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September 23, 2015

Veterans' Commission Audit

BACKGROUND

Veterans Assistance Commission (VAC) of Kane County (County) follows the Illinois compiled statutes (330 ILCS 45), short title "Military Veterans Assistance Act," to provide assistance to military veterans, who served in the Armed Forces of the United States. Pertinent excerpts of the statutes (330 ILCS 45) (from Ch. 23, par. 3082 and 3089) are as follows.

- The Military Veterans Assistance Act provides for the assistance of military veterans, who served in the Armed Forces of the United States, whose last discharge from the service was honorable to be eligible for assistance, their families, and the families of deceased veterans with service as described in this Section who need assistance.
- The county board shall provide such sums of money as may be just and necessary to be drawn by the superintendent of any Veterans' Assistance Commission of the county.
- In counties having 2 or more posts, camps, chapters or detachments of military veterans' organizations as may be recognized by law, a central assistance committee may be organized to be known as the Veterans Assistance Commission. [Kane County has 21 such organizations.]

The history of the Kane County Veterans Assistance Commission dates back to August 5, 1935 when it was originally organized and referred to as "Kane County Veterans Relief Commission." The Relief committee was established to offer financial assistance to World War I veterans during the depression of the 1930's and to work with the U.S. Department of Veterans Affairs (VA), which was organized in 1930. The Kane County VAC is one of Illinois' oldest commissions to provide assistance to veterans.

The Kane County Veterans Assistance Commission is a separate county governmental agency that is operated by and for veterans. The County Board Chairman has designated the Human Services Committee to review payments made by the VAC to ensure its compliance with the rules and regulation prescribed by the Military Veterans Assistance Act.

The table below is a sample of the 2015 poverty guidelines in the 48 contiguous states and the District of Columbia by person in a family/household provided by the Census Bureau. This measure is used by VAC to determine veteran financial benefit eligibility based upon the veteran's monthly income which can be no higher than 100% of the monthly federal poverty level for the size of the veteran's family.

Family size	Annual FPL	100% Monthly FPL
1	\$11,770.00	\$981.00
2	\$15,930.00	\$1,328.00
3	\$20,090.00	\$1,674.00
4	\$24,250.00	\$2,021.00
5	\$28,410.00	\$2,368.00
6	\$32,570.00	\$2,714.00
7	\$36,730.00	\$3,061.00
8	\$40,890.00	\$3,408.00

The VAC program is administered through annual budgetary appropriation by the County Board through the Veteran's Commission Fund (380). This program is free to qualifying veterans in the County VA is not public aid, township general assistance, or welfare. It is assistance paid exclusively to honorably discharged veterans of the United States Armed Forces, their surviving spouses, and/or their dependents that due to their military service and financial need have the assistance available to them. The Kane County VAC's mission is to:

- Administer emergency assistance, general assistance, and a caseworker to assist with such needs as shelter, utilities, food, transportation support and personal needs.
- Assist veterans applying for U.S. Department of Veterans Affairs (USDVA) health care, dental insurance, disability compensation, home loans, GI Bill or State benefits.
- Provide veteran guidance through the qualifying process for County and Federal level benefits.

Veterans' Commission Fund (380) expenses are allocated to administrative salaries and benefits, operation expenses, miscellaneous contractual expenses administered to veterans. Veteran's expenses are related to food, rent, utilities, personal needs, transportation and medical expenses considered essential to the health and well-being of the individual or the family.

The table below presents VAC revenues and expenses for fiscal years ending 2011, 2012, 2013, 2014 and the amended budget for 2015.

	2011	2012	2013	2014	Budget - 2015
Revenue	\$311,829	\$310,606	\$305,612	\$308,627	\$335,351
Expenditures	\$313,220	\$315,153	\$289,551	\$282,363	\$335,351
Net Change in Fund	(\$1,391)	(\$4,547)	\$16,061	\$26,264	\$0
Expenditures					
Salaries and Benefits	\$253,297	\$263,651	\$243,119	\$242,044	\$255,309
Operating Expenses	\$19,167	\$19,052	\$18,179	\$17,746	\$27,667
Veterans' Support:					
Rent Support	\$25,153	\$24,355	\$21,420	\$16,179	\$30,000
Transportation Support	\$12,905	\$7,991	\$3,469	\$1,383	\$6,375
Utility Support	\$948	\$104	\$864	\$1,211	\$7,000
Other Support	\$1,750	\$0	\$2,500	\$3,800	\$9,000
	\$313,220	\$315,153	\$289,551	\$282,363	\$335,351

SCOPE AND TESTING

- Review the process of funding the commission and expenses associated to the commission.
- Review the procedures to qualify or deny a veteran for financial benefit assistance.
- Review with Superintendent the functions and procedures for VAC, which includes the veteran's application process for financial assistance.
- Review payments recorded in the New World System (NWS) to veteran's assistance records for reconciliation of payments made.
- Review random sampling and examination of VAC records to determine that proper supporting documentation existed for the client's eligibility and assistance.

FINDINGS/RECOMMENDATIONS

Recommend periodic review of the VAC operation manual, as the VAC Superintendent indicated that updated procedures have been documented, but have not been integrated into the operations manual.

Management response:

I have reviewed the draft Veterans Assistance Commission Audit and concur with the report's findings and recommendations.

Specifically in regards to your recommendation of periodic review of the Financial Assistance Program Manual, the Veterans Assistance Commission staff is actively in the process of revising the Financial Assistance Program Manual in its entirety. The purpose for the manual revision is to clarify vague language in the current manual, formulate new rules for situations that have arisen that are not addressed in the current manual, and incorporate modifications to current procedures as a result of changes to programs administered by outside agencies that we collaborate with to enhance the welfare of veterans and their families through the Financial Assistance Program. The Commission's staff expects to have the revised manual completed prior to calendar year 2016 and the revised manual will be presented to the Commission at its regular meeting in March of 2016 for ratification.


Thank you for the opportunity to review the draft audit. If you have any questions, please do not hesitate to contact me directly.

We would like to express our appreciation to Jacob Zimmerman, Superintendent, for his cooperation and generous assistance provided during the audit.

Respectfully submitted,



Terry Hunt – Kane County Auditor



Margaret Todd-Cave – Staff Auditor