



Department of Veterans Affairs Office of Inspector General

Combined Assessment Program Review of the VA Regional Office Houston, Texas

Office of Inspector General Combined Assessment Program Reviews

Combined Assessment Program (CAP) reviews are part of the Office of Inspector General's (OIG's) efforts to ensure that high quality health care and benefits services are provided to our Nation's veterans. CAP reviews combine the knowledge and skills of the OIG's Offices of Healthcare Inspections, Audit, and Investigations to provide collaborative assessments of VA medical facilities and regional offices on a cyclical basis. The purposes of CAP reviews are to:

- Evaluate how well VA facilities are accomplishing their missions of providing veterans convenient access to high quality medical and benefits services.
- Determine if management controls ensure compliance with regulations and VA policies, assist management in achieving program goals, and minimize vulnerability to fraud, waste, and abuse.
- Conduct fraud and integrity awareness training for facility staff.

In addition to this typical coverage, CAP reviews may examine issues or allegations referred by VA employees, patients, Members of Congress, or others.

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Contents

	Page
Executive Summary	i
Introduction	1
Regional Office Profile	1
Objectives and Scope of the CAP Review.....	1
Results of Review	3
Organizational Strengths.....	3
Opportunities for Improvement	4
Compensation and Pension Claims Processing	4
Vocational Rehabilitation and Employment Program	5
Loan Production.....	7
Automated Information Systems Security.....	8
Fiduciary and Field Examination Activities	8
Appendixes	
A. Acting Regional Office Director Comments	10
B. Monetary Benefits in Accordance with IG Act Amendments	14
C. OIG Contact and Staff Acknowledgments.....	15
D. Report Distribution	16

Executive Summary

Introduction

During the period August 25-29, 2003, the Office of Inspector General (OIG) conducted a Combined Assessment Program (CAP) review of the VA Regional Office Houston, Texas (the Regional Office). The purpose of the review was to evaluate selected Regional Office operations, focusing on benefits claims processing and financial and administrative controls. We also provided fraud and integrity awareness training to 79 Regional Office employees.

The Regional Office provides Compensation and Pension (C&P), Vocational Rehabilitation and Employment (VR&E), and burial benefits to eligible veterans, dependents, and survivors residing in southern Texas, Mexico, Central and South America, and the Caribbean. The Regional Office also operates a Veterans Benefits Administration (VBA) Regional Loan Center (RLC), which administers the VA Loan Guaranty program in Arkansas, Louisiana, Oklahoma, and Texas.

Results of Review

C&P payments over \$25,000 were properly reviewed, field examinations for veterans unable to manage their own financial affairs were conducted in a timely manner, and the Construction and Valuation (C&V) functions of the Loan Guaranty program were properly administered. To improve operations, the Regional Office needed to:

- Reduce C&P payments to veterans hospitalized for extended periods of time at Government expense.
- Improve the accuracy of data in the VR&E Case Status System and promptly place veterans who are not actively pursuing their approved training programs in discontinued status.
- Perform underwriting reviews for early default loans and follow prescribed underwriting guidelines for prior approval loans.
- Enhance physical security of the computer room by extending the walls to the ceiling.
- Promptly refer fiduciary cases with past due accountings to appropriate officials.

Acting Regional Office Director Comments

The Acting Regional Office Director agreed with the CAP review findings and provided acceptable improvement plans. (See Appendix A, pages 10-13, for the full text of the Acting Director's comments.) We consider all review issues to be resolved but may follow up on the implementation of planned improvement actions.

This report was prepared under the direction of Michael Guier, Director, Dallas Audit Operations Division, and Nicolas Torres, CAP Review Coordinator, Dallas Audit Operations Division.

(original signed by:)
RICHARD J. GRIFFIN
Inspector General

Introduction

Regional Office Profile

Organization and Programs. The Regional Office provides C&P, VR&E, and burial benefits to eligible veterans, dependents, and survivors residing in southern Texas, Mexico, Central and South America, and the Caribbean. The Regional Office operates outbased offices in VA medical facilities at Corpus Christi, McAllen, and San Antonio, Texas. The estimated veteran population served by the Regional Office is 788,000.

In Fiscal Year (FY) 2002, the Regional Office processed over 88,000 C&P claims and authorized payment of about \$1.47 billion in C&P benefits. During FY 2002, the Regional Office had 4,242 participants in the VR&E program, which provides evaluations, counseling, education and training programs, and other services to service-disabled veterans with employment impairments. As of June 30, 2003, the Regional Office provided fiduciary oversight for 3,654 incompetent veterans and other beneficiaries.

The Regional Office operates one of nine RLCs administering VA's Loan Guaranty program. The RLC has program responsibility for four states: Arkansas, Louisiana, Oklahoma, and Texas.

In FY 2002, the RLC guaranteed about 40,000 home loans with principal values totaling about \$5 billion. The RLC paid loan guarantee claims to lenders for 3,096 terminated loans; acquired 1,351 properties; and sold 1,201 properties. As of June 30, 2003, the RLC had 2,361 properties for sale in inventory.

Resources. The Regional Office's general operating expenditures in FY 2003 totaled about \$36.9 million. As of June 30, 2003, the Regional Office had 496 full-time employees.

Objectives and Scope of the CAP Review

Objectives. CAP reviews are one element of the OIG's efforts to ensure that our Nation's veterans receive high quality VA health care and benefit services. The objectives of CAP reviews are to:

- Conduct recurring evaluations of selected medical center and regional office operations, focusing on patient care, quality management, benefits delivery, and financial and administrative controls.
- Provide fraud and integrity awareness training to increase employee understanding of the potential for program fraud and the requirement to refer suspected criminal activity to the OIG.

Scope. We reviewed selected benefits claims processing, financial, and administrative activities to evaluate the effectiveness of benefits delivery and general management controls. Benefits delivery is the process of ensuring that veterans' claims and requests for benefits or services are processed promptly and accurately. Management controls are the policies, procedures, and information systems used to safeguard assets, prevent errors and fraud, and ensure that organizational goals are met.

In performing the review, we interviewed managers and employees; reviewed beneficiary files and financial and administrative records; and inspected work areas. The review covered the following activities:

Automated Information Systems Security	Fiduciary and Field Examinations
Benefits Delivery Network Controls	Government Purchase Card Program
C&P Hospitalization Adjustments	Loan Administration
Construction and Valuation	Loan Production
Controls Over Large One-Time C&P Payments	Vocational Rehabilitation and Employment
Duplicate Payments	

Activities that were particularly effective or otherwise noteworthy are recognized in the Organizational Strengths section of this report (page 3). Activities needing improvement are discussed in the Opportunities for Improvement section (pages 4–9). For these activities, we make recommendations or a suggestion. Recommendations pertain to issues that are significant enough to be monitored by the OIG until corrective actions are implemented. A suggestion pertains to an issue that should be monitored by VBA and Regional Office management until corrective action is completed. For the activities not discussed in the Organizational Strengths or Opportunities for Improvement sections, we did not identify reportable deficiencies.

During the CAP review, we also provided fraud and integrity awareness training. Three training sessions were attended by 79 Regional Office employees. An additional 330 employees attended similar training sessions provided 6-12 months before the CAP review by an OIG Office of Investigations agent stationed at the Regional Office.

The review covered Regional Office operations for the period from October 2001 through August 2003 and was done in accordance with OIG standard operating procedures for CAP reviews.

Results of Review

Organizational Strengths

The Director's Reviews of Large One-Time C&P Payments Were Properly Completed.

VBA policy requires the Regional Office Director or Assistant Director to review all one-time C&P payments of \$25,000 or more. The purpose of this review is to ensure that the payments are appropriate and that the related internal controls are operating effectively. Three Veterans Service Center (VSC) employees, one of whom must be a supervisor or team coach, should approve each payment and sign the award document authorizing the payment. If the Director or Assistant Director finds that the payment was released without meeting the three-signature requirement, the VSC Manager should personally review the payment to explain why the requirement was not met.

We verified that the Director or Assistant Director had reviewed the 188 C&P payments of \$25,000 or more issued by the Regional Office during the period from May 2 through August 16, 2003. We found that the reviews were completed in a timely manner and corrective actions were taken as appropriate.

Field Examinations Were Timely. When a state court or VA rating board determines that a beneficiary is incapable of managing his or her own financial affairs, Fiduciary and Field Examinations (F&FE) personnel should conduct a field examination to determine the most appropriate method of payment for the beneficiary. If payments are made to a beneficiary through a designated fiduciary, follow-up field examinations are scheduled periodically to reassess the beneficiary's status. VBA policy requires F&FE personnel to complete initial field examinations within 45 days of receipt of the requests and to complete follow-up field examinations within 120 days of the scheduled dates.

To assess the timeliness of field examinations, we reviewed the principal guardianship folders of a judgment sample of 15 beneficiaries whose VA funds were managed by fiduciaries. We found that the most recent field examination for each of the 15 beneficiaries was completed within the required time period.

Construction and Valuation Functions Were Properly Administered. The Regional Office's C&V section is responsible for ensuring that any property being used as security for VA guaranteed home loans is appraised at fair market value and that the property complies with VA minimum property requirements. Our review of the assignment, monitoring, and approval procedures for appraisers, the controls over compliance inspections for new construction, and the statistical quality control process did not identify any significant deficiencies related to administration of the C&V functions by RLC personnel.

Opportunities for Improvement

Compensation and Pension Claims Processing – Payments to Hospitalized Veterans Should Be Reduced as Required

Condition Needing Improvement. VSC personnel did not properly reduce the C&P payments to veterans hospitalized for extended periods of time at Government expense. In certain situations, the law requires reduction of C&P payments to hospitalized veterans. For example, payments to veterans who are entitled to an aid and attendance allowance in addition to their regular disability compensation or pension benefits generally must be reduced to the lower housebound rate if the veterans are hospitalized at Government expense for a period exceeding 1 full calendar month.

At our request, the VA medical centers in Houston, San Antonio, and Waco, Texas, identified 794 veterans who had been continuously hospitalized at Government expense for 90 days or more as of July 9, 2003. We compared the information provided by the medical centers with the C&P System records for the 794 veterans and found that C&P payments to 27 of the veterans needed to be reduced. These veterans had been overpaid a total of \$230,551 while hospitalized at Government expense. Benefit payments had not been reduced in 24 cases because VSC personnel overlooked relevant information in the claims folders regarding the veterans' hospitalizations. In the other three cases, the VA Medical Center in Houston failed to notify the VSC of the veterans' hospitalizations.

Recommended Improvement Action 1. We recommended that the Regional Office Director ensure that VSC personnel: (a) reduce C&P payments as appropriate for the 27 veterans we identified who were hospitalized at Government expense for extended periods; (b) receive refresher training concerning required adjustments of C&P payments to hospitalized veterans; and (c) consult with staff of the VA Medical Center in Houston to improve compliance with requirements for notification when veterans are hospitalized for extended periods.

The Acting Regional Office Director agreed and reported that actions were taken to adjust payments on the 27 cases. Refresher training on the processing of hospital adjustments was conducted in October 2003. Notification requirements for hospitalized veterans was added as an agenda item during the quarterly meeting held with staff from the VA Medical Center in Houston on January 27, 2004. At this meeting, discussions were held on how to improve the notification procedures to ensure that timely actions are taken on required adjustments of C&P payments. The improvement plans are acceptable, but we may follow up on the completion of the planned actions.

Vocational Rehabilitation and Employment Program – Accuracy of Program Data and Timeliness of Actions to Place Veterans in Discontinued Status Should Be Improved

Condition Needing Improvement. Data in the Chapter 31 Case Status System should accurately reflect the current status of program participants, and veterans who are not actively pursuing their approved training programs should be promptly placed in discontinued or other program status as appropriate.

Regional Office VR&E personnel use two separate automated systems, the Chapter 31 Case Status System and the Corporate WINRS¹ (C-WINRS) System, to manage their case workload and produce management reports. VBA designed the Chapter 31 Case Status System to help VR&E personnel track the status of each case in their workload, and VBA uses data in the system to measure performance. VR&E personnel use the C-WINRS System to perform daily case management activities, such as scheduling appointments, generating letters, developing rehabilitation plans, and recording changes in case status.

VR&E personnel assign each program participant to a specific case status at each stage of the rehabilitation process. Generally, veterans pursuing higher education or other training should move sequentially from applicant status through evaluation and planning status, rehabilitation to the point of employability status, employment services status, and rehabilitated status. Veterans who are having a difficult time functioning independently in family, community, or employment matters may qualify for vocational or rehabilitation services that are available under independent living programs to help them overcome a diagnosed disability. Veterans who leave the program without being classified as rehabilitated are placed in discontinued status. In addition, veterans who have temporarily interrupted their training programs but plan to resume training by a specified period in the near future are placed in interrupted status.

To assess the accuracy of data in the Chapter 31 Case Status System and the C-WINRS System, we reviewed the Counseling, Evaluation, and Rehabilitation (CER) folders of 30 veterans. We judgmentally selected 25 veterans from the Chapter 31 Veterans in Open Case Status report dated July 1, 2003, which was generated using data from the Chapter 31 Case Status System. Of the 25 veterans, the report showed 5 were in applicant status, 5 in evaluation and planning status, 5 in rehabilitation to the point of employability status, 5 in independent living status, and 5 in interrupted status. We also judgmentally selected five cases from a separate listing of veterans in rehabilitated status as of August 18, 2003.

We did not identify any deficiencies in the classification of veterans in rehabilitation to the point of employability status, independent living status, and rehabilitated status. However, we found that data in the Chapter 31 Case Status System for veterans in applicant status and evaluation and planning status were not accurate, and veterans were improperly classified in interrupted status.

¹ Corporate WINRS is a VR&E electronic case management system. The acronym was derived from the five VA regional office pilot test stations for the original program: Winston-Salem, Indianapolis, Newark, Roanoke, and Seattle.

- Data in the Chapter 31 Case Status System for three cases in applicant status and one case in evaluation and planning status were not accurate. For example, the Chapter 31 Case Status System showed one veteran had been in applicant status since March 18, 2003. However, the C-WINRS System and documents in the CER folder showed that the veteran was placed in applicant status on July 8, 2003. The Chapter 31 Case Status System showed another veteran had been in evaluation and planning status since September 24, 2002, whereas the C-WINRS System and documents in the CER folder showed that the veteran was moved to interrupted status on March 13, 2003. VR&E personnel attributed the inaccurate data to interface problems between the Chapter 31 Case Status System and the C-WINRS System. The C-WINRS System is supposed to automatically update related data in the Chapter 31 Case Status System, but VR&E personnel indicated the system updates are not always successful. During our visit, VR&E personnel implemented a new procedure to enter case status data directly into the Chapter 31 Case Status System.
- Veterans were improperly classified in interrupted status for extended periods of time even when it was apparent that they did not plan to resume participation in their approved training programs in the near future. VBA policy states that a veteran who must temporarily suspend participation in the program should be placed in interrupted status if VR&E personnel can establish a definite date for program resumption or if the evidence indicates the veteran will be able to resume the program at a date that can be estimated. Our review showed that the five veterans in interrupted status had been in that status for periods ranging from 539 to 1,257 days, and there was no documentation in their CER folders showing they intended to resume their approved training programs at dates that could be estimated.

Inaccurate data in the Chapter 31 Case Status System hinder efforts to monitor veterans' progress in the VR&E program. In addition, delays in placing veterans who are not actively pursuing their programs in discontinued status inflate the VR&E workload and may skew performance measurements.

Recommended Improvement Action 2. We recommended that the Regional Office Director ensure that VR&E personnel promptly: (a) input status changes into the Chapter 31 Case Status System and (b) place veterans who are not pursuing their approved training programs in discontinued or other program status as appropriate.

The Acting Regional Office Director agreed and reported that VR&E personnel have developed revised procedures to better monitor compliance with this requirement. The new procedures were discussed with staff and incorporated into the Regional Office's Quality Assurance Review program. To reduce the number of rejects and inconsistencies involving VR&E case status data, case managers were instructed to first input status changes into the Chapter 31 Case Status System in BDN and then to refresh the data in the C-WINRS system. VR&E personnel were provided training on the new procedures which were implemented on October 1, 2003. Also, VR&E personnel have been reminded to promptly identify veterans who should be placed in discontinued or interrupted status. Supervisory reviews of all active cases will be performed semiannually to determine proper classification status of veterans, with the first review scheduled for March 2004. The improvement plans are acceptable, but we may follow up on the completion of the planned actions.

Loan Production – Underwriting Reviews for Early Default Loans Should Be Performed and Underwriting Guidelines for Prior Approval Loans Should Be Followed

Condition Needing Improvement. RLC personnel with Loan Production responsibilities needed to perform required underwriting reviews for early default loans and follow prescribed underwriting guidelines for prior approval loans.

We evaluated RLC Loan Production procedures to determine whether adequate controls were in place to ensure that loans were provided only to qualified veterans. To evaluate these procedures, we judgmentally selected for review five of each of the following: early default loans, interest rate reduction refinancing loans, prior approval loans, Loan Guaranty Certificates (LGCs), and Certificates of Eligibility (COEs). RLC personnel used appropriate standards when approving interest rate reduction refinancing loans, obtained proper documentation before issuing LGCs, and verified veterans' eligibility before issuing COEs. However, we identified two issues requiring management attention.

- VA policy requires RLC personnel to perform credit underwriting reviews of all lender-approved loans that default within six payments after the loans are originated. These reviews are important because they allow RLC personnel to identify poor underwriting practices by automatic lenders and to take appropriate corrective actions. RLC personnel had not performed the required reviews of lender underwriting practices for three of the five early default loans in our sample.
- RLC personnel did not always follow VA criteria when underwriting prior approval loans. Based on documentation in the loan guaranty files, two of the five loans reviewed should not have been approved. In one case, the income and expense data used to underwrite the loan were not supported. In the other case, the veteran did not meet the required residual income and expense ratio. In addition, the veteran's credit report showed numerous delinquencies.

Performing underwriting reviews of lender practices and complying with underwriting guidelines for prior approval loans are essential to minimize the number of VA guaranteed home loans that default.

Recommended Improvement Action 3. We recommended that the Regional Office Director ensure that RLC personnel (a) review all loans defaulting within six payments of loan origination and initiate appropriate actions against deficient lenders and (b) provide refresher training on VA underwriting guidelines to Loan Production staff with related responsibilities.

The Acting Regional Office Director agreed and reported that Loan Production staff will use the quarterly COIN LCS 24-01 report to monitor system-generated information on defaulting loans. They will review all future loans that default within six payments of loan origination. Refresher training will be provided to Loan Production staff on VA underwriting guidelines. The training plan is currently being developed. The improvement plans are acceptable, but we may follow up on the completion of the planned actions.

Automated Information Systems Security – The Walls of The Computer Room Should Be Extended to Enhance Physical Security

Condition Needing Improvement. We evaluated automated information systems (AIS) security to determine if controls adequately protected information system resources from unauthorized access, disclosure, modification, destruction, or misuse. Information Resources Management (IRM) personnel implemented procedures to ensure AIS users had the appropriate computer privileges. The user privileges of individuals who no longer needed access to the system were terminated in a timely manner. Recently hired employees received computer security awareness training and experienced employees received annual refresher training. Alternative processing sites had been designated, and critical data were backed up and stored at a secure offsite location. Policies were in place to ensure sensitive data were removed prior to disposal of computers, and a comprehensive continuity of operations plan outlined disaster recovery and contingency procedures. However, we identified one physical security deficiency of the computer room that required management attention.

The walls on three sides of the computer room did not extend all the way to the ceiling, which posed a physical security problem. When we brought this issue to the attention of IRM personnel, they immediately referred the matter to the Support Services Division. The Chief of the Support Services Division informed us that a work order to extend the walls to the ceiling was initiated during the week of our visit.

Recommended Improvement Action 4. We recommended that the Regional Office Director ensure that the project to extend the walls of the computer room to the ceiling be promptly completed.

The Acting Regional Office Director agreed and reported that the referenced project was completed at the end of October 2003. The improvement plan is acceptable, and we consider the issue resolved.

Fiduciary and Field Examination Activities – Legal Instruments Examiners Should Promptly Notify Appropriate Officials of Past Due Accountings

Condition Needing Improvement. Legal Instruments Examiners (LIEs) in the F&FE section needed to notify appropriate officials more promptly when fiduciaries were late submitting required accountings. The F&FE section is responsible for protecting the interests of incompetent or minor beneficiaries by appointing fiduciaries when necessary to manage the beneficiaries' funds and monitoring the fiduciaries' activities. One method of monitoring fiduciaries' activities is to require the fiduciaries to submit annual accountings listing the beneficiaries' assets, income, and expenses. When a required accounting is not submitted within 90 days of the due date, VA policy requires the LIE to refer the case to a field examiner, the OIG, or the VA Regional Counsel.

We reviewed the records of 15 beneficiaries whose funds were managed by fiduciaries. Fiduciaries for 5 of the 15 beneficiaries in our judgment sample were more than 90 days late submitting required accountings. In all five cases, required accountings were over 500 days past due. The LIEs had not referred three of the five cases to a field examiner, the OIG, or the VA Regional Counsel.

Suggested Improvement Action 1. We suggested that the Regional Office Director ensure that LIEs promptly refer cases with past due accountings to field examiners, the OIG, or the VA Regional Counsel as appropriate.

The Acting Regional Office Director agreed and reported that the coach of the F&FE section submits a weekly report to the VSC manager identifying past due accountings, including detailed information for each accounting over 1 year old. The F&FE coach will conduct quarterly reviews of past due accountings and provide a detailed report to the VSC manager regarding the status of each accounting over 90 days old. The new report will be due by the 20th of the month following each quarter, with the first report due by April 20, 2004. The improvement plans are acceptable, and we consider the issues resolved.

Acting Regional Office Director Comments

**Department of
Veterans Affairs**

Memorandum

Date: February 3, 2004

From: Acting Director, VA Regional Office Houston, Texas (362/00)

Subject: Reply to CAP Report on Houston Regional Office Operations

To: Assistant Inspector General for Auditing (52)

We are providing revised comments to your draft report of the Combined Assessment Program Review conducted in August 2003. The comments we had submitted on January 20, 2004 were revised to include additional information on the status of actions taken to implement recommended or suggested actions.

If you have any questions or need additional information, please let me know.

/S/

R.W. Palmer

Acting Director

Acting Regional Office Director's Comments to Office of Inspector General's Report

The following Director's comments are submitted in response to the recommendations and suggestion in the Office of Inspector General's report:

OIG Recommendations

Recommended Improvement Action 1. We recommend the Regional Office Director ensure that VSC personnel: (a) reduce C&P payments as appropriate for the 27 veterans we identified who were hospitalized at Government expense for extended periods; (b) receive refresher training concerning required adjustments of C&P payments to hospitalized veterans; and (c) consult with staff of the VA Medical Center in Houston to improve compliance with requirements for notification when veterans are hospitalized for extended periods.

Concur **Target Completion Date:** Completed

a. The review identified 27 cases that were not adjusted correctly as a result of the admission of the veteran to the hospital. All of the 27 cases have subsequently been adjusted.

b. All employees that work claims attended a 1-hour training class on Hospital Adjustments held in October 2003.

c. Consultation concerning notification when veterans are hospitalized for extended periods was added as an agenda item for our quarterly meeting with VA Medical Center Houston on January 27, 2004. We discussed current procedures and explored what additional improvements can be made to ensure appropriate, timely action is taken on our part concerning required adjustments of C&P payments.

Recommended Improvement Action 2. We recommend the Regional Office Director ensure that VR&E personnel promptly: (a) input status changes into the Chapter 31 Case Status System and (b) place veterans who are not pursuing their approved training programs in discontinued or other program status as appropriate.

Concur **Target Completion Date:** March 26, 2004

a. We concur with the recommendation and have implemented revised procedures that will better enable us to monitor compliance with this requirement. These new procedures were discussed with staff as well as being incorporated into our local Quality Assurance Review program. Training was held via conference calls/e-mail, and implementation was on October 1, 2003. Because of the multiple rejects and inconsistencies, case managers were instructed to input case status changes first into the Chapter 31 Case Status System/Benefits Delivery Network (BDN) and then to refresh C-WINRS. Making this procedural change will minimize the number of rejects for case status changes and both systems should agree.

b. VR&E employees have been reminded of the need to timely identify veterans who leave the program without being rehabilitated and to place these individuals in discontinued status. Additionally, veterans who have temporarily interrupted their training programs but plan to resume training within a reasonably specified period are being placed in interrupted status. We will improve the supervisory oversight in this area by performing a semiannual sampling of all active Chapter 31 cases to determine proper classification status. The first review is scheduled for March 2004.

Recommended Improvement Action 3. We recommend the Regional Office Director ensure that RLC personnel (a) review all loans defaulting within six payments of loan origination and initiate appropriate action against deficient lenders and (b) provide refresher training on VA underwriting guidelines to Loan Production staff with related responsibilities.

Concur **Target Completion Date:** June 30, 2004

a. Loan Production staff will use the quarterly COIN LCS 24-01 report to monitor system generated RPO 23 transactions to ensure all loans defaulting in 6 months are properly reviewed.

b. We concur with the recommendation to provide refresher training on VA underwriting guidelines to the Loan Production staff. We are developing our training plan.

Recommended Improvement Action 4. We recommend the Regional Office Director ensure that the project to extend the walls of the computer room to the ceiling be promptly completed.

Concur **Target Completion Date:** Completed

The project was accomplished the weekend of October 30, 2003.

OIG Suggestion

Suggested Improvement Action 1. We suggest the Regional Office Director ensure that LIEs promptly refer cases with past due accountings to field examiners, the OIG, or the VA Regional Counsel as appropriate.

Concur **Target Completion Date:** Completed

The Coach of the F&FE activity currently submits a weekly report to the Chief, Veterans Service Center, identifying past due accountings. The report includes detailed information for each accounting over 1 year old, i.e., name of the LIE responsible for the case, the last action taken, and the date of the last action. Additionally, the F&FE Coach is also conducting a quarterly review of past due accountings and will provide a detailed report to the Chief, VSC, reflecting the status of each accounting over 90 days old. This report is due by 20th of the first month following the end of each quarter, with the first report due April 20, 2004.

Monetary Benefits in Accordance with IG Act Amendments

<u>Recommendation</u>	<u>Explanation of Benefit(s)</u>	<u>Better Use of Funds</u>
1	Payments to certain veterans who were hospitalized at Government expense for extended periods should be reduced.	\$230,551
	Total	\$230,551

OIG Contact and Staff Acknowledgments

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