

LBA Financial Audit Report Summary:

State Veterans Council - Financial and Compliance Audit Report For The 9 Months Ended March 31, 2008

Reporting Entity And Scope

The reporting entity of this audit and audit report is the New Hampshire State Veterans Council. The scope of this audit and audit report includes the financial activity of the State Veterans Council for the nine months ended March 31, 2008. Unless otherwise indicated, reference to the Veterans Council, Council, or auditee refers to the State Veterans Council.

Organization

RSA 115:1 establishes the State Veterans Council, a three-member body appointed by the Governor and Executive Council. RSA 115:4 authorizes the Council, with the approval of the Governor and Executive Council, to appoint a Director of the State Veterans Council who serves at the pleasure of the Council. RSA 115:6 directs the Council to employ such assistance as may be necessary, within the limits of the appropriations made therefore, subject to the rules of the State Division of Personnel. At March 31, 2008, the State Veterans Council employed one unclassified and five full-time classified employees.

Responsibilities

The mission of the State Veterans Council is to assist veterans who are residents of New Hampshire or their dependents in securing all benefits or preferences to which they may be entitled under any State or federal laws or regulations.

In accordance with RSA 115:4, II., the Director of the Council shall:

- (a) Supervise the activities of a statewide service delivery structure which assists veterans and family members in identifying eligibility for veterans' benefits, filing claims, coordinating benefits with other state and federal agencies, and reviewing claims decisions for appeals or waivers of unfavorable decisions.
- (b) Identify and develop legislative proposals to improve delivery of services, review and monitor legislation introduced by others, testify at hearings and prepare legislative fiscal note work sheets. The director shall coordinate, implement, and administer programs mandated by the legislature.
- (c) Prepare the agency budget and administer and monitor expenditures for the Council.

- (d) Develop, interact, and coordinate agency programs in conjunction with the federal Department of Veterans Affairs as well as other federal, state, local, and private organizations.
- (e) Represent the Council at various state and national conventions, conferences and public functions and provide supervision to the agency's public relations program.
- (f) Perform such other duties, as the Council shall determine.

Funding

The financial activity of the Veterans Council is accounted for in the General Fund of the State of New Hampshire. A summary of the Council's revenues and expenditures for the nine months ended March 31, 2008 is shown in the following schedule.

**Summary Of Revenues And Expenditures
For The Nine Months Ended March 31, 2008**

	<u>General Fund</u>
Total Revenues	\$ -0-
Total Expenditures	<u>320,143</u>
Excess (Deficiency) Of Revenues Over (Under) Expenditures	<u>(320,143)</u>
Other Financing Sources (Uses)	
Net General Fund	<u>320,143</u>
Total Other Financing Sources (Uses)	<u>320,143</u>
Excess (Deficiency) Of Revenues And Other Financing Sources Over (Under) Expenditures And Other Financing Uses	<u>\$ -0-</u>

The auditor's report on the State Veterans Council's financial statement was qualified, as the financial statement does not constitute a complete financial presentation of the Council.

The audit report includes the auditor's report on internal control over financial reporting and on compliance and other matters. The following is a list of the comments in the report.

Internal Control Comments

Significant Deficiencies

- Communication With Supporting State Organizations Should Be Improved
- Controls Over Service Bonus Payments Should Be Improved
- Formal Information Systems Controls Should Be Established
- Payroll Certifications Should Be Prepared
- Timekeeping And Leave-Time Procedures Should Be Improved
- Equipment Controls Should Be Improved
- Written Agreements With The U.S. Department Of Veterans Affairs Should Be Established And Maintained
- Formal Fraud Deterrence, Detection, And Reporting Policy Should Be Established
- Familiarity With State Administrative Procedures Should Be Maintained

Compliance Comment

- Filings Required By RSA 15-A Should Be Made Timely