



Department of Veterans Affairs Office of Inspector General

Combined Assessment Program Review of the VA Regional Office Togus, Maine

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.
- 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.

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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Executive Summary

Introduction

During the weeks of September 29, October 6, and November 24, 2003, the Office of Inspector General (OIG) conducted a Combined Assessment Program (CAP) review of the VA Regional Office (VARO) Togus, Maine. The regional office is part of the Veterans Benefits Administration (VBA) Eastern Area. The purpose of the review was to evaluate selected regional office operations, focusing on benefits claims processing and financial and administrative controls. During the review, we also provided fraud and integrity awareness training to nine regional office employees.

Results of Review

The CAP review focused on 11 areas. The regional office complied with selected standards in the following seven areas:

- Automated Information Systems Security
- Benefits Delivery Network Security
- Compensation and Pension (C&P) Long Running Awards
- C&P Payments to Veterans Over 85 Years Old
- C&P System Message Processing
- Employee Claims Folder Security
- Large Retroactive C&P Payment Controls

Based on our review of these seven areas, the following organizational strengths were identified:

- Reviews of large one-time C&P payments were properly completed.
- Employee claims folders were properly secured.

We identified four areas that needed additional management attention. To improve operations, the following recommendations were made:

- Strengthen management controls over Vocational Rehabilitation and Employment (VR&E) Service activities to ensure services are delivered in a timely and cost-effective manner and program decisions are well supported.
- Improve oversight of fiduciaries responsible for managing the accounts of two veterans with estate values totaling approximately \$900,000.
- Strengthen oversight of the Government purchase card program to ensure effective controls are in place to detect possible inappropriate charges.

- Promptly reduce benefit payments for veterans hospitalized at Government expense for extended periods.

During our review of the VR&E program, we became aware of a relatively high number of veterans receiving service-connected compensation for Post Traumatic Stress Disorder (PTSD). Subsequently, we initiated a separate review of PTSD cases that is ongoing and will include a review of the quality of Veterans Service Center (VSC) employees' development of PTSD cases at a number of regional offices. We reviewed approximately 370 PTSD cases at VARO Togus and identified questions requiring further review on the adequacy of case development on about 140 (38 percent) of these cases. These issues will be discussed in a separate report to be issued at a future date.

Eastern Area Director and VARO Togus Director Comments

The Eastern Area and VARO Togus Directors agreed with the findings and recommendations and provided acceptable improvement plans. (See Appendix A, pages 17 and 18, for the full text of the Eastern Area Director's comments and Appendix B, beginning on page 19, for the full text of the VARO Togus Director's comments.) We will follow up on the implementation of recommended improvement actions until they are completed.

This report was prepared under the direction of Mr. Thomas L. Cargill, Jr., Director, and Mr. Nicholas Dahl, CAP Review Coordinator, Bedford Audit Operations Division.

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

Introduction

Facility Profile

Organization and Programs. The regional office provides C&P, VR&E, and burial benefits to eligible veterans, dependents, and survivors residing in Maine. The regional office is collocated with VA Medical Center (VAMC) Togus. The medical center's Fiscal Service provides finance support to the regional office. The regional office also includes one of nine VBA C&P Resource Centers. The C&P Resource Center rates claims sent by other regional offices, including claims from VAROs Providence, Buffalo, New York, Detroit, and Baltimore. Approximately 150,000 veterans reside in Maine.

During Fiscal Year (FY) 2003, approximately \$212 million in C&P benefits was paid to about 23,500 beneficiaries. VR&E services, including evaluations, counseling, education and training programs, and other rehabilitation services, were provided to approximately 500 service-disabled veterans with employment impairments during FY 2003. The regional office estimated the cost of these VR&E benefits during FY 2003 was \$15 million. As of September 3, 2003, the regional office provided fiduciary oversight for 780 incompetent veterans and other beneficiaries.

The Regional Loan Center, located at VARO Manchester, provides loan guaranty services to veterans residing in Maine while the Regional Processing Office, located at VARO Buffalo, administers education benefits to Maine's veterans.

Resources. In FY 2003, the regional office's general operating expenditures were nearly \$5.7 million and the staffing level was 85.75 full-time equivalent 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 benefits services. The objectives of the CAP review are to:

- Conduct recurring evaluations of selected health care facility and regional office operations focusing on patient care, quality management, benefits, 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 CAP review, we inspected work areas; interviewed managers and employees; and reviewed beneficiary files and financial and administrative records. The review covered the following activities:

Automated Information Systems	Employee Claims Folder Security
Security	Fiduciary and Field Examinations
Benefits Delivery Network Security	Government Purchase Card Program
C&P Hospital Adjustments	Large Retroactive C&P Payment
C&P Long Running Awards	Controls
C&P Payments to Veterans Over 85	Vocational Rehabilitation and
Years Old	Employment Program
C&P System Message Processing	

The review covered regional office operations for FYs 2002 and 2003 and was done in accordance with OIG standard operating procedures for CAP reviews.

Activities that were particularly effective or otherwise noteworthy are recognized in the Organizational Strengths and Adequate Controls section of this report (page 3). Activities needing improvement are discussed in the Opportunities for Improvement section (pages 4-16). For these activities, we make recommendations for improvement. Recommendations pertain to issues that are significant enough to be monitored by the OIG until corrective actions are implemented. For those activities not discussed in the Organizational Strengths and Adequate Controls or Opportunities for Improvement sections, we did not identify reportable deficiencies.

During the review, we also provided fraud and integrity awareness training attended by nine regional office employees. These briefings covered procedures for reporting criminal activity to the OIG and included case-specific examples illustrating procurement fraud, false claims, conflict of interest, and bribery.

Results of Review

Organizational Strengths and Adequate Controls

Reviews of Large Retroactive C&P Payments Were Properly Completed. VBA policy requires the Regional Office Director or designee 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 the related internal controls are operating effectively. Three VSC employees, at least 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 designee 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's designee had reviewed the 30 C&P payments of \$25,000 or more issued by the regional office during the 3-month period from July through September 2003. We found that the reviews were completed in a timely manner.

Employee Claims Folders Were Properly Secured. Regional office management had implemented satisfactory controls over employee C&P and other sensitive claims folders. Claims folders for VARO Togus employees had been properly transferred to VARO Boston and folders for VARO Manchester employees were secured in a locked cabinet at VARO Togus. Only appropriate VSC employees (e.g., Veterans Services Representatives and Rating Specialists) were allowed to sign out the folders that were kept locked in the VSC Manager's office. Also, the Information Security Officer performed required semiannual audits to verify the inventory and ensure the security of folders located at VARO Togus.

Opportunities for Improvement

Vocational Rehabilitation and Employment — Management Controls Need Strengthening

Condition Needing Improvement. We evaluated management controls to ensure that VR&E program services were delivered in a timely and cost-effective manner and program decisions were well supported. We concluded that management controls were not effective in detecting program weaknesses. VR&E management did not ensure: (1) required documentation related to veterans' rehabilitation plans was included in case files, (2) case files were accounted for, or (3) that case managers effectively managed cases. As a result, we found cases where questionable purchases of high-cost goods and services were made on behalf of program participants.

Veterans are entitled to vocational rehabilitation benefits if they have a service-connected disability rated at 20 percent or more and an employment handicap. Entitlement is also applicable if the veteran has a service-connected disability rated at 10 percent and a serious employment handicap. An employment handicap is an impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interests. Veterans participating in the VR&E program are assigned case managers, who oversee their cases and assist them through the different phases of the program.

Case managers 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. Case managers assign each program participant to a specific case status as they progress through 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. (See Appendix D, page 28, for descriptions of these case status categories.) If a veteran completes his or her training program and obtains gainful employment, the veteran is classified as rehabilitated. Veterans who leave the program without being classified as rehabilitated are placed in discontinued status.

At the time of our review, the regional office was managing 471 active VR&E cases. During the 18 months preceding our review, VR&E employees had discontinued 293 cases and classified 91 as rehabilitated. To assess VR&E operations, we judgmentally selected 74 cases for review. This included 40 active cases, 13 discontinued cases, and 21 rehabilitated cases.

¹ Corporate WINRS is VR&E's electronic case management system. The acronym was derived from the first letter of the names of the five stations that tested the system: Winston-Salem, Indianapolis, Newark, Roanoke, and Seattle.

VR&E Cases at High Risk. Ten of the 74 cases we reviewed involved veterans who were in independent living status, and 8 involved veterans who were pursuing self-employment plans. Our review of case files and discussions with case managers revealed that these cases were generally at greater risk of costs being incurred on the veterans' behalf without adequate justification or documentation. Without the required documentation, it was not clear whether case manager decisions and purchases made on behalf of the veterans were appropriate. Accordingly, we questioned certain case management decisions and/or the need for certain purchases made in 16 of these 18 high-risk cases.

- Independent Living Cases. 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 the Independent Living (IL) program. The goal of the IL program is to help veterans become more independent in their daily living and improve their quality of life. When a VR&E counselor determines that a veteran is unable to attain a vocational or educational goal, the counselor has the option of allowing the veteran to pursue an IL plan. An IL plan usually involves purchasing goods or providing services that will increase the veteran's independence in daily living and quality of life. Prior to approving an IL plan, the counselor should complete a thorough needs assessment. The needs assessment should clearly identify the goods and services needed to increase the veteran's independence in daily living.

We reviewed 10 cases (1 active case and 9 rehabilitated cases) where the veterans were in the IL program. We questioned the justifications for certain purchases that were made in 8 of these 10 cases. Typically, we found the veteran's Counseling, Evaluation, and Rehabilitation (CER) folder did not include a completed needs assessment, which would identify and justify the need for the goods and services required to increase the veteran's independence in daily living. Following is an example of such a case.

A number of unsupported purchases were made for a veteran who was 50 percent service-connected (six different conditions each rated at 0 or 10 percent). This veteran had entered the program in July 1997, at age 25, with a goal of obtaining a Bachelor's degree in Criminology. In the spring of 2001 he successfully completed a Bachelor's degree program but remained in the VR&E program to complete two additional courses, in order to enhance his employability as a criminologist. In July 2001, while receiving this additional training, the veteran was injured performing side work as a carpenter and could not complete his coursework.

After the veteran was injured, an IL plan was approved on March 7, 2002. The following goods and services, valued at over \$5,000, were purchased for him: a complete sleep system, a PlayStation 2 game system with peripherals, several PlayStation 2 games, a flat-screen television, several movies in digital video disk (i.e., DVD) format, a Palm Pilot, a leather office chair, and car repairs. These purchases

were made in February and early March 2002, before VR&E employees completed the veteran's IL plan. We could not determine whether these purchases were necessary or appropriate, because there was no evidence that the case manager had conducted an evaluation or a thorough needs assessment for this veteran. Furthermore, the rehabilitation plan completed after goods were purchased only served to justify the purchases that had already been made. This veteran was deemed rehabilitated in March 2003, after it was determined that the goods purchased for him had increased his independence in daily living and enhanced his quality of life.

- Self-Employment Cases. Rehabilitation of a veteran may be achieved through self-employment in a small business if the veteran's access to the normal channels for suitable employment in the public or private sector is limited because of his or her disability or other circumstances. To be approved for self-employment status in the VR&E program, a veteran is first required to complete a business plan and then VR&E must conduct a comprehensive feasibility study before approving the self-employment plan. Prior to our on-site review, we requested a list of all self-employment cases. As neither the Benefits Delivery Network (BDN) or C-WINRS identifies those veterans in self-employment status, we had to rely on VR&E employees to provide a list of self-employment cases.

We were informed that only 6 of the 471 veterans in the VR&E program were pursuing self-employment plans.² However, during our review of the 74 cases, we identified 2 additional cases where the veterans were pursuing self-employment goals. Therefore, our review of 74 cases included 8 where the veteran was pursuing a self-employment plan. We questioned certain decisions and purchases made on all eight of the self-employment cases reviewed. Review of their CER folders revealed that business plans and/or feasibility studies were not completed in any of these cases.

In one case, decisions to allow the veteran into the VR&E program, to put him in a self-employment plan, and to make a major purchase on his behalf were questionable. The veteran applied for vocational rehabilitation benefits when he was 58 years old, shortly after receiving an initial service-connected rating of 10 percent for residuals from a left foot injury incurred almost 40 years prior to his claim for compensation. His application for program benefits was never date stamped when it was received by the regional office. BDN shows he was put into VR&E applicant status on January 1, 2003, about 2 months after he was granted his 10 percent service-connected disability rating. Generally, VR&E program participants have a service-connected disability rating of 20 percent or more.

² Corporate WINRS does not include a separate category for those veterans pursuing self-employment plans. While veterans are pursuing their plans, their cases are categorized within the existing case status categories, such as rehabilitation to the point of employment or employment services, depending upon how far along they are in meeting their program goals.

On June 12, 2003, after the veteran had been placed in evaluation and planning status, he was granted an additional 70 percent service-connected rating due to depression and was rated as individually unemployable. Review of his claims folder revealed that the veteran had spent his whole adult life working as a self-employed farmer; however, he had recently encountered financial difficulties.

As a farmer, he had raised horses and sold hay. In order to keep his farm, he had recently sold all his farm equipment. The veteran reported that he had no income from operating his farm during the previous 3 years. On September 15, 2003, this veteran was moved into rehabilitation to the point of employment status. On the same date, the former VR&E Officer used his Government purchase card to purchase a \$24,973 farm tractor for the veteran. The veteran's CER folder did not include a completed business plan or feasibility study to support his self-employment plan. We believe that the decision made by the former VR&E Officer to purchase this expensive piece of farm equipment was questionable. Without the required documents, we cannot determine how he justified the veteran's participation in the program, nor can we determine whether the purchase of the equipment was justified. The former VR&E Officer³ was not available to respond to inquiries on this or other cases we questioned. During our review, the former VR&E Officer went on sick leave; he did not return to work and subsequently retired from Federal service.

In another self-employment case, high-cost tools and woodworking supplies were purchased and repairs were made to a barn so that a 51-year old veteran, with a 70 percent service-connected rating for PTSD, could open his own woodworking shop. The former VR&E Officer used his Government purchase card to spend at least \$36,600 on these purchases during a 14-month period spanning FYs 2002 and 2003. At the time of our review, the former VR&E Officer could not provide a CER folder, business plan, or feasibility study to justify the purchases made on behalf of the veteran. The CER folder was eventually located, but it did not contain documentation to support the purchases made. At our request, another VR&E Officer reviewed this file. He stated that the veteran's plan and the management of the case were unacceptable.

Control and Management of Other VR&E Cases. We also identified deficiencies in the other cases we reviewed, including inadequate rehabilitation plans, missing CER folders, inadequate control of cases, insufficient documentation to support the receipt of goods purchased on behalf of veterans, and unsigned education awards.

- Inadequate Rehabilitation Plans. VR&E program participants and their assigned case managers work together to develop rehabilitation plans. The plan should include the

³ Because the VR&E Officer responsible for the program at the time of our review is no longer employed at the regional office, he is referred to as the former VR&E Officer so as to not be confused with the VR&E Officer who replaced him.

veteran's program goal and outline the rehabilitation services and training required for the veteran to become employable. Following is an example of a case where the rehabilitation services provided to a veteran were not supported by an appropriate rehabilitation plan.

The veteran had entered the VR&E program in August of 1996 when he was 52 years old, shortly after receiving an increased service-connected rating. His disability increased from 10 percent service-connected for pulmonary tuberculosis to 40 percent when he received a 30 percent service-connected rating for PTSD. As of September 2003, over 7 years after he entered the program, he remained in employment services status. While documentation in the veteran's CER folder is incomplete, it appears that the regional office paid for this veteran to receive a Doctoral degree completed in 2001. He remained in the program at the time of our review, over 2 years after receiving his degree, and large expenses continued to be incurred on his behalf. For example, there were multiple computer purchases, frequent travel agency charges (for airline tickets), hotel charges, bookstore bills, and office supply purchases.

It appears that after the veteran received his Doctoral degree, he continued to be supported by the VR&E program as he worked on a manuscript he planned to have published. There was no rehabilitation plan in his file to support the veteran's continuation in the VR&E program. Because he went on leave during our review, the former VR&E Officer was not available to answer questions to justify decisions he made on this veteran's case. VR&E case managers, most frequently the former VR&E Officer, authorized spending of at least \$37,800 on purchases for this veteran during FYs 2002 and 2003, after he had obtained his Doctoral degree.

- Missing CER Folders. Documentation related to the management of each program participant's case is required to be maintained in individual CER folders. VR&E employees were not able to locate folders for 3 of the 74 cases (4 percent) we selected for review, including 2 discontinued cases and 1 rehabilitated case. Without reviewing the case files, we could not determine whether the case managers' decisions to rehabilitate or discontinue these cases were appropriate; nor could we determine the suitability of their purchases on behalf of these veterans.

In lieu of reviewing the CER folders, we gathered data pertaining to these cases from both BDN and C-WINRS. In one case, the veteran was rated as individually unemployable with an 80 percent service-connected disability rating, including a 70 percent rating for PTSD. This veteran was in IL status for 511 days before being classified as rehabilitated. Electronic case notes we obtained from C-WINRS indicated a case manager purchased a computer and computer training for this veteran. No documentation was available regarding the cost of the computer or the training.

In one discontinued case, a veteran, rated as 70 percent service-connected and individually unemployable, was in rehabilitation to the point of employment status for

135 days and in interrupted status for 189 days before the case was discontinued. BDN records revealed that VR&E-related education subsistence payments of at least \$15,000 were made to this veteran (BDN records indicate he had previous VR&E program participation), and C-WINRS showed training related costs of about \$7,000 during the 135 days his case was in rehabilitation to the point of employment status. Case notes we obtained from C-WINRS also indicated a case manager purchased a computer and software for this veteran. No documentation was available regarding the cost of the computer or the software.

In the second discontinued case, a 100 percent service-connected veteran was in rehabilitation to the point of employment status for 1,642 days and employment services status for 78 days before the case was discontinued. BDN records revealed VR&E-related education subsistence payments of at least \$34,000 were made to this veteran, and C-WINRS showed training related costs exceeding \$5,000. Case notes we obtained from C-WINRS also indicated a case manager purchased a computer for this veteran. No documentation was available regarding the cost of the computer.

- Control of Cases. Case managers are responsible for keeping in contact with program participants and for assisting them as they attempt to successfully complete their programs. Our review of 74 cases included 20 that, as of July 31, 2003, had been in their current case status for an extended period of time. This included 1 case in applicant status, 9 in evaluation and planning status, 5 in rehabilitation to the point of employment status, and 5 in employment services status.

We found that in 13 of the 20 cases the case managers responsible for overseeing the veterans' progress had not adequately retained control over the cases. These 13 cases had been in their current status between 211 and 1,483 days. This included one case that was in applicant status for 211 days and the veteran had not yet attended an initial evaluation meeting. VBA's goal is to move a veteran from applicant to evaluation and planning status within 60 days.

Untimely service to program participants may adversely affect the veterans' ability to achieve their objectives. VR&E employees have access to the monthly COIN TAR 6013 report that lists all active cases, sorted by case manager and case status. The report also shows how many days each case has been in its current status. VR&E management was not adequately using this report to monitor case management and ensure participants' needs were being met.

Our review of the 74 cases also included 10 that were in interrupted status. 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. Our review showed that 5 of the 10 veterans in interrupted status had been in that status for periods ranging from 241 to 338 days, yet there was no documentation in their CER folders showing they planned to resume their training in the near future. In one case that had been in interrupted status for 262 days, review of the CER folder indicated

the veteran wanted to drop out of the VR&E program. However, rather than putting this veteran's case in discontinued status, the case manager put the case in interrupted status. We believe that these five veterans should have been placed in discontinued status. Delays in placing veterans who are not actively pursuing their programs in discontinued status inflate the VR&E workload and may skew performance measurements.

We believe the loss of control over certain cases and the high number of cases put into discontinued status (293 between February 1, 2002, and July 31, 2003) bring into question the success of the regional office's VR&E program.

- Need to Improve Documentation. In addition to the need for proper rehabilitation plans, needs assessments, business plans, and feasibility studies, VR&E employees needed to improve other case-related documentation.

In 16 of 28 cases where computers were purchased, there were no certifications signed by the veterans to document receipt of the equipment. Without ensuring appropriate documentation was obtained and/or completed, VR&E management could not be sure the intended recipients received computers purchased on their behalf.

In 22 cases, case managers did not sign education awards as required when processing subsistence payments for veterans attending school under the VR&E program.

To ensure the integrity and accountability of program funds spent on behalf of veterans, regional office management should strengthen management controls over the VR&E program by requiring that: (1) appropriate rehabilitation plans, needs assessments, business plans, or feasibility studies are completed when necessary; (2) case files are accounted for; (3) cases are actively managed; and (4) receipt of goods purchased on behalf of veterans and education awards are better documented. The examples discussed in this finding identify about \$165,000 in questionable program expenses that either appear inappropriate and/or not properly justified by VR&E employees involved in managing the cases. Weak management controls also increased the risk of fraudulent activity. The OIG Office of Investigations is currently reviewing the questionable matters we referred to them.

Recommended Improvement Action 1. We recommended the Area Director ensure that the Regional Office Director requires VR&E personnel to: (a) complete and document needs assessments that identify the needs of veterans pursuing IL plans, (b) ensure appropriate business plans and feasibility studies are completed for those veterans in self-employment plans, (c) complete and document adequate rehabilitation plans that address and justify the veterans' program goals and support the methods used to reach those goals, (d) maintain control and accountability for CER folders, (e) actively manage cases to ensure timely services are provided to program participants, (f) better document the receipt of goods purchased on behalf of veterans, and (g) ensure education subsistence awards are properly signed.

The Eastern Area and VARO Togus Directors agreed with the findings and recommendations. The VARO Togus Director stated that several improvement actions have been taken or are in process. The newly appointed VR&E Officer is or will be providing training to staff to ensure needs assessments are completed for those in IL plans, and business plans and feasibility studies are completed for those in self-employment plans. The VR&E Officer is also performing quality reviews of rehabilitation plans and utilizing management reports to ensure case managers are actively managing cases to ensure timely services are provided to program participants. Steps have been taken to improve and maintain control over CER folders and to improve documentation of the receipt of goods purchased on behalf of veterans. The VR&E Officer has also mandated that all education subsistence awards be adjudicated by one VR&E employee and authorized by another. The improvement plans are acceptable, and we will follow up on the completion of planned actions.

Fiduciary and Field Examination Unit — Oversight of Fiduciaries Needed Improvement

Condition Needing Improvement. To improve oversight of fiduciary accounts valued at about \$900,000, regional office management needed to determine whether a Federal fiduciary should be appointed in one case and whether investments made by a bank serving as a fiduciary are appropriate in another case. The Fiduciary and Field Examination (F&FE) unit is responsible for protecting the interests of incompetent or minor beneficiaries by appointing fiduciaries when necessary to manage the beneficiaries' funds and for monitoring the fiduciaries' activities. One method of monitoring fiduciaries' activities is to require the fiduciaries to submit annual accountings of beneficiaries' assets, income, and expenses.

We reviewed the records of 20 beneficiaries whose funds were managed by fiduciaries. The following issues required management attention.

- In one case, regional office management needed to consider the appointment of a Federal fiduciary. In this case, a court-appointed attorney serves as the fiduciary for a veteran who is 100 percent service connected for dementia. The attorney was appointed as fiduciary in 1993. The latest available information shows that as of May 2001, the veteran's estate was valued at approximately \$150,000. As of September 2003, the veteran was receiving benefits of over \$67,000 yearly. At the time of our review, none of the 10 annual accountings submitted by the fiduciary had been approved by the state court or accepted by the regional office. The state court has approved none of the accountings, since the court did not approve the initial accounting for the period of May 10, 1993, through May 10, 1994. The state court did not approve the initial accounting because of questions concerning inventory (e.g., assets) information provided by the fiduciary.

Because the state court did not approve the initial accounting, the court has not approved any of the nine subsequent accountings. As a result, the regional office cannot accept any of the accountings submitted by the fiduciary. While the fiduciary continues to submit annual accountings, they are typically filed late. For example, the accounting for the period ending in May 1999 was not submitted until March 2002. This accounting should have been submitted within 90 days of the end of the accounting period, or by August 1999. The submitted accountings have also required correction by the fiduciary after being reviewed by the F&FE legal instrument examiner. For example, on one accounting the fiduciary improperly classified the veteran's income as an asset rather than income. We believe regional office management, in conjunction with the VA Regional Counsel, needs to determine whether the appointment of a Federal fiduciary in place of the court-appointed fiduciary is warranted in this case. Appointing a Federal fiduciary would be advantageous because it allows the regional office more control over the fiduciary. If a Federal fiduciary fails to properly execute his or her duties, VA can administratively remove the fiduciary and appoint a new one without involving the VA Regional Counsel or the court.

- In another case, regional office management needed to improve their oversight of investments made by a fiduciary. A state court appointed a bank to serve as the fiduciary for a veteran who is 100 percent service connected for schizophrenia. As of September 2003, the veteran's estate was valued at about \$750,000, and he was receiving benefits of about \$29,400 yearly. The bank fiduciary had nearly all of the veteran's liquid assets invested in mutual funds owned by the bank. As fiduciary, the bank was collecting a fee of 5 percent of the estate's annual income.

While Maine state law allows a trustee bank to invest in its own funds, it is VA policy to invest income derived from VA benefits only in legal instruments which have safety, assured income, stability of principal, and ready convertibility for the requirements of the beneficiary and his or her dependents. The VA Regional Counsel acknowledged it would be a violation of VA policy if the veteran's assets were not invested in Government bond or income funds, or other risk free or minimum risk-type mutual funds. The bank had the majority of this veteran's assets invested in potentially volatile equity, income, and/or growth-type mutual funds. These types of funds do not appear to meet the intent of VA criteria. The Regional Office Director should consult with the VA Regional Counsel to determine if the investments made by this fiduciary meet VA criteria. If it is determined that they do not meet VA criteria, action should be taken to ensure the bank invests the veteran's VA-derived assets in investment vehicles that meet VA criteria.

Recommended Improvement Action 2. We recommended the Area Director ensure that the Regional Office Director consults with the VA Regional Counsel to determine: (a) whether a Federal fiduciary should be appointed in the case identified, (b) whether a bank fiduciary's investments are appropriate in the second case, and (c) if it is determined

that the bank fiduciary's investments do not meet VA criteria, take action to correct the situation.

The Eastern Area and VARO Togus Directors agreed with the findings and recommendations. The VARO Togus Director stated that a Federal fiduciary was appointed in December 2003 for the first case; although the veteran in the second case has died, training was provided to F&FE staff to ensure that similar investments that may place a beneficiary's funds at risk are declined. Also, training has been provided to ensure that overdue accountings receive prompt and effective actions. The improvement plans are acceptable, and we consider the issues resolved.

Government Purchase Card Program — Program Oversight Needed Improvement

Condition Needing Improvement. Regional office management needed to improve oversight of the Government purchase card program. Effective controls were not in place to detect possible inappropriate charges made by VR&E purchase cardholders. VA employees must use Government purchase cards for all micro-purchases (those under \$2,500) and to the maximum extent practicable, for all purchases up to \$100,000. VAMC Togus provides administrative support for the regional office's Government purchase card activities; the Government Purchase Card Coordinator and Billing Officer are medical center employees. The coordinator is responsible for implementing the program and ensuring that cardholders and approving officials are trained on proper card usage, and the Billing Officer is responsible for conducting audits of purchase card transactions. Cardholders are responsible for reconciling their charges every month, and approving officials are responsible for certifying the appropriateness of charges made by cardholders.

The Government purchase card program at VARO Togus included six cardholders and two approving officials. Five of the 6 purchase cardholders were VR&E employees. Four VR&E employees had single purchase limits of \$2,500, while the former VR&E Officer had a single purchase limit of \$25,000. The former VR&E Officer was the approving official for the four VR&E employees with Government purchase cards, while a management analyst from the Director's Office was the approving official for the former VR&E Officer. During FYs 2002 and 2003, regional office cardholders made more than 1,400 purchases totaling about \$660,000.

We requested supporting documentation for 18 judgmentally selected purchase card transactions, valued at \$30,560, made by VR&E purchase cardholders during FY 2003. We focused on purchases made by VR&E employees because they charged about \$350,000 on their purchase cards during FY 2003 or about 91 percent of the purchase card activity for regional office employees during FY 2003. The former VR&E Officer was not able to provide documentation to support 3 of the 18 transactions, valued at \$2,889. He claimed the CER folders that contained the required support were in VA

Central Office for administrative review. However, he could not provide proof to support this claim. For reasons discussed earlier, the former VR&E Officer was not available to answer questions about these or other purchases identified during our review. We subsequently obtained the CER folders, which had been in the former VR&E Officer's possession, and determined that they had not been sent to VA Central Office for review.

The questioned transactions included a charge for airline tickets from Delta Airlines, the purchase of tools from a lumber store, and charges for computer equipment. These purchases were made for two different veterans. Once we were able to obtain the CER folders for these veterans, we identified numerous questionable charges for these veterans. As discussed previously in the VR&E finding, during FYs 2002 and 2003 the former VR&E Officer used his Government purchase card to pay for over \$36,000 worth of high-cost tools and woodworking supplies for one veteran and almost \$38,000 to pay for travel, computers, books, language training, office supplies, and other miscellaneous items for another veteran. In one other case discussed earlier, the former VR&E Officer used a Government purchase card to buy a tractor for a veteran. This tractor cost \$24,973, which was \$27 under the cardholder's single-purchase limit of \$25,000. Therefore, the former VR&E Officer was not required to obtain approval from a higher level of management before purchasing this high-cost piece of equipment.

While the individual charges for these purchases made on behalf of veterans in the VR&E program did not raise suspicion by the Government Purchase Card Coordinator or approving official, we believe the frequency of charges at woodworking supply and lumber stores,⁴ and other unusual or high dollar purchases, should have raised concerns about the former VR&E Officer's card usage. When we discussed this with the applicable approving official, she stated she did not recall receiving any training on the duties of being an approving official. She acknowledged that she trusted the former VR&E Officer, who was a higher graded employee. Also, because she was not familiar with the VR&E program, she tended not to question the appropriateness of the purchases made by the former VR&E Officer.

Recommended Improvement Action 3. We recommended the Area Director ensure that the Regional Office Director: (a) provides approving officials appropriate training, (b) works with the Government Purchase Card Coordinator to obtain periodic focused reviews of VR&E purchase card activity, and (c) oversees high volume, high priced, or unusual VR&E procurements made on behalf of individual veterans.

The Eastern Area and VARO Togus Directors agreed with the findings and recommendations. The VARO Togus Director stated that one approving official has completed appropriate training while the other will complete training soon. The Director

⁴ During FYs 2002 and 2003, the VR&E Officer used his purchase card to procure goods totaling almost \$25,000 from Hammond Lumber and from Woodworker's Warehouse. With the exception of one purchase valued at about \$4,400, all these purchases were made on behalf of one veteran.

also stated he will work closely with the VAMC to ensure meaningful periodic focused reviews of VR&E purchase card activity are conducted, and that he and the VR&E Officer will conduct regular reviews of VR&E purchasing activity. The improvement plans are acceptable, and we will follow up on the completion of planned actions.

Compensation and Pension Claims Processing — Payments to Hospitalized Veterans Should Be Reduced As Required

Condition Needing Improvement. VBA personnel needed to improve the processing of hospital adjustments. In certain situations, Federal law requires the reduction of C&P payments for veterans hospitalized at Government expense for extended periods. At our request, VAMC Togus identified 82 veterans who had been continuously hospitalized at Government expense for 90 days or more as of August 26, 2003. We compared the information provided by the medical center with the C&P system records for the 82 veterans and found that C&P payments to 2 of 6 veterans receiving pension benefits needed to be reduced. These veterans had been overpaid a total of about \$14,300 while hospitalized at Government expense. Benefit payments to both veterans were reduced after we identified these cases.

Adjustments to pension benefits for veterans residing in Maine are made by the VA Pension Maintenance Center (PMC) located at VARO Philadelphia. This PMC is 1 of 3 VA PMCs that are responsible for processing all activity related to pension cases. In order for PMC personnel to timely reduce a veteran's benefits, they must be notified of the veteran's hospital admission. Typically, VA medical facilities notify the applicable regional offices of hospital admissions. PMC personnel informed us that they do not routinely receive reports of hospital admissions from regional offices as required. This appears to be a systemic issue that requires the attention of the Eastern Area Director.

Recommended Improvement Action 4. We recommended that the Eastern Area Director conduct a review to identify appropriate steps to ensure the PMC under his jurisdiction is provided required notifications of hospitalized veterans in receipt of pension benefits so that appropriate adjustments can be made timely.

The Eastern Area Director agreed with the finding and recommendation. The Eastern Area Director stated that new PMC business rules pertaining to hospitalized veteran adjustments and better communication between points of contact at the PMC and VAROs are in place. He has also reviewed the Systematic Analyses of Operations (SAO) on hospital adjustments for each of the Eastern Area VAROs and reviews station procedures for prompt notification and payment reductions for hospitalized veterans when conducting site visits. The VARO Togus Director stated the regional office has tasked a senior Veterans Service Representative (VSR) with responsibility for identifying, categorizing, and referring appropriate hospital adjustment cases. This VSR has also established liaisons at both VAMC Togus and the PMC. An SAO was conducted in

May 2004. The improvement plans are acceptable, and we will follow up on the completion of planned actions.

Eastern Area Director Comments

Department of Veterans Affairs

Memorandum

Date: September 6, 2004

From: Director, Eastern Area Office (20F1)

Subject: VA Regional Office Togus CAP Review

To: Director, Bedford Audit Operations Division (52BN)

I concur with Office of Inspector General (OIG) recommendations and monetary benefits estimates from the Togus Regional Office (RO) Combined Assessment Program (CAP) report. Further, I concur with the Togus RO Director's corrective actions. The audit team identified four main areas requiring increased oversight and improvement: 1.) Vocational Rehabilitation and Employment (VR&E) activities, 2.) Fiduciary activities, 3.) Government Purchase Card Program, and 4.) Prompt reduction of payment for hospitalized veterans.

First, I would like to express my appreciation for the thorough assessment and recommendations provided by the OIG audit team in the report. The most notable of the findings concerned the delivery of VR&E services and the Government purchase card activities. It was clear from the review that one trusted high level employee, the VR&E Officer who has retired from Federal service, contributed to many of these findings.

Since the audit team's site visits starting in September 2003, many changes have occurred to improve operations. For example, the Togus RO is transitioning from a VAMROC structure, where in some areas accountability was unclear, to a more independent RO organization where there are clear lines of accountability. However, I have ensured that this report has been shared with VAMC management. The Director's corrective actions demonstrate that the station has enhanced their oversight measures.

There have also been many improvements in the VR&E program in Veterans Benefits Administration (VBA) nationally. The VR&E Service now conducts site visits and performs National Quality Reviews to assess

quality and ensure national consistency. In fact, the Togus RO is scheduled for a VR&E site visit review in September 2004. I am interested in the service's current assessment of the operation and encourage any further recommendations to strengthen the division.

Also subsequent to the CAP review, the VR&E Task Force, chartered by the Secretary, issued their report. This report provided a detailed analysis on operations and numerous recommendations to strengthen VR&E operations. In addition, VBA has also provided written guidance and a Purchase Card Program Handbook. This handbook outlines procedures for strengthening internal controls and providing greater management oversight in the purchase card program.

The Togus RO also has undergone several positive changes subsequent to the audit team's visit. When the audit team's findings were discovered, I immediately enlisted temporary support from several experienced VR&E Officers. They provided assistance to the OIG audit team as well as many recommendations, guidance and remote management activities for the Togus RO. The most important change, however, is the appointment of a new VR&E Officer. He is dedicated to improving the division and providing greater oversight to the division's purchase card program.

The OIG team further recommended that I ensure that the Pension Maintenance Center (PMC) under my jurisdiction receives timely notification for hospitalized veterans in receipt of pension. Some of the measures now in place, include new PMC business rules for hospitalized veteran adjustments and better communication between points of contact at the PMC and ROs. I have reviewed the annual Systematic Analyses of Operations (SAO) on hospital adjustment reductions for each of the Eastern Area ROs. During my site visits, I also review station procedures for prompt notification and payment reductions for hospital veterans.

Clearly, implementation of the audit team's recommendations, the RO Director's responses, and new division leadership will strengthen management controls and improve the oversight of Togus' operations.

If you have any questions, please contact me at (734) 930-5800.

(original signed by:)

James A. Whitson
Director
Eastern Area Office

Regional Office Director Comments

VARO Togus Director's Comments to Office of Inspector General's Report

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

OIG Recommendations

Recommended Improvement Action 1. We recommend the Area Director ensure that the Regional Office Director requires VR&E personnel to: (a) complete and document needs assessments that identify the needs of veterans pursuing IL plans, (b) ensure appropriate business plans and feasibility studies are completed for those in self-employment plans, (c) complete and document adequate rehabilitation plans that address and justify the veterans' program goals and support the methods used to reach those goals, (d) maintain control and accountability for CER folders, (e) actively manage cases to ensure timely services are provided to program participants, (f) better document the receipt of goods purchased on behalf of veterans, and (g) ensure education subsistence awards are properly signed.

Concur **Target Completion Date:** January 1, 2005

The Togus Regional Office (RO) Director concurs with the above recommendation.

The former VR&E Officer who had been responsible for ensuring the Togus VR&E office was following appropriate management controls retired in November 2003 and a new VR&E Officer was appointed in May 2004.

Starting in September 2004, upon reaching full counselor staffing, the current VR&E Officer will no longer maintain a veteran caseload. He will instead provide oversight and training of the VR&E staff. Per current VR&E directives, the RO Director will also review and approve any VR&E plans/programs that require expenditures of greater than \$75,000. The VR&E Officer will be required to review and approve any plans/programs that require expenditures of greater than \$25,000. Any expenditure greater than these amounts must be approved prior to releasing the funds.

The Togus VR&E office is also scheduled for a VR&E Site Review in September 2004. We are anticipating that this audit will provide us with additional insight and suggestions for improvement beyond the areas that have already been identified.

(1) Complete and document assessment that identify the needs of veterans pursuing Independent Living Plans.

The newly appointed VR&E Officer will provide training to all VR&E staff on how to complete and document assessments for the independent living program. This training will be completed by January 1, 2005. VR&E staff is now required to submit proposed plans to the VR&E Officer for review prior to a veteran's placement in an independent living status and before the allotment of any funds to support the plan. There is a checklist that the Counselors and VR&E Officer will use to ensure that all appropriate documentation and assessments have been completed.

(2) Ensure appropriate business plans and feasibility studies are completed for those in self-employment plans.

As mentioned above, the VR&E Officer is now providing training to all VR&E staff on appropriate documentation, which includes self-employment plans. The VR&E Officer will review all newly written self-employment plans and will ensure that appropriate business plans and feasibility studies are completed prior to their approval. If justification, assessments or other documentation necessary to develop a self-employment plan is missing, the VR&E Officer will not approve the self-employment plan until such missing items

are complete. The VR&E Officer is using VA Regulation 21.257-1 (Self-employment) as his checklist to ensure that self-employment plans include all necessary documentation and assessments. This checklist will be made a permanent part of the veteran's training (CER) folder.

The RO Director is requiring a quarterly update on all veterans that are in the independent living and self employment programs.

(3) Complete and document adequate rehabilitation plans and address and justify the veteran's program goals and support the methods used to reach those goals.

The VR&E Officer is now performing quality reviews of rehabilitation plans and is ensuring that the plans written by the counselor address and justify the veteran's program goals. Training will be initiated to ensure that cases with insufficient plans are redeveloped by the counselor prior to funds being expended. These plans will remain a permanent part of the veterans training folder.

(4) Maintain control and accountability for CER folders.

All non-active files have been re-located to the VR&E common area and filed in alphabetical order. A master list of all CER folders and their locations have been created. The RO is currently allocating funds to allow VR&E to purchase new cabinets with locks which will be in place by November 2004. VR&E will also document all cases that are sent to VR&E CO for quality reviews and will ensure that all files which are removed are subsequently returned.

(5) Actively manage cases to ensure timely services are provided to program participants.

The newly appointed VR&E Officer reviews the 6013 report monthly, shares the reports with the counselors, and has trained the staff to interpret these reports for case-management purposes. The VR&E Officer highlights any cases that he feels requires immediate follow-up and subsequently requires the counselor assigned to the case to provide follow-up regarding the case.

On a quarterly basis, the MA assigned to the VR&E Office will review these reports and will discuss such findings with the RO Director.

(6) Better document the receipt of goods purchased on behalf of veterans.

When it is geographically appropriate, the VR&E staff arranges to have any goods purchased on behalf of veterans sent directly to the VR&E office. In such situations, the veteran comes into the VR&E office and signs a receipt stating he/she has received the purchased item(s). In situations where distance is an issue, items will be shipped directly to the veteran who will then have to sign with the mail carrier for the goods. In instances where it is not possible for the carrier to obtain a signature, a letter will be sent to the veteran asking him/her to certify that the goods have been received. Starting October 1, 2004, if the initial letter is not returned, we will send a follow-up letter within ten days of the initial letter. If we still have not received certification that the goods were received then a telephone call will be made to the veteran. We are also contacting other VR&E offices to see how they handle this particular issue.

(7) Ensure education subsistence awards are properly signed.

Under the direction of the former VR&E Officer, counselors were able to both adjudicate and authorize VR&E awards. The newly appointed VR&E Officer has mandated that all awards be adjudicated by one VR&E counselor and then authorized by another staff member; thus creating extra controls, as each award now requires dual signatures. In addition, we have instituted a policy of rotating assigned authorizers in VR&E on a monthly basis.

Recommended Improvement Action 2. We recommend the Area Director ensure that the Regional Office Director consults with the VA Regional Counsel to determine: (a) whether a Federal fiduciary should be appointed in the case identified, (b) whether a bank fiduciary's investments are appropriate in the second case, and (c) if the bank fiduciary's investments do not meet VA criteria, take action to correct the situation.

Concur

Target Completion Date: Done

The Togus RO Director concurs with the above recommendation.

The following remedial actions have been taken for the first case under Action Item 2:

- The deficient accountings for the years 1994 through 2001 have been received and reviewed by the Togus Regional Office and accepted by the court as of July 24, 2004. In addition, the accountings for 2002 and 2003 were received from the former fiduciary on August 13, 2004. We completed the review of these forms and supporting documents on August 24, 2004.
- A Federal fiduciary was appointed by the Department of Veterans Affairs on December 22, 2003, replacing the former court-appointed fiduciary. The first accounting from the new fiduciary is due November 4, 2004.
- Training on this issue was completed on June 25, 2004. The current F&FE team at the Togus Regional Office is aware that overdue accountings require prompt and effective actions. When necessary the help of our Regional Counsel will be secured to ensure any overdue accountings are received and are acceptable.
- There will be no recurrence of such long-overdue accountings.

The following remedial actions have been taken for the second case under Action Item 2:

- The veteran died April 23, 2004, so no further action is contemplated on this case.
- Training was completed on June 25, 2004 with the F&FE staff to ensure that similar investments that may place the claimant's funds at risk are discouraged.

Recommended Improvement Action 3. We recommend the Area Director ensure that the Regional Office Director (a) provides approving officials appropriate training, (b) works with the Government Purchase Card Coordinator to obtain periodic focused reviews of VR&E purchase card activity, and (c) oversees high volume, high priced, or unusual VR&E procurements made on behalf of individual veterans.

Concur **Target Completion Date:** October 1, 2004

The Togus RO Director concurs with the above recommendation.

While the former VR&E Officer, who retired in November 2003, was a purchase cardholder, the current VR&E Officer does not have nor will he have a purchase card. The three VR&E counselors will retain the purchase cards issued to them and as of October 1, 2004 the VR&E Officer will serve as their Approving Official. The VR&E counselors will continue to have purchase cards with a single purchase limit of \$2,500. Any purchases over the \$2,500 limit will require a purchase order approved by the VR&E Officer.

VAMC staff oversees the purchase card program for the RO. The VARO Director will work closely with the VAMC Director to make certain that adequate oversight and safeguards are in place.

(1) Provide approving officials appropriate training.

The MA in the director's office received approving-official training in August 2004. The VR&E Officer is in the process of completing approving-official training. His official training will be completed on October 1, 2004. Currently the Director is approving all VR&E counselors' purchases.

(2) Consults with the purchase card coordinator to obtain periodic focused reviews of VR&E purchase card activity.

We will continue to make requests of VAMC Fiscal Staff to provide periodic focused reviews of VR&E purchase card activities. The VARO Director will work closely with the VAMC to assure meaningful periodic focused reviews are conducted.

(3) Oversee high volume, high priced, or unusual VR&E procurements made on behalf of individual veterans.

As mentioned above, the VR&E Officer will review all purchases made by VR&E counselors and will require the Director to approve any purchases over \$75,000 for any one veteran. The RO has already removed the lower-grade approving official for VR&E. The VR&E Officer has also instituted a requirement that counselors document all purchases made on a buying-log sheet which is reviewed by the VR&E Officer on a monthly basis.

Recommended Improvement Action 4. We recommend that the Eastern Area Director conduct a review to identify appropriate steps to ensure the PMC under his jurisdiction is provided required notifications of hospitalized veterans in receipt of pension benefits so that appropriate adjustments can be made timely.

Concur **Target Completion Date:** Done

The Togus RO Director concurs with the above recommendation.

The Togus Regional Office has put in place a system where all monthly hospital reports are directly under the control of a Senior VSR of the Triage Team. This now insures all cases involving hospital admissions are quickly identified, categorized and referred for actions as necessary. In addition, this Senior VSR at Togus has established individual liaisons at both the VA hospital at Togus and with the Pension Maintenance Center in Philadelphia. These contacts serve to enhance communications and limit overpayments on these cases.

In May 2004, a Systematic Analysis of Operations was completed by the Coach of the Triage Team to study the handling of all hospital admission cases received during that month. A total of 79 admissions were reviewed, with no reporting errors noted and appropriate controls established for all cases requiring local action. The report concluded the proper procedures were being closely followed, but careful monitoring must be maintained to ensure future oversights do not occur.

Facility Director's Comment:

As Director of the Togus Regional Office I concur with the recommendations of the Office of the Inspector General and certify the remedial actions described on this document have been taken.

Monetary Benefits in Accordance with IG Act Amendments

<u>Recommendation</u>	<u>Explanation of Benefit(s)</u>	<u>Better Use of Funds</u>	<u>Questioned Costs</u>
1	VR&E-related program costs that appear inappropriate and/or were not properly justified.		\$165,000
4	Payments should be reduced for certain veterans who were hospitalized at Government expense for extended periods.	\$14,300	

Descriptions of Vocational Rehabilitation and Employment Case Status Categories

Applicant Status: The status of a veteran whose application has been received and is being reviewed to see if the veteran is eligible for VR&E services.

Evaluation and Planning Status: The stage in the vocational rehabilitation process in which entitlement to services is determined. The veteran's need for specific services is evaluated, and if entitled, the veteran and the case manager develop a plan of services that will be necessary to obtain and maintain suitable employment.

Rehabilitation to the Point of Employability Status: The status of a veteran who is receiving direct services such as training, counseling, materials and supplies, and self-employment guidance.

Employment Services Status: The status of a veteran when a series of services is provided to help the veteran find suitable employment. Services include resume preparation, interviewing assistance, and self-directed job search via networking and electronic databases.

Rehabilitated Status: The status of a veteran who has maintained suitable employment for a period of at least 60 days after achieving his or her vocational rehabilitation plan goals, or the status of a veteran who was assessed 60 days after achieving his or her independent living rehabilitation plan goals.

OIG Contact and Staff Acknowledgments

OIG Contact	Nicholas Dahl, (781) 687-3141
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	Joseph Vivolo

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