

LBA Financial Audit Report Summary:

Veterans' Home Audit Report for the Nine Months Ended March 31, 1998

The New Hampshire Veterans' Home was established by RSA 119:1 to provide for the support, care and treatment of veterans who have served on active duty, for a period of at least 90 days, in the armed forces of the United States in time of war. Services provided by the Home include nursing care, assisted living, domiciliary, day care, dementia, chemical dependency and psychiatric services, and other related services and programs for any veteran otherwise eligible for admittance.

The Home is situated on approximately 30 acres of land on Winter Street in Tilton. The Home is governed by a Board of Managers, consisting of officials from various veterans' organizations and private citizens. The Board is charged with the custody and care of the property of the Home and with carrying into effect the purposes for which the Home was established. The day-to-day administration of the Home is overseen by the Home's commandant, who is appointed by the Board of Managers. At March 31, 1998 there were 148 full-time employees and 34 part-time employees at the Home.

The Home is funded by appropriations in the State's General and Capital Projects Funds. The residents of the Home contribute to their support by transferring a major portion of their monthly income to the General Fund. Appropriations are also recovered through payments made to the Home by the United States Department of Veterans Affairs. The Home is budgeted to recover approximately 74% of its General Fund appropriations from these two sources.

Our report contained 16 constructive service comments regarding weaknesses in the Home's internal controls. Eleven of these comments related to the Home's controls over its trust and agency fund operations, two related to controls over the Home's general State operations, and three internal control comments had components of both trust and agency and general State operations. The report also contained three state compliance comments related to general State operations and four management issues comments which had components of both the Home's trust and agency fund and general State operations.

Some of the more significant comments included recommending the Home:

- work with the State Treasury to determine the most efficient and controlled manner to deposit revenue into the State's accounts,
- establish documented policies and procedures for determining the full-pay rate for resident room and board,
- strengthen controls over the Home's accounting for the funds of deceased residents,
- not use the Member's Benefit Trust Fund to supplant State General Fund appropriations for the purchase of administrative equipment, and
- work to clarify several of its administrative rules to eliminate apparent conflicts in the rules and confusion over the application of the rules.