sufficient action to address the recommendation. We discussed with officials from Veteran Services the opinion of Corporation Counsel that the burial assistance should be charged to the General Fund. However, Veteran Services was able to obtain an additional \$700 of burial assistance to be paid from the Soldiers and Sailors Relief Fund. A policy was created for the additional funding. The policy also stipulates the additional \$700 is based on availability. Based on a limited review of the action taken, management appears to have taken sufficient action to address the recommendation.