



OFFICE OF THE LEGISLATIVE AUDITOR
STATE OF MINNESOTA

Financial-Related Audit

Department of Veterans Affairs

For the Period July 1, 1996, through December 31, 1999



Financial Audit Division

The Office of the Legislative Auditor (OLA) is a professional, nonpartisan office in the legislative branch of Minnesota State government. Its principal responsibility is to audit and evaluate the agencies and programs of state government (the State Auditor audits local governments).

OLA's Financial Audit Division annually audits the state's financial statements and, on a rotating schedule, audits agencies in the executive and judicial branches of state government, three metropolitan agencies, and several "semi-state" organizations. The division also investigates allegations that state resources have been used inappropriately.

The division has a staff of approximately fifty auditors, most of whom are CPAs. The division conducts audits in accordance with standards established by the American Institute of Certified Public Accountants and the Comptroller General of the United States.

Consistent with OLA's mission, the Financial Audit Division works to:

- Promote Accountability,
- Strengthen Legislative Oversight, and
- Support Good Financial Management.

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OLA is under the direction of the Legislative Auditor, who is appointed for a six-year term by the Legislative Audit Commission (LAC). The LAC is a bipartisan commission of Representatives and Senators. It annually selects topics for the Program Evaluation Division, but is generally not involved in scheduling financial audits.

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OFFICE OF THE LEGISLATIVE AUDITOR

State of Minnesota • James Nobles, Legislative Auditor

Report Summary

Financial-Related Audit

Department of Veterans Affairs

For the Period July 1, 1996, through December 31, 1999

Key Findings and Recommendations:

- The department did not have adequate documentation to support certain guardianship expenditures. The department should document all guardianship expenditures and enter into written agreements for on-going services when feasible. (Finding 1, page 5)
- County Veterans Service Officer Operational Improvement grant funds were not used exclusively for training as specified in the appropriation law. The department should seek to have the language in the laws changed or comply with the appropriation law pertaining to training grants to county veterans service offices. (Finding 2, page 9)
- The department did not request the full state veteran cemetery grant from the United States Department of Veterans Affairs. The department should work with the United States Department of Veterans Affairs to obtain the remaining state veterans cemetery grant funds. (Finding 3, page 10)

Financial Related Audit Reports address internal control weaknesses and noncompliance issues found during our audits of state departments and agencies. The scope of our work at the Department of Veterans Affairs included guardianship revenues and expenditures, payroll expenditures, State Soldier Assistance Program expenditures, County Veterans Service Officer grants, Southwest Asia (Persian Gulf) War Bonuses, and other grants. The department's response to our recommendations is included in the report.

Department of Veterans Affairs

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Audit Participation

The following members of the Office of the Legislative Auditor prepared this report:

Claudia Gudvangen, CPA	Deputy Legislative Auditor
Thomas Donahue, CPA	Audit Manager
Laura Peterson, CPA	Auditor-in-Charge
Gena Hoffman	Auditor

Exit Conference

We discussed the findings and recommendations with the following representatives of the Department of Veterans Affairs at an exit conference on April 20, 2000.

Jeff Olson	Deputy Commissioner
Kathy Schwartz	Administrative Management Director



OFFICE OF THE LEGISLATIVE AUDITOR
State of Minnesota • James Nobles, Legislative Auditor

Representative Dan McElroy, Chair
Legislative Audit Commission

Members of the Legislative Audit Commission

Bernard Melter, Commissioner
Department of Veterans Affairs

We have conducted a financial related audit of the Minnesota Department of Veterans Affairs for the period July 1, 1996, through December 31, 1999. Our audit scope included guardianship revenues and expenditures, payroll expenditures, State Soldier Assistance Program expenditures, County Veterans Service Officer grants, Southwest Asia (Persian Gulf) War Bonuses and other grants.

We conducted our audit in accordance with *Government Audit Standards*, as issued by the Comptroller General of the United States. Those standards require that we obtain an understanding of management controls relevant to the audit. The standards also require that we design the audit to provide reasonable assurance that the Department of Veterans Affairs complied with the provisions of laws, regulations, contracts, and grants that are significant to the audit. The department's management is responsible for establishing and maintaining the internal control structure and for compliance with applicable laws, regulations, contracts, and grants.

This report is intended for the information of the Legislative Audit Commission and the management of the Department of Veterans Affairs. This restriction is not intended to limit the distribution of this report, which was released as a public document on May 4, 2000.

/s/ James R. Nobles

James R. Nobles
Legislative Auditor

/s/ Claudia J. Gudvangen

Claudia J. Gudvangen, CPA
Deputy Legislative Auditor

End of Fieldwork: March 1, 2000

Report Signed On: April 27, 2000

Department of Veterans Affairs

Chapter 1. Introduction

The Department of Veterans Affairs was created in 1943 to meet the needs of returning World War II veterans. Since its creation, the department also has served veterans from the Korean, Vietnam, and Southwest Asia (Persian Gulf) wars and other conflicts. Mr. Bernard Melter serves as the commissioner.

The department is organized into three program areas: state benefits and grants, services, and departmental operations. The benefits and grants programs assist Minnesota veterans and their dependents in securing subsistence, emergency medical, clothing, optical and dental benefits under the State Soldier Assistance Program. The Vinland National Center Activity provides veteran rehabilitation services to assist them in their transition into mainstream society. The County Veterans Service Officer (CVSO) Operational Improvement Grant program provides grants to CVSO offices for equipment purchases to provide improved services to veterans and their dependents. Grant funds also were used to provide increased training and educational opportunities to CVSOs. The Persian Gulf Bonus program provides bonus payments ranging from \$300 to \$2,000 to state veterans serving during the Persian Gulf War. The education and grants activity provides grants to eligible veterans and children of deceased or disabled veterans.

The services program includes the administration of guardianship accounts and the operation of two claims offices. The Guardianship Program provides financial management services to veterans and their dependents that have been adjudicated to be incompetent to handle their own financial matters. The claims offices provide assistance to veterans and their dependents that are filing claims for federal veterans' benefits.

The department operations program is responsible for all human resources, information technology, purchasing and accounting functions for the department. In addition, this program manages development and maintenance aspects for the State Veterans Cemetery, which was established by the 1994 Legislature. The department received a federal grant in fiscal year 1996 to construct a storage/maintenance building, finish roadways, fence the property, and partially irrigate the cemetery.

The following table summarizes the financial activities of the department for fiscal year 1997 through 1999.

Department of Veterans Affairs

Table 1-1
Sources and Uses of Funds
Fiscal Years 1997 through 1999

	<u>1997</u>	<u>1998</u>	<u>1999</u>
<u>Sources:</u>			
Appropriations ⁽¹⁾	\$3,900,093	\$21,594,000	\$4,324,000
Guardianship Deposits	1,602,834	1,664,028	1,518,590
Other Sources	325,221	274,384	146,765
Balance Forward In	<u>3,024,335</u>	<u>2,913,244</u>	<u>15,352,086</u>
Total Sources	<u>\$8,852,483</u>	<u>\$26,445,656</u>	<u>\$21,341,440</u>
<u>Uses:</u>			
Payroll	\$1,496,745	\$1,698,373	\$1,780,793
Guardianship	1,732,585	1,721,249	1,766,638
State Soldier Assist Grants	1,326,528	974,762	976,952
Gulf War Bonus	0	5,585,600	1,479,720
CVSO Grants	171,049	165,771	180,081
Other	1,216,150	847,816	835,858
Balance Forward Out	2,913,244	15,352,086	2,129,298
Cancellation Amount ⁽²⁾	<u>47,390</u>	<u>0</u>	<u>12,191,740</u>
Total Uses	<u>\$8,903,692</u>	<u>\$26,345,656</u>	<u>\$21,341,080</u>
Sources less Uses: ⁽³⁾	<u>\$ (51,208)</u>	<u>\$ 100,000</u>	<u>\$ 360</u>

(1) The department was appropriated approximately \$17 million in 1998 for the Southwest Asia War Bonus program.

(2) The department cancelled approximately \$10 million for the Gulf War Bonus Program as further explained in Chapter 4. Additionally, under the State Soldier Assistance Program, the department cancelled approximately \$2 million in balances carried forward through the 1996-97 and 1998-99 biennium.

(3) The department did not request the final \$51,208 from the US Department of Veterans Affairs for the Veterans Cemetery Grant. See Chapter 4, Finding 3. As of December 31, 1999, the department had not disbursed a matching grant of \$100,000 for a memorial in Park Rapids and had a balance of \$360 in its State Soldier Assistance Program appropriation.

Source: Minnesota Accounting and Procurement System (MAPS) based on the budgetary basis as of December 31, 1999.

Chapter 2. Guardianship Revenues and Expenditures

Chapter Conclusions

The Department of Veterans Affairs accurately recorded guardianship revenues and expenditures in the accounting system, adequately safeguarded cash receipts, and properly authorized expenditures in all material respects. However, the department did not adequately document certain guardianship expenditures. For the items tested, the department complied with finance-related legal provisions.

The guardianship program provides financial management services to veterans and dependents of veterans who have been adjudicated to be incompetent to handle their own financial matters. These veterans and their dependents are under the court-appointed guardianship of the Commissioner of Veterans Affairs. The guardianship program includes three categories of clients: wards, conservatees, and payees. The department has the most authority over ward accounts and the least authority over payee accounts. The courts, the United States Department of Veterans Affairs, or the Social Security Administration decide the appropriate category for clients.

The guardianship program provides comprehensive financial planning and management of client funds, including receipt of income, payment of all living expenses and related bills, and acquisition, maintenance, and disposal of client assets, both real and personal. Annually, the department reports financial activity for each client's account to the courts or other agencies. The department works with the client, the client's family, social service organizations, medical professionals, and the courts to develop a financial plan for the client.

During the audit period, the department managed approximately 90 client accounts. As required by statute, the department tracks each client's revenues and expenditures in separate accounts. The department developed a spreadsheet program for this purpose. Table 2-1 shows the guardianship revenue and expenditures during fiscal years 1997 through 1999.

Table 2-1
Guardianship Revenue and Expenditures
Fiscal Years 1997 through 1999

	<u>1997</u>	<u>1998</u>	<u>1999</u>
Guardianship Revenue	\$1,602,834	\$1,664,028	\$1,518,590
Guardianship Expenditures	1,732,585	1,721,249	1,766,638

Source: Minnesota Accounting and Procurement System (MAPS) based on the budgetary basis as of December 31, 1999.

The department deposits client funds in the state treasury, where the funds are invested by the State Board of Investment. As of December 31, 1999, the department had

Department of Veterans Affairs

approximately \$2 million of client funds in the state treasury. Interest earnings accrue to individual client accounts. The department maintains a separate checking account to pay guardianship expenditures. The department transfers funds from the state treasury to the checking account to maintain an account balance of \$50,000.

Audit Objectives and Methodology

We focused on the following objectives during our audit of the guardianship program:

- Did the department accurately record guardianship revenues and expenditures in the accounting systems?
- Did the department adequately safeguard cash receipts and properly authorize guardianship expenditures?
- Did the department comply with finance-related legal provisions?

To answer these questions we interviewed department staff to gain an understanding of the internal control structure over the guardianship program. In addition, we analyzed the guardianship revenues and expenditures to determine unusual trends, reconciled balances between the accounting systems, reviewed bank reconciliations, and reviewed supporting documentation to determine proper authorization.

Conclusion

The Department of Veterans Affairs accurately recorded guardianship revenues and expenditures in the accounting system, adequately safeguarded cash receipts, and properly authorized expenditures in all material respects. However, the department did not adequately document certain guardianship expenditures as discussed in Finding 1. For the items tested, the department complied with finance-related legal provisions.

1. The department did not have adequate documentation to support certain guardianship expenditures.

The Department of Veterans Affairs entered into verbal agreements concerning room and board charges for three clients, house cleaning services for one client, and meals for another client. During the audit period, the department disbursed nearly \$26,000 for these expenditures. No documentation was available in the files to support the expenditures. There were no contracts for these services and the vendors did not submit invoices or other requests for payment. It is important that the department maintain documentation for expenditures it makes on behalf of its veteran clients. The department risks making over payments to vendors and not being able to justify expenditures on behalf of clients when it fails to document those expenditures. Written agreements for on-going services help reduce these risks.

Recommendation

- *The department should document all guardianship expenditures and enter into written agreements for on-going services when feasible.*

Chapter 3. Personnel/Payroll

Chapter Conclusions

The Department of Veterans Affairs accurately recorded its payroll expenditures in the states accounting system. In addition, for the items tested, the department complied with material finance-related legal provisions and the various bargaining agreements and compensation plans of its employees.

The Department of Veterans Affairs spent approximately \$5.8 million dollars on payroll expenditures during the audit period. Payroll represents 22 percent of the department's expenditures. Currently the department employs 35 permanent employees. These employees belong to various bargaining units, including the American Federation of State, County, and Municipal Employees (AFSCME), Minnesota Association of Professional Employees (MAPE), Middle Management Association (MMA), Commissioners Plan, and Managerial Plan. The department processes payroll through the state's payroll system (SEMA4) on a biweekly basis.

Audit Objective and Methodology

We focused on the following objectives during our audit of payroll:

- Did the Department of Veterans Affairs accurately record payroll expenditures in the accounting system?
- Did the Department of Veterans Affairs comply with material finance-related legal provisions and the various bargaining agreements and compensation plans of its employees?

To answer these questions we interviewed department staff to gain an understanding of the internal control structure over the payroll and personnel processes. In addition, we analyzed payroll expenditures and personnel files to determine unusual trends, reviewed supporting documentation to determine proper authorization, and recalculated some payroll amounts to ensure proper payment.

Conclusion

The Department of Veterans Affairs accurately recorded its payroll expenditures in the state's accounting system. In addition, for the items tested, the department complied with material finance-related legal provisions and the various bargaining agreements and compensation plans of its employees.

Chapter 4. Grants

Chapter Conclusions

The Department of Veterans Affairs accurately recorded grant expenditures in the accounting system. For the items tested, the department complied with finance-related legal provisions related to the State Soldiers Assistance Program and the Southwest Asia War Bonus program. Except for County Veterans Service Officer Operational Improvement Grant funds not being used exclusively for training as specified in the appropriation bill, the department complied with the finance-related legal provisions of the County Veterans Service Officer Program. In addition, the department did not request the full state veterans cemetery grant amount from the United States Department of Veterans Affairs.

The Department of Veterans Affairs gave grants under the State Soldiers Assistance Program, the County Veterans Service Officer Operational Improvement Grant Program, and Southwest Asia (Persian Gulf) War Bonus Program. The department also granted funds to the Vinland National Center and the Southern Minnesota Wing of Confederate Air Force and Tuskegee Airmen, Inc. Our audit scope included the grants shown in Table 4-1.

Table 4-1
Grant Expenditures
Fiscal Years 1997 through 1999

	<u>1997</u>	<u>1998</u>	<u>1999</u>
State Soldiers Assist Grants	\$1,326,528	\$974,762	\$976,952
Gulf War Bonus		5,585,600	1,479,720
CVSO Grants	171,049	165,771	180,081

Source: Minnesota Accounting and Procurement System (MAPS) based on the budgetary basis as of December 31, 1999.

In June 1996, the department received a \$343,929 grant award from the United States Department of Veterans Affairs to support the establishment of the state veterans' cemetery near Camp Ripley, Minnesota. The department worked with the Department of Administration's Building Construction division to complete the project. The Building Construction division managed the construction work. The Department of Veterans Affairs paid the construction costs and requested grant funds from the U.S. Department of Veterans Affairs.

Department of Veterans Affairs

State Soldier Assistance Program

The State Soldier Assistance Program (SSAP) assists Minnesota veterans and/or their dependents in securing subsistence, optical and dental services, clothing, and emergency medical benefits. Subsistence benefits provide short-term (six months or less) emergency financial assistance to meet the daily needs of applicants who are disabled and unable to pursue their normal occupations. The program also provides optical, dental, and emergency medical benefits according to fee schedules of the Department of Human Services. The program limits optical and dental benefits to once per year. With the exception of clothing benefits, applicants must meet income and asset guidelines to receive assistance under the program. Applicants requesting clothing benefits must have lost all available clothing as a result of a catastrophic loss.

County Veterans Service Officer Operational Improvement Grants

The County Veterans Service Officer (CVSO) Operational Improvement Grant Program provides grants to CVSO offices to assist them in delivering services to their veteran population. Counties use the grant funds for purchases of equipment and/or training of county veterans service officers to improve the delivery of services to the veterans. Counties may not use the grant to fund normal CVSO operating expenses, such as supplies or salaries, nor to provide office equipment or furniture that is normally provided by the county.

Minn. Stat. Section 197.608 established the grant program. According to statute, the department can award grants to only half of the counties in each of four veteran population categories each year and on a first come first serve basis. The department gives priority to counties that did not receive a grant the previous year. To be eligible for a grant, a county must employ a certified county veteran service officer and submit a written plan for the proposed expenditures. Grant amounts may not exceed the lesser of the amount specified in the application or the amount specified in the statutes. The statutory amount is based on the county's veteran population as determined by the United States Department of Veterans Affairs.

Southwest Asia (Persian Gulf) War Bonus Program

The 1997 Legislature appropriated approximately \$17 million for the Southwest Asia War Bonus Program. This program provided bonuses to resident veterans involved in active duty during the Southwest Asia War. Minn. Stat. Section 197.79 outlines the three bonus levels awarded to veterans or their beneficiaries. The beneficiaries of veterans killed during the Persian Gulf War received \$2,000, veterans who earned the Southwest Asia Service medal received \$600, and veterans who did not earn the medal received \$300. To be eligible for the bonus, veterans must have Minnesota as their home of record, have an honorable standing in the service or an honorable discharge, and have served from August 2, 1990 to July 31, 1991. In addition, veterans had to apply for the bonus by June 30, 1999.

Department of Veterans Affairs

The department cancelled over \$10 million in program funds during fiscal year 1999. The department indicated that the original number of Minnesotan's involved in the Gulf War may have been calculated too high, combined with the belief that veterans may have put a state other than Minnesota as their home of record. The 1999 Legislature appropriated another \$1.485 million to the bonus program and extended the application deadline to June 30, 2001.

Audit Objectives and Methodology

We focused on the following objectives during our audit of the grant programs:

- Did the department accurately record grant expenditures in the accounting systems?
- Did the department comply with finance-related legal provisions?

To answer these questions we interviewed department staff to gain an understanding of the internal control structure over the grant programs, analyzed the grant expenditures to determine unusual trends, and reviewed supporting documentation to ensure accurate recording in the accounting system and compliance with laws and statutes.

Conclusion

The Department of Veterans Affairs accurately recorded grant expenditures in the accounting system. For the items tested, the department complied with finance-related legal provisions related to the State Solders Assistance Program and the Southwest Asia War Bonus program. As discussed in Finding 2, County Veterans Service Officer Operational Improvement Grant funds were not used exclusively for training of county veterans service officers. In addition, as discussed in Finding 3, the department did not request the full state veterans cemetery grant amount from the U.S. Department of Veterans Affairs.

2. County Veterans Service Officer (CVSO) Operational Improvement Grant funds were not used exclusively for training as specified in the appropriation law.

The Department of Veterans Affairs used the CVSO Operational Improvement Grant appropriation for expenses other than training. Laws of 1997, Chapter 202, Article 1, Section 19 provided \$231,000 for fiscal year 1998 and \$232,000 for fiscal year 1999 "...for grants to county veteran offices for training of county veterans service officers." During the audit period, the department granted the majority of the CVSO funds to counties for the purchase of equipment, including computers, fax machines, cellular phones and photo-copiers.

Minn. Stat. Section 197.608, Subd. 5 provides that "The commissioner of veterans affairs shall determine whether the plan specified in the grant application will enable the applicant county to enhance the effectiveness of its county veterans office." In addition,

Department of Veterans Affairs

“...a county may apply for and use a grant for the training and education required by the commissioner for a newly employed county veterans service officer’s certification, or for continuing education of other staff.”

The department’s 1998-99 biennial budget “provides grants to county veterans services offices to assist them with the purchase of equipment intended to improve the delivery of services by these offices to veterans and their dependents. Qualifying uses of the grants include the purchase of computer and related office equipment, computer software, and the necessary training to utilize purchased equipment.” The department is of the opinion that the equipment purchases by the various CVSO programs enhanced the effectiveness of those offices.

We noted that the department followed the finance-related legal provisions of the veterans service officer grant program specified in Minn. Stat. Section 197.608.

Recommendation

- *The department should seek to have the language in the appropriation laws changed or comply with the appropriation law pertaining to training grants to county veterans service officers.*

3. The department did not request the full state veteran cemetery grant from the U.S. Department of Veterans Affairs.

The Department of Veterans Affairs did not request the final \$51,208 from the United States Department of Veterans Affairs for a \$343,929 grant to support the establishment of the state veterans cemetery. The department worked with the Department of Administration’s Building Construction division to complete the project. The Building Construction division managed the construction work, and the Department of Veterans Affairs paid the construction costs and requested grant funds from the US Department of Veterans Affairs. The department expended the entire \$343,929 by February 1998; however, it failed to request the final \$51,208. According to department staff, the department is still eligible to request the funds.

Recommendation

- *The department should work with the United States Department of Veterans Affairs to obtain the remaining state veterans cemetery grant funds.*

Department of Veterans Affairs

Status of Prior Audit Issues As of March 1, 2000

Most Recent Audit

Legislative Audit Report 97-20, issued April 1997, covered the period from July 1, 1994, to December 31, 1996. This report included a review of the design and implementation of internal controls related to the guardianship revenues and expenditures, the payroll expenditures and grants. This report contained two audit findings. The first finding related to the allocation of investment income to client accounts under the guardianship program. The second finding identified incompatible access to both payroll and personnel functions in SEMA4. The department has resolved both findings.

State of Minnesota Audit Follow-Up Process
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<p>The Department of Finance, on behalf of the Governor, maintains a quarterly process for following up issues cited in financial audit reports issued by the Legislative Auditor. The process consists of an exchange of written correspondence that documents the status of audit findings. The follow-up process continues until Finance is satisfied that the issues have been resolved. It covers entities headed by gubernatorial appointees, including most state agencies, boards, commissions, and Minnesota state colleges and universities. It is not applied to audits of the University of Minnesota, any quasi-state organizations, such as Metropolitan agencies or the State Agricultural Society, the state constitutional officers, or the judicial branch.</p>



State of Minnesota
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VETERANS SERVICE BUILDING
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Bernie Melter
Commissioner

April 26, 2000

James R. Nobles
Legislative Auditor
Office of the Legislative Auditor
Centennial Building
658 Cedar Street
St. Paul, MN 55155-4708

Dear Mr. Nobles:

The Department of Veterans Affairs (Department) has received the draft of the financial audit for the period July 1, 1996 through December 31, 1999 completed by the Office of the Legislative Auditor and discussed this draft during the exit interview conference.

The audit team thoroughly reviewed all activities within the department and has concluded that improvements in procedures are needed in three areas.

Our response to these conclusions and recommendations follow on the attached page. We would like to state that the audit team worked cooperatively with our staff and created a positive environment that promoted a very healthy interchange of ideas and concerns throughout the department. We believe that this healthy environment promotes the development of sound principles and policies for the future operation of this agency

Sincerely,

/s/ Bernard R. Melter

Bernard R. Melter
Commissioner

/s/ Jeffrey L. Olson

Jeffrey L. Olson
Deputy Commissioner

**Department of Veterans Affairs
Audit Response
April 24, 2000**

The conclusions and recommendations of the audit team are restated below with the departments' response immediately thereafter:

Conclusion 1. The Department of Veterans Affairs accurately recorded guardianship revenues and expenditures in the accounting system, adequately safeguarded cash receipts, and properly authorized expenditures in all material respects. However, the department did not adequately document certain guardianship expenditures. For the items tested, the department complied with finance-related legal provisions.

Recommendation:

The department should document all guardianship expenditures and enter into written agreements for on-going services when feasible.

Department Response: The department is in the process of improving documentation of guardianship expenditures and will enter into written agreements for ongoing services whenever feasible.

Conclusion 4

The Department of Veterans Affairs accurately recorded grant expenditures in the accounting system. For the items tested, the department complied with finance-related legal provisions related to the State Soldiers Assistance Program and Southwest Asia War Bonus program. Except for County Veterans Service Officer Operational Improvement grant funds not being used exclusively for training as specified in the appropriations law the department complied with the finance related legal provisions of the County Veterans Service Officer program. In addition, the department did not request the full state veterans cemetery grant amount from the United States Department of Veterans Affairs.

Recommendation 2: The department should seek to have the language in the appropriation laws changed or comply with the appropriation law pertaining to training grants to County Veterans Service Offices.

Department response: A clarifying amendment to the appropriation law is included in HF 2699 that is currently in a conference committee of the Legislature.

Recommendation 3: The department should work with the United States Department of Veterans Affairs to obtain the remaining state veterans cemetery grant funds.

Department Response: These funds were deposited in the state treasury on March 23, 2000.