



**Auditor of State  
Betty Montgomery**

FRANKLIN COUNTY  
VETERANS SERVICE COMMISSION  
PERFORMANCE AUDIT

JUNE 4, 2003



## Auditor of State Betty Montgomery

To the Franklin County Veterans Service Commission and the veterans of Franklin County:

In October of 2002, officials of the Franklin County Veterans Service Commission (FCVSC) requested that the Auditor of State conduct a performance audit of the agency's operations. Following discussions with officials from FCVSC and the Franklin County Common Pleas Court, five areas were identified for review: organization and staffing, finance, compliance, program assessment and case management, and technology. These components of FCVSC's operations were selected because they are essential to the agency's mission of providing advice and assistance to veterans, active duty members, and their families.

The performance audit contains recommendations that, if implemented, could improve FCVSC's business practices and customer service. Some of these recommendations include developing strategic planning and performance measurement initiatives, developing procedures and internal controls for financial functions, revising the case management and appeals processes, providing additional training to agency staff, and taking steps to ensure the security of client data. While the recommendations contained within the performance audit are resources intended to assist in refining operations, Commission officials are encouraged to assess overall operations and develop other recommendations independent of the performance audit.

This report has been provided to the Franklin County Veterans Service Commission and its contents discussed with appropriate officials and management. The Commission has been encouraged to use the results of the performance audit as a resource in improving its overall operations and service delivery.

Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or toll free at (800) 282-0370. In addition, this performance audit can be accessed online through the Auditor of State of Ohio website at <http://www.auditor.state.oh.us/> by choosing the "On-Line Audit Search" option.

Sincerely,

A handwritten signature in black ink that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

June 4, 2003

# **Executive Summary**

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## **Project History**

To optimize operational efficiencies, service levels and potentially reduce operational costs, officials from the Franklin County Court of Common Pleas and members of the Franklin County Veterans Service Commission (FCVSC) engaged the Auditor of State's Office in October 2002 to conduct a performance audit of FCVSC. The audit report evaluates FCVSC's organizational structure and staffing, financial management, compliance with legal requirements, program and case management, and technology use.

## **Overview of FCVSC**

On February 13, 1862, the Ohio General Assembly formalized its decision to provide “for the relief of the necessities to ... [veterans]... who now are, or hereafter may be, in the service of the state or the United States...” That decision to provide “for the aid and financial assistance” of veterans still stands. In May 1886, the Legislature enacted 83 Ohio Law 232, which created the Veterans Service Commission (formerly Soldiers Relief Commission) and became the philosophical cornerstone of all subsequent legislation leading to Ohio Revised Code, chapter 5901. Ohio Revised Code (ORC) chapter 5901 sets aside up to one-half mil on the assessed value of the property of each county to fund a veterans service commission, although the actual amount budgeted is determined by the veterans service commissioners and is usually much less than the available amount. In 2002, the one-half mil produced more than \$11 million in Franklin County, but FCVSC requested and spent less than \$4 million.

Under ORC chapter 5901 and Ohio Administrative Code (OAC) chapter 5902, FCVSC provides the following services for a population of nearly 97,000 veterans and their dependents in Franklin County:

- Financial assistance for housing costs, food, utilities and other items to eligible veterans with an honorable discharge or a recognized service-connected disability received as active-duty members of the Armed Forces of the United States, Reserve and National Guard members who are called to active duty by a Presidential Order, such as Desert Storm Operation Enduring Freedom, and their dependents;
- Advice and assistance when applying for claims, benefits, or entitlements from federal, State, or local agencies;
- Liaison services to the Department of Veterans Affairs for claims-related information;

- Memorial assistance up to \$1,000.00 to a family without the means to defray necessary funeral expenses for the burial of a veteran; and
- Employment assistance in coordination with the Ohio Department of Job and Family Services.

FCVSC has a board of five part-time Commissioners that oversees its operations. Commission members are selected by the various veterans' organizations including the American Legion, Veterans of Foreign Wars (VFW) and American Veterans (AMVETS), and are appointed to FCVSC by the Franklin County Court of Common Pleas (FCCCP). The Commission appoints an executive director to manage the daily operations carried out by its 14 staff members.

All of FCVSC's revenues come from county property tax revenue. FCVSC's expenditures are about \$3 million dollars annually, including over \$1 million in direct financial assistance grants to assist veterans. Almost two-thirds of the direct assistance provided is to pay veterans' housing costs in the form of rent and mortgage payments. The remaining financial assistance is split between utility and food costs. FCVSC receives an average of 1,600 financial assistance applications and 360 veteran administration (VA) benefits applications each year.

## **Noteworthy Accomplishments**

This section of the executive summary highlights specific FCVSC accomplishments identified throughout the course of the audit.

- FCVSC is substantially compliant with ORC and OAC requirements.
- FCVSC has a technology use policy that contains best practice elements recommended by the Government Finance Officers Association (GFOA). By implementing a formal technology policy that includes employee rights and responsibilities, FCVSC effectively minimizes the risk of abuse and helps ensure appropriate use of County equipment.
- FCVSC has one of the most sophisticated technology environments of veterans service commissions in Ohio. By employing Benefits Delivery Network (BDN) and Veteran Assist software applications, FCVSC has increased the potential efficiency of its operations. Additionally, by taking advantage of Franklin County Data Center (FCDC) services, FCVSC is better able to minimize the time and costs required to perform technology-related support functions.

## **Conclusions and Key Recommendations**

FCVSC operates in a manner compliant with legal requirements and has effective technology in place. However, the efficiency and effectiveness of its operations could be significantly improved, particularly in the area case management and direct client services. FCVSC has slightly higher staffing than the peer average, but processes nearly 50 percent fewer financial assistance and VA applications. FCVSC should overhaul its financial assistance process by creating an intake department, developing detailed assistance rules, and allowing staff to make some initial financial assistance decisions. FCVSC should also see clients primarily by appointment and cease the practice of seeing only walk-in clients, which has resulted in veterans waiting outside FCVSC's office for hours before it opens and clients being turned away each day without receiving assistance.

FCVSC should also increase levels of consistency and standardization of departmental policies and internal controls and ensure consistent enforcement of its policies, particularly in the area of client assistance levels. A greater level of monitoring will also be required to heighten accountability and oversight, both within FCVSC and by external stakeholders. Finally, FCVSC should take steps to safeguard and improve human resources.

The following are the key recommendations of the performance audit:

- **The executive director and Commission should reduce and reallocate staffing levels at FCVSC to decrease operational costs and improve client service delivery.**
- **The Commission and executive director should develop a strategic plan that includes an action-oriented mission statement; goals, objectives, and implementation plans with associated timelines; and measurable outcomes. Strategic planning is essential to addressing the unique problems faced by FCVSC in the areas of training, budgeting, morale, and outcome measurement.**
- **The executive director and Commission should implement a comprehensive measurement system to be used in monitoring progress towards achieving agency goals and priorities, as well as planning and budgeting processes (see finance section). The use of performance measures will enable management and the Commission to better measure agency success and identify problem areas that should be addressed to be more efficient and effective.**
- **The Commission should develop detailed governance policies. While the ORC provides a high level outline of duties and minimum requirements, the Commission should**

**provide formal policies outlining the implementation of ORC requirements and providing for effective governance.**

- **The executive director, senior financial assistance investigator and the Commission should develop detailed financial assistance policies, similar to policies developed by Summit and Montgomery VSCs. Key policies should include the duration of financial assistance, job quit information, a list of acceptable expenditures, income requirements that must be satisfied, and income earned by other household members.**
- **The executive director and the Commission should revise the financial assistance application process to include an intake department and permit clients to complete applications over the phone. The receptionist and the financial assistance clerk should be assigned to the intake department to complete applications. Once an application is completed, the client should be provided with a scheduled time to meet with a financial assistance investigator to discuss the application.**
- **The executive director and the Commission should formulate and implement an appointment scheduling process for all direct service staff to improve customer service levels and reduce client wait times.**
- **The executive director and the Commission should develop detailed policies and guidelines allowing financial assistance investigators to make all initial financial decisions for clients and revise its appeal process accordingly. The guidelines should illustrate specific information to be reviewed and should provide financial assistance investigators with criteria for granting assistance, and for determining eligibility for and duration of assistance.**
- **The executive director and the Commission should provide training for all eligible service officers and financial assistance investigators so they can handle both VA and financial assistance applications, as benefits specialists already do.**
- **FCVSC's executive director should develop a formal outreach policy describing the agency's outreach program and key contact information. The executive director should also meet with agencies, such as FirstLink, to identify additional social service organizations with which FCVSC can work in a cooperative manner. In addition, the outreach policy should highlight the importance of making appropriate referrals.**
- **FCVSC's executive director and the Commission should develop written and formalized policies and procedures for all its finance processes. This is essential for developing effective internal controls and is useful for establishing staff expectations, ensuring consistency, and for evaluating staff performance.**

- **FCVSC’s executive director and the Commission should take steps to ensure client payments for mortgages and rents are properly credited to veterans’ accounts after checks are sent by Franklin County.**
- **The executive director and FCVSC management should take steps to develop a quantitative forecasting method and use it to estimate changes in expenditure growth in the short and long-term with a greater degree of confidence.**
- **FCVSC should develop a strategic budget in conjunction with the development of a strategic plan. Effective strategic budgeting and planning will enable FCVSC to align its funding allocations with strategic goals instead of historical funding levels, and more effectively accomplish its mission.**
- **FCVSC’s executive director should collaborate with staff and the FCDC to identify and remedy security risks to the confidentiality of client records, both in hard copy and electronic forms.**
- **FCVSC should work with FCDC to develop a disaster recovery plan that provides for the availability of critical computer and communications systems in the event of a major crisis. Standard procedures for developing and maintaining the recovery plan should be documented and distributed to all personnel.**

## **Additional Recommendations**

This section of the Executive Summary highlights additional recommendations from each area of the audit report.

### *Organization and Staffing*

- **FCVSC management should address low employee morale issues through improved communication and planning efforts. Management also should ensure the consistent application of policies and procedures.**
- **The executive director should take steps to address high sick leave use and should emphasize its current sick leave conversion and wellness program.**
- **The executive director and Commission should work with the Franklin County Human Resources Office and the Prosecutor’s Office to update the personnel manual.**

- The executive director should work with the management of each unit to develop cross-training programs for staff to ensure FCVSC has adequate back-up to provide client services.
- The executive director should work with supervisors to review and update all job descriptions. In the future, job descriptions should be reviewed annually, updated as job functions change, and should include measurable standards.
- The Commission should improve staff training by developing training goals based on an Individual Development Plan (IDP) for each employee. The executive director should ensure all supervisors develop an IDP plan for each employee annually.
- The executive director should work with the Commission to improve the performance evaluation process by including specific performance expectations based on job descriptions, expanding the training segment of the form, and linking the evaluation process to the development and subsequent review of IDPs.
- The executive director and Commission should work with Franklin County to develop a policy and subsequent procedures for fairly awarding pay increases. Pay increase decisions should be made based on the results of the performance evaluation and documented within the personnel file.

### *Finance*

- FCVSC should establish travel reimbursement procedures, including a time line for submission of proper documentation and for processing requests for submission to the county.

### *Program Compliance*

- FCVSC should obtain all relevant documents, such as copies of high school diplomas or equivalent qualifications, from FCCCP and the Governor's Office of Veterans' Affairs (GOVA) and keep them in the personnel files of the respective commissioners and employees.
- GOVA should ensure that appropriate codes of conduct are signed by the commissioners at the beginning of each term of appointment and prior to certification.
- FCVSC should continue to conduct timely background investigations on all future applicants for VSO positions and should consider requesting voluntary background checks on the two VSOs that have not had background checks.

### *Programs and Case Management*

- The executive director, senior financial assistance investigator, and the Commission should create a manual detailing guidelines and expectations for client interviews.
- The executive director and the Commission should develop a policy that clearly indicates the required information to be maintained in client files. The policy should state that applications missing proper documentation should be denied.
- The executive director and the Commission should arrange for social service training to be provided for all direct service employees. The training should highlight key areas such as handling difficult situations, investigative techniques and communicating with clients.
- FCVSC's executive director, with assistance from the senior financial investigator and administrative assistant, should revise the newsletter to incorporate information about financial assistance policies and procedures.
- FCVSC should consider opening a satellite office on the east side of Franklin County using current staff.

### *Technology*

- FCVSC should formalize its technology needs assessment process and link it to an agency-wide strategic plan. Additionally, FCVSC should establish a technology steering committee or taskforce comprised of Commission members, management, and staff employees, to help facilitate FCVSC's technology-related decisions.
- FCVSC should ensure that all employees specifically listed in the technology service level agreement (SLA) with the Franklin County Data Center (FCDC) receive a copy of the SLA and are aware of the responsibilities contained in it. Furthermore, FCVSC should work with FCDC to include formal and explicit performance measures in future SLAs, to better evaluate services provided by FCDC, and identify areas for mutual improvement.
- FCVSC should revise and implement its record retention policy in accordance with guidelines recommended by the Ohio Historical Society.

## **Objectives and Scope**

AOS has designed this performance audit with the objective of evaluating organization and staffing, financial management, compliance with applicable laws and regulations, program assessment and case management, and technology. Specific objectives of this performance audit include the following:

- Review the organizational structure, appointment process, policies and procedures, job descriptions, staffing levels, salaries, and performance evaluation system;
- Assess staffing and organization for financial management, the appropriateness of the budgeting process and the accuracy of budgetary projections, and the adequacy of internal financial processes and controls;
- Evaluate compliance with federal, state, and local laws and regulations, as well as FCVSC's efforts to provide services above and beyond minimum requirements;
- Assess service efficiency, cost effectiveness and programmatic quality, strategic planning and mission achievement, client outreach and identification, case file timeliness and quality, protection of confidential information, and appropriateness of relief policies and procedures; and
- Review technology use, including hardware and software, computer-related policies and procedures, planning and assessments for technology needs, and FCVSC's relationship with FCDC.

## **Methodology**

To complete this report, the auditors gathered and assessed a significant amount of information pertaining to the selected audit areas; conducted interviews with various individuals associated with FCVSC; and assessed available information from peer veterans service commissions in Hamilton, Montgomery, and Summit counties. The auditors also distributed a survey to all 15 employees and received a 100 percent rate of response. A customer survey was distributed to 70 FCVSC clients in the waiting room during the morning and afternoon of selected week days. The purpose of the survey was to obtain clients' feedback and perceptions of customer service and related issues. The survey solicited responses to 29 statements concerning the quality and timeliness of service provided, types of assistance needed and demographic information. This information is presented in **appendix C**. The auditors also spent a significant amount of time gathering and reviewing other pertinent documents, information such as state and national best practices in veterans service operations, and reports from GOVA.

Additionally, the performance audit process involved significant information sharing with the management from FCVSC, including periodic status meetings, which served to inform FCVSC of key issues impacting the selected areas and proposed recommendations to improve and enhance operations. Furthermore, preliminary drafts of findings and recommendations were submitted as they were developed, and FCVSC provided written comments on the various report sections which were taken into consideration in the reporting process.

The Auditor of State and staff express appreciation to the executive director, Commission members, and staff of the Franklin County Veterans Service Commission; representatives of Franklin County’s Court of Common Pleas, Auditor and Data Center; representatives of GOVA; and the executive directors and staff of the veterans service commissions in Hamilton, Montgomery and Summit counties for their cooperation and assistance throughout the audit.

### **Summary of Financial Implications**

The following table summarizes those performance audit recommendations containing financial implications. Detailed information concerning the financial implications, including assumptions, is contained within the individual sections of the report:

<b>Recommendation No.</b>	<b>Recommendation</b>	<b>Estimated Cost Savings (Annual)</b>	<b>Estimated Implementation Cost (One-time)</b>	<b>Estimated Implementation Cost (Annual)</b>
<b>Organization &amp; Staffing</b>				
2	Reduce staffing by 3.0 FTEs and forego the hiring of a new benefits specialist	\$178,300 <sup>1</sup>		
10	Increase training provided to staff			\$29,000
<b>Technology</b>				
4	Upgrade and improve Veteran Assist’s employee user tracking safeguards to minimize client confidentiality risks and improve internal controls.		\$2,500	

<sup>1</sup>\$38,000 of this would be a salary cost avoidance.

## **Key Statistics and Comparisons**

The following table outlines key demographic and service information for FCVSC and the peers. More detailed information and supporting narratives are contained within the individual sections of the report.

	<b>Franklin VSC</b>	<b>Hamilton VSC</b>	<b>Montgomery VSC</b>	<b>Summit VSC</b>	<b>Peer Average</b>
<b>County Population <sup>1</sup></b>	1,071,524	835,362	554,232	544,217	<b>644,604</b>
<b>Veteran Population</b>	96,866	82,312	62,394	55,959	<b>66,888</b>
<b>Total Staff in FTEs</b>	15	6.3	15.5	17.1	<b>13</b>
<b>FTEs per 1,000 veterans</b>	0.15	0.08	0.25	0.31	<b>0.21</b>
<b>VA Claim Applications per FTE</b>	24	163	59	51	<b>72</b>
<b>Financial Assistance Applications per FTE</b>	140	391	114	401	<b>284</b>
<b>Total Financial Assistance Applications Filed</b>	2,276	3,212	2,552	7,227	<b>4,330</b>
<b>Total Financial Assistance Applications Approved</b>	1,728	1,290	1,418	5,009	<b>2,572</b>
<b>Average Amount of Annual Assistance Distributed <sup>2</sup></b>	\$1,381,115	\$391,168	\$630,319	\$1,977,269 <sup>3</sup>	<b>\$999,585</b>
<b>Average Amount of Assistance per Approved Application <sup>2</sup></b>	\$860	\$321	\$496	\$394 <sup>3</sup>	<b>\$404</b>

<sup>1</sup> July 1, 2001 estimate

<sup>2</sup> Three-year average (1999-2001)

<sup>3</sup> Summit County average based on two years (2000-2001)

FCVSC has the highest county and veteran populations among the peers and is staffed above the peer average. However, FCVSC processes the lowest number of VA claim applications per FTE among the peers and the second lowest number of financial assistance applications per FTE. Despite this, FCVSC distributes the second highest amount of assistance among the peers, and FCVSC's average assistance per approved application is more than twice the peer average.

These ratios are indicative of FCVSC's service levels and practices. Peers have been able to process more applications for VA claims and financial assistance for several reasons. Cross-training has allowed veterans benefits specialists to process whichever application meets the needs of the clients, and formal intake and appointment scheduling processes have increased the ability of the VSCs to see more clients in the same amount of time. Peers' formalized assistance criteria help to ensure that only veterans with a demonstrated need receive assistance, which partially explains the disparities in both total clients served and assistance per approved application.

# Organization and Staffing

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## Background

This section of the report assesses the organizational structure, staffing, and personnel practices of the FCVSC. To assess organizational issues, AOS surveyed FCVSC employees regarding training, morale, policy development, goal attainment, job descriptions, organizational structure and staffing, and the overall effectiveness of FCVSC. References to the survey results are made throughout this section.

FCVSC is overseen by a five-member Commission. Commissioners are appointed to five-year terms by the judges of the Franklin County Court of Common Pleas, and each must be a resident of Franklin County and an honorably discharged or honorably separated veteran. FCVSC operates with 15.0 full-time equivalent employees (FTEs), divided into four functional areas: veteran services, veteran benefits, financial assistance, and administration. The administrative section is responsible for recruiting and hiring employees, monitoring and administering payroll, maintaining personnel files, purchasing supplies, preparing budget documents, administering the Meals on Wheels program, processing transportation requests, developing the veterans newsletter, taking minutes for commissioner meetings, and completing intake. The direct service functions are shared by the remaining three sections as follows:

- **Veteran Services:** complete and process all VA applications for federal assistance.
- **Financial Assistance:** screen applicants, investigate cases for financial assistance, and administer immediate financial assistance for monetary requests of \$500 or lower and food voucher requests.
- **Veteran Benefits:** operate out of satellite offices with cross-trained staff to carry out both veteran service and financial assistance functions.

## Findings and Recommendations

### A. Staffing and Salaries

#### *Staffing*

**Table 2-1** shows the FTE staffing levels and workload ratios for FCVSC and its peers.

**Table 2-1: FCVSC Staffing and Workload February 2003**

Positions	FCVSC	Hamilton VSC <sup>1</sup>	Montgomery VSC	Summit VSC <sup>1</sup>	Peer Average
<b>Staffing</b>					
Executive Director	1.0	0.9	1.0	0.9	0.9
Assistant Executive Director	0.0	0.0	0.0	0.9	0.3
Supervisors	2.0 <sup>2</sup>	0.0	1.0	0.9	0.6
<b>Total Administrative</b>	<b>3.0</b>	<b>0.9</b>	<b>2.0</b>	<b>2.7</b>	<b>1.8</b>
Secretarial	2.0	1.8	3.0	0.0	1.3
Receptionist	1.0	0.0	2.0	0.0	1.0
Building Service Associate	0.0	0.0	0.0	0.9	0.3
Clerk/Typist	2.0	0.0	0.0	0.0	0.0
TP Clerk	0.0	0.9	0.0	0.0	0.3
<b>Total Support Staff</b>	<b>5.0</b>	<b>2.7</b>	<b>5.0</b>	<b>0.9</b>	<b>2.9</b>
Veteran Service Officers	3.0	2.7	5.5	5.4	4.5
Intake Staff	0.0	0.0	0.0	1.8	0.6
Investigators	2.0	0.0	1.0	0.9	0.6
Client Service Personnel	0.0	0.0	1.0	0.0	0.3
Benefits Specialist	2.0	0.0	1.0	3.6	1.5
<b>Total Direct Service Staff</b>	<b>7.0</b>	<b>2.7</b>	<b>8.5</b>	<b>11.7</b>	<b>7.5</b>
Financial Officer	0.0	0.0	0.0	0.9	0.3
Payment Processors	0.0	0.0	0.0	0.0	0.0
<b>Total Financial Staff</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.9</b>	<b>0.3</b>
Computer Support Specialist	0.0	0.0	0.0	0.9	0.3
<b>Total Technology Staff</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.9</b>	<b>0.3</b>
<b>Total Staffing</b>	<b>15.0</b>	<b>6.3</b>	<b>15.5</b>	<b>17.1</b>	<b>13.0</b>
<b>Workload Ratios</b>					
Estimated Veterans Per County <sup>3</sup>	96,866	82,312	62,394	55,959	66,888
<b>Estimated Veterans Per Staff FTE</b>	<b>6,458</b>	<b>13,065</b>	<b>4,025</b>	<b>3,272</b>	<b>5,226</b>
VA Claim Applications Filed <sup>4</sup>	364	1028	921	871	940
<b>VA Claim Applications Filed Per Staff FTE</b>	<b>24</b>	<b>163</b>	<b>59</b>	<b>51</b>	<b>72</b>
Financial Assistance Applications Processed	2,103	2,464	1,760	6,862	3,695
<b>Financial Assistance Applications Processed Per Staff</b>	<b>140</b>	<b>391</b>	<b>114</b>	<b>401</b>	<b>284</b>
Total Applications	2,467	3,492	2,681	7,733	4,635
<b>Total Applications Per Direct Service Staff FTE</b>	<b>165</b>	<b>554</b>	<b>173</b>	<b>452</b>	<b>357</b>
Client Service Days Per Year	208	260	260	260	260
<b>Total Applications Filed Per Staff FTE Per Day</b>	<b>0.8</b>	<b>2.1</b>	<b>0.7</b>	<b>1.7</b>	<b>1.4</b>

Source: FCVSC and peer GOVA reports, organizational charts and interviews.

<sup>1</sup>Summit and Hamilton VSC each work 35 hour weeks, and FTE staffing levels are based on 40 hour weeks.

<sup>2</sup>The supervisor category consists of the administrative assistant and senior financial investigator. The service officer supervisor was counted as a service officer so more accurate workload ratios could be calculated for direct service staff.

<sup>3</sup>Population totals were taken from the 2002 Census report

<sup>4</sup>Information taken from FCVSC and peer annual reports and interviews

As shown in **Table 2-1**, FCVSC's overall staffing levels are 15 percent higher than the peer average, but its ratio of veteran population to staff is 24 percent higher than the peer average. However, FCVSC has a significantly lower workload per employee as indicated by the total number of applications completed per staff per day, which is 54 percent lower than the peer

average. Based on staff allocations, FCVSC has not adequately allocated staff in its direct service area. Specifically, FCVSC has 72 percent more support staff FTEs compared to peers, while staffing levels for direct service staff are 7 percent below the peer average. The misallocation of staff in the support area results in overstaffing, unequal workloads and duplication of effort. High staffing in the support areas also draws valuable human resources away from direct client services. These inefficiencies limit FCVSC's ability to efficiently serve veterans through the application process.

In evaluating the roles of support staff employees at FCVSC, the following areas were noted as having high potential for reclassification to increase efficiency and effectiveness:

- Financial functions are fragmented across two positions, which can result in duplication of effort and time lags in the financial assistance process. Furthermore, Hamilton VSC, Montgomery VSC, and Summit VSC have one FTE who, with assistance from the executive director, is responsible for completing all personnel and financial management functions for the agency.
- Clerical functions are split between five FTEs at FCVSC which results in duplication of effort, fragmented accountability, and extended process times (see the **case management** section for further discussion). As seen in **Table 2-1**, the peers have lower support staffing levels by two to three FTEs, and many support staff at the peers perform direct service staff functions, such as completing veteran applications and conducting intake. The misallocation of staff in the support area has resulted in a decision to hire another benefits specialist to work in the satellite office in the Greater Columbus areas, which will only increase FCVSC's overstaffing.
- The receptionist at FCVSC completes minor intake functions. However, receptionists at Summit VSC are classified as intake personnel who complete the application process, schedule veterans, and forward cases to a veteran service officer (VSO). This position is a result of Summit VSC reclassifying its receptionists to eliminate duplication of effort by service officers, thereby increasing the number of veterans a service officer can see on a daily basis. A similar intake position is found at Montgomery VSC. FCVSC has not created intake positions, and service officers must complete the entire application process for veterans, increasing the time spent with each veteran. This results in a reduction in the number of veterans that can be seen by a service officer on a daily basis.

## Recommendations 1-2

1. **The executive director and Commission should reallocate staffing levels at FCVSC. The positions of administrative assistant, receptionist, financial assistance clerk/typist, and secretary should be reclassified in the following manner:**

- A. The receptionist, financial assistance clerk/typist, and secretary to the service officer should be reclassified as intake specialists. The responsibilities of the intake specialist position should include call screening, appointment scheduling, application completion, file maintenance, commissioner meeting minute taking, and phone answering. The creation of intake positions will allow service officers to see more veterans daily and allocate more staff for direct service. In filling these new reclassified positions, the executive director should ensure candidates possess skills in the following areas: record keeping, negotiating and problem solving, and customer service.
- B. The administrative assistant should be reclassified as an executive assistant and act as the back-up to the executive director. The duties of the position should be to complete all financial and human resources functions, including payroll, budget preparation, transportation, Meals on Wheels, supply requisition, printing vouchers, requesting payments from vendors, personnel file maintenance, performance evaluation, insurance, and benefits. According to the Society for Human Resources Management and HRNext, executive assistants in charge of financial and human resources functions should possess the following attributes:
- A working knowledge of modern methods of public personnel administration; and
  - A degree in business management or related field or years of financial management and human resource administration experience.

The creation of intake personnel from the support staff will result in direct service staffing levels of 9.0 FTEs, which is consistent with peer staffing levels. Once positions have been reclassified, job descriptions and performance evaluations should be revised to capture and reflect the new duties. Furthermore, staff should receive training on new job functions.

2. The Commission should reduce staffing by 3.0 FTEs by eliminating the positions of administrative clerk/typist, administrative secretary, and a financial investigator. Specifically, the administrative clerk/typist position should be eliminated, and the functions of this position should be transferred to the executive assistant and intake specialists (see the case management section). Also, as minute taking will be minimized through the elimination of centralized financial decision making by the Commission (see the case management section), the administrative secretary position should be eliminated and the minute taking functions transferred to the intake personnel. One financial investigator position could be reduced by refilling

the senior financial investigator position after the retirement of the current senior financial investigator, which is expected to occur within the next year.

**Financial implication:** FCVSC can realize a cost savings of \$140,300 by reducing staff by 3.0 FTEs and a cost avoidance of \$38,000 by not hiring an additional benefit specialist, based on 2002 salaries and benefits.

### Salaries

FCVSC's salary levels and ranges are not in line with the peer averages. **Table 2-3a** compares FCVSC's actual salary levels from 2002 to those of the peers. Comparisons are made by the position or type of work being done and include a cost of doing business adjustment based on each county's wage costs.

**Table 2-3a: 2002 Actual Hourly Rates Analysis**

Positions	FCVSC	Hamilton VSC	Montgomery VSC	Summit VSC	Peer Average	% Above or (Below) Peer Average
Executive Director	\$30.60	\$53.28 <sup>1</sup>	\$34.83	\$41.89	\$43.33	(29%)
Assistant Director	N/A	N/A	N/A	\$34.76	N/A <sup>3</sup>	N/A <sup>3</sup>
Senior Financial Assistance Investigator	\$26.07	N/A	N/A	\$28.52	N/A <sup>3</sup>	N/A
Service Officers	\$16.91	\$23.15	\$21.33	\$19.14	\$21.21	(20%)
Administrative Assistant	\$16.86	\$28.83	\$22.38	\$29.53	\$26.91	(37%)
Clerical staff <sup>2</sup>	\$12.37	\$21.05	\$11.99	\$18.24	\$17.09	(28%)
Outreach	N/A	N/A	N/A	\$12.21	N/A <sup>3</sup>	N/A <sup>3</sup>
Financial Assistance	\$15.01	N/A	\$13.08	\$26.73	\$19.91	(25%)
Benefits Specialist	\$14.10	N/A	N/A	N/A	N/A <sup>3</sup>	N/A <sup>3</sup>
Benefit Coordinator	N/A	N/A	N/A	\$16.35	N/A <sup>3</sup>	N/A <sup>3</sup>
Maintenance	N/A	N/A	N/A	\$15.78	N/A <sup>3</sup>	N/A <sup>3</sup>
Department Average	<b>\$16.29</b>	<b>\$27.67</b>	<b>\$17.42</b>	<b>\$21.83</b>	<b>\$22.31</b>	<b>(27%)</b>

Source: FCVSC and peers

<sup>1</sup> The executive director's hourly salary is based on the position being responsible for executive director and service officer functions.

<sup>2</sup> The clerical category includes the administrative secretary, secretary to the service officer, clerk typist, receptionists, and records clerk classifications.

<sup>3</sup> A peer average calculation could not be done due to insufficient information.

Based on data presented in **Table 2-3a**, actual salaries at FCVSC are lower than the peers for all positions. Furthermore, the FCVSC departmental average is 27 percent lower than the peer average. Length of service also has an impact on salary levels. The average length of service for FCVSC is 8.2 years, for Montgomery VSC is 6.0 years, and for Summit VSC is 7.2 years. However, salaries at FCVSC are lower than the peers despite the higher average length of service, which may be an effect of FCVSC's pay range structure and its variable pay increase process.

The higher salaries in peer secretarial and administrative functions are primarily a result of staff having intake and other direct service functions that are not performed by FCVSC support staff. Additionally, the higher salaries for peer executive directors are a result of each director having additional functions not performed by FCVSC's director, such as outreach and strategic planning. **Table 2-3b** compares salary ranges for FCVSC to the salaries found in peer VSC's. Comparisons are made by the position or type of work being done and include a cost of doing business adjustment based on each county's wage costs.

**Table 2-3b: 2002 Hourly Rate Range Analysis**

	FCVSC	Hamilton VSC	Montgomery VSC	Summit VSC	Peer Average
<b>Executive Director</b> <sup>1</sup>	\$25.21-\$34.49	\$32.82-\$47.92	N/A <sup>2</sup>	\$37.36-\$41.42	\$35.09 -\$44.67
<b>Assistant Director</b>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	\$32.09-\$35.58	N/A <sup>3</sup>
<b>Office Manager</b>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>2</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>
<b>Senior Financial Assistance/Supervisor</b>	\$19.48-\$25.32	N/A <sup>3</sup>	N/A <sup>3</sup>	\$24.59-\$27.25	N/A <sup>3</sup>
<b>Service Officers</b>	\$17.35-\$24.31	\$18.46-\$25.11	\$14.63-\$19.79	\$16.38-\$18.17	\$16.49-\$21.02
<b>Administrative/Executive Assistant</b>	\$12.74-\$17.84	\$16.75-\$22.80	\$17.69-\$24.98	\$24.59-\$27.25	\$19.68-\$25.01
<b>Clerical staff</b> <sup>4</sup>	\$11.23-\$14.79	\$12.73-\$16.79	\$11.96-\$14.79	\$13.49-\$14.93	\$12.73-\$15.50
<b>Outreach Personnel</b>	N/A <sup>3</sup>	N/A <sup>3</sup>	\$11.19-\$14.06	N/A <sup>3</sup>	N/A <sup>3</sup>
<b>Financial Assistance</b>	\$13.04-\$21.39	N/A <sup>3</sup>	\$12.92-\$15.78	\$24.59-\$27.25	\$18.76-\$21.52
<b>Benefits Specialist</b>	\$14.6-\$23.23	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>
<b>Benefit Coordinator</b>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	\$14.91-\$16.53	N/A <sup>3</sup>
<b>Maintenance</b>	N/A <sup>3</sup>	N/A <sup>3</sup>	N/A <sup>3</sup>	\$17.33-\$19.21	N/A <sup>3</sup>

**Source:** FCVSC and peer salary scales

<sup>1</sup>The executive director's hourly salary is based on the position being responsible for executive director and service officer functions.

<sup>2</sup>MCVSC did not provide salary range information for these classifications.

<sup>3</sup>The VSC does not have this classification, therefore ranges and peer averages could not be calculated.

<sup>4</sup>The secretary category includes the administrative secretary, secretary to the service officer, clerk typist, receptionists, and records clerk classifications.

Based on **Table 2-3b**, FCVSC's minimum and maximum salary ranges are set lower than the peer average in every job classification except for service officer. This suggests FCVSC staff is not compensated in line with peer VSCs. However, other factors can affect an employee's total compensation package, such as length of service, actual job duties performed and benefit packages.

FCVSC's pay system is also affected by its practice of making variable pay increase decisions. FCVSC management indicated all pay increase decisions are based on the results of a performance evaluation and tardiness. However, nearly 60 percent of respondents in the employee survey think pay increases and promotions at FCVSC are not based on overall performance. However, AOS could not document the exact criteria used to make pay increase

decisions due to an absence of written records or procedures documenting pay increase decisions.

Summit VSC outlined a formal pay increase decision process as a result of a compensation analysis completed by a consultant in 2001, which used data from job analysis, peer salaries, and current classifications to make adjustments to salary ranges, pay increase systems, job classifications, and performance evaluation forms. Summit VSC's pay-for-performance system has pay increase percentages based upon the performance rating from a performance appraisal. The process begins with the supervisor and employee establishing what should be done to achieve high performance ratings, prior to the evaluation time. The performance evaluation form allows for three ratings, exceptional (3 points), satisfactory (2 points), and needs improvement (1 point) for each performance area. The overall point total is used to guide pay increase decisions as follows (assumes 5 percent is maximum possible pay increase):

- **0-10:** 0 percent pay increase (overall evaluation is *unacceptable*);
- **10-18:** 2 percent increase (overall evaluation is *needs improvement*);
- **19-27:** 3 percent increase (overall evaluation is *competent*);
- **28-35:** 4 percent increase in pay ( overall evaluation is *exceeds standards*); and
- **36+:** 5 percent increase in pay (overall evaluation is *extraordinary*). This level is rarely attained because it means no improvement is needed in any area.

The results of the evaluation and the proposed increase is documented on the form and included in the personnel file. This system provides a basis to award variable pay increases consistent with the level of performance attained by the employee throughout the year. According to Business and Legal Reports, variable pay plans based on performance can work, but they must address the following elements:

- The goals must be clear, specific, attainable, and challenging;
- The measurement tools must be sensitive and accurate
- The rewards must be big enough and tied closely enough to outcomes to motivate; and
- The judges must be impartial and dispassionate.

Without fair and effective pay systems in place, FCVSC does not have a mechanism to reinforce excellent performance which can lead to a decline in productivity and customer service. Furthermore, without a systematic and documented system linking increases with performance evaluation ratings, pay increase decisions may be perceived as biased by staff, resulting in misunderstandings, ill feelings, and poor performance.

**Recommendations 3-4:**

3. **FCVSC should consider conducting a compensation analysis to determine appropriate salaries and salary ranges. While FCVSC's salaries appear low compared to the peers, a compensation analysis would indicate the effect of other factors, such as length of service, actual job duties and benefit packages. This type of study should be done by seeking outside assistance to compare compensation packages of FCVSC employees to employees of other, similar VSCs and also to similar positions in the local job market. Designing effective pay systems could help FCVSC address critical agency challenges, such as attracting and retaining top talent. Furthermore, FCVSC can use structured pay incentives to help achieve its goals and objectives.**
4. **The executive director and Commission should work with Franklin County to develop a policy and subsequent procedures for documenting and fairly awarding pay increases. FCVSC should consider following Summit VSC's methodology for identifying specific pay increase percentages for each performance rating to be awarded in the performance evaluation process, prior to the performance review occurring. Pay increase decisions should be made based on the results of the performance evaluation, and corresponding pay increase decisions should be documented within the personnel file. The creation of a more detailed and formal pay increase system can help eliminate bias and promote higher levels of performance. (For further discussion of performance evaluations, see Recommendations 13-14)**

**B. Leave**

FCVSC employees use a high amount of sick leave. **Table 2-2** illustrates the number of sick days used per employee for FYs 2000 through 2002.

**Table 2-4: Three Year Sick day Usage for FCVSC**

FCVSC	2000	2001	2002 <sup>1</sup>	Average
<b>Average Sick Time Used (Hours)</b>	1,612	1,254	1,750	1,539
<b>Number of Employees</b>	15 <sup>2</sup>	15	15	15.0
<b>Number Sick Days Per Employee</b>	13.4	10.5	14.6	12.8

Source: FCVSC

<sup>1</sup> One FCVSC employee was on extended leave in 2002.

<sup>2</sup> FCVSC had a total of 17 employees throughout 2000, although at no time were there more than 15 active employees.

**Table 2-4** illustrates the high amount of sick leave used by FCVSC employees from 2000 through 2002. FCVSC employees averaged 14.6 sick days (116.8 hours) in FY 2002, which is significantly higher than other government employees. According to Ohio's Department of

Administrative Services, state employees used an average of 56.75 hours or 7.1 sick days in FY 2001. FCVSC sick leave levels more than double this standard. Based on the average hourly wage, FCVSC lost over \$30,000 in productive time in 2002. A personnel file review, interviews, and observations identified three factors that impact sick leave usage at FCVSC.

First, high levels of sick leave usage are a result of employees experiencing increased illness. While this reasoning explains sick day usage for some employees in 2002, usage in FY 2000 and FY 2001 remained fairly constant. Second, FCVSC has not emphasized its sick leave conversion wellness incentive policy to discourage sick leave abuse. The policy allows eligible employees to convert a specific amount of accrued unused sick leave either to a cash pay out, or to an equal number of personal leave hours. Lastly, FCVSC employees may be dissatisfied with conditions at FCVSC and are using sick time as a way to express their displeasure. This dissatisfaction manifests itself in low employee morale, which was expressed in the employee survey by nearly 73 percent of FCVSC employees. Respondents cite inconsistent application of policies and procedures (see **Recommendation 9**), ineffective leadership (see **Recommendation 15**), lack of training (see **Recommendations 11-12**), lack of recognition, and poor communication as the major issues impacting their morale and satisfaction. Additional issues affecting employee morale expressed in the employee survey (see **Appendix C**) include the following:

- Nearly 67 percent of respondents do not think they are treated with dignity and respect. Specifically, 9 out of 15 respondents indicate they have been mistreated or have witnessed other employees being mistreated;
- Nearly 60 percent of respondents think FCVSC's discipline procedure is unfair; and
- Nearly 60 percent of respondents think pay increases and promotions are based on factors other than merit.

According to an A.R.M. Steers study, *Major Influences on Employee Attendance: A Process Model*, management can help motivate employees to attend work and increase morale by making employees think they are needed and appreciated and by communicating openly with employees.

#### **Recommendations 5-6:**

5. **The executive director should take steps to identify and address sick leave abuse and should emphasize FCVSC's current sick leave conversion and wellness program. The executive director and Commission should monitor sick leave usage to identify abuse and address employees who appear to abusing sick leave. This can be achieved by analyzing the days taken by employees to ensure there is not a pattern of abuse and by reviewing files for medical excuses to explain chronic or excessive sick leave usage. Also, the executive director should discuss the sick leave policy at a staff meeting and allow staff to provide feedback on ways to reduce sick**

leave usage. Updates about the policy and its benefits should also be periodically sent to staff to help promote use of the sick leave incentive.

*Financial Implication:* Excessive use of sick leave at FCVSC had a cost of over \$30,000 in 2002. This equates to nearly a full FTE every year that is not providing services to clients.

6. FCVSC should address low employee morale issues by safeguarding and improving its human resources. This can be achieved by using some of the following suggestions:
  - A. Improve communication between staff and leadership. FCVSC staff members can be involved in the organization by using work teams to address personnel and other concerns. These teams should be allowed to make recommendations to the executive director about how to improve the efficiency, productivity, and morale of the organization. Management should also continue having weekly staff meetings. Establishing regular dialogue through weekly meetings not only promotes employee well-being but also leads to increased employee involvement in operational issues.
  - B. Improve and ensure the consistent application of policies and procedures. (see Recommendation 9)
  - C. Increase training for employees, and use individual development plans to focus training to meet the needs of employees. (see Recommendations 11 and 12 for further discussion)
  - D. Develop an employee recognition program to reward excellent performance. For example, FCVSC could establish an employee of the month program. Developing an effective employee recognition program should help promote effective customer service and productivity, while demonstrating the value of FCVSC employees.
  - E. Establish a more equitable pay increase system. (see Recommendations 3 and 4)

## C. Mission, Planning and Performance Measurement

### *Mission and Planning*

FCVSC has established a mission statement to guide its operations, but it is not linked to a strategic plan. The mission statement makes broad statements about providing advice and assistance to veterans, but does not explain what is meant by providing assistance (what type of assistance?) and advice (what kind of advice?), or how this will occur. Additionally, the mission statement was created several years ago and has not been reviewed, updated, or effectively communicated by the Commission because of FCVSC's limited emphasis on planning activities.

In a survey of FCVSC personnel, nearly 40 percent of respondents think clear goals regarding the direction of FCVSC are not communicated to employees. The majority of respondents cite budgetary concerns as the main factor determining FCVSC's strategic direction. According to the book *Creating and Implementing Your Strategic Plan: A Workbook for Public and Nonprofit Organizations*, the mission statement should be an action-oriented formulation of the organization's reason for existence and define how the organization will accomplish its objectives. Without a clear mission statement, organizational goals and future direction cannot be effectively communicated to staff.

FCVSC also does not have a strategic planning process in place to establish goals and objectives for addressing the needs of the veteran population in Franklin County. However, according to the current executive director, FCVSC is in the process of working with the Franklin County Office of Management and Budget to begin a strategic budgeting process for the next fiscal year. Both Summit County VSC and Montgomery County VSC have implemented strategic plans to guide their operations.

In the report *Serving the American Public: Best Practices in Customer Driven Strategic Planning*, strategic planning is defined as a continuous and systematic process where the guiding members of an organization make decisions about its future, develop the necessary procedures and operations to achieve that future, and determine how success is to be measured. The report identified the following best practices in developing effective customer driven strategic plans, which include the following:

1. **Customer Concerns.** Successful strategic plans are driven by the voice of the customer;
2. **Leadership:** Senior leadership should take ownership of the strategic planning process;
3. **Formal Process:** Effective strategic plans benefit from a consistent and cohesively structured process employed across all levels of the organization; and
4. **Resource Allocation:** Resource allocations should be linked to the organizational goals.

The Akron Board of Education used the following steps to develop a strategic plan:

1. Solicit volunteers from various components of the community.
2. Hire a facilitator for a multi-day planning session to develop drafts of the beliefs, mission statement, objectives, and strategies for the agency.
3. Develop detailed action plans with cost/benefit analyses for the implementation of each strategy, outline who is responsible for various actions, and evaluate those staff on their progress on these steps.
4. Gather the original strategic planning team to review the action plans and finalize the strategic plan.
5. Develop an implementation schedule and resource allocation plan.
6. Combine strategies and plans into one document and make a brief brochure summarizing the plan's contents for distribution to stakeholders.

In order to better allocate resources and clearly target programs to veterans, FCVSC should clarify its mission statement and link it to the agency's strategic plan. A strong link between mission and planned activities will help FCVSC better use scarce resources.

#### **Recommendation 7-8:**

7. **The Commission and executive director should develop a strategic plan that includes the following components:**
  - **Strategic budget (see finance section);**
  - **Goals, objectives, and implementation plans with associated timelines: For example, one of Montgomery VSC's strategic planning goals is to continuously improve its services. Two objectives it will employ to achieve its goal include improving client service rates and investigating and testing new service delivery methods.**
  - **Measurable outcomes: For example one outcome can be to increase client satisfaction rates by 10% within the next fiscal year.**
  - **Input from FCVSC's key stakeholders: For example, input from veterans can be gained through focus groups or surveys.**
  - **Information relevant to achieving goals and objectives: For example, to achieve the goal of increasing customer service, Montgomery VSC will have to collect service data via interviews or surveys.**

**In developing a strategic plan, FCVSC should ensure that the needs of veterans and stakeholders are adequately addressed and that the plan provides both sufficient direction and detail to effectively guide the agency's operations. FCVSC should also develop and publicize annual strategic planning meetings to update the plan and garner public input. Strategic planning is essential to addressing the unique**

**problems faced by FCVSC in the areas of training, budgeting, morale, and outcome measurement.**

- 8. The strategic planning process should also be used by the Commission to rewrite its mission statement. The new mission statement should be action oriented, clearly explain FCVSC's reason for existence, and define how FCVSC will accomplish its planning objectives. Once developed, the Commission should review and revise the mission as needed. By developing an action orientated mission statement, FCVSC will be able to more affectively communicate goals to staff and veterans.**

### *Performance Measurement*

FCVSC does not use performance measurement to gauge agency efficiency or the appropriateness of employee workloads. According to the GFOA, a key responsibility of governments is to develop and manage service programs and resources as efficiently and effectively as possible and to communicate the results of these efforts to the taxpayers. Performance measurement criteria are needed to provide for governmental accountability, communicate service and program results, and assist in making future decisions about resource allocations and service delivery options. Financial, service, and program performance measures should be developed and used as an important component of decision making and incorporated into governmental budgeting. These measures should be based on the mission and program goals and should be reliable, verifiable, and understandable. The types of performance measures most commonly used in government include:

- **Inputs:** Resources used or what is needed (e.g., number of employees);
- **Outputs:** Activities completed or what is produced (e.g., decisions reached);
- **Outcomes:** Results achieved (e.g., effective referrals made);
- **Efficiency:** How well resources were used (cost per application); and
- **Quality:** Effectiveness (e.g., customer satisfaction).

The absence of performance measures hinders management from improving customer service, determining effective resource use, assessing departmental performance, and from developing an effective strategic budget.

### **Recommendation 9:**

- 9. The executive director and Commission should implement a comprehensive measurement system to be used in monitoring progress towards achieving agency goals and priorities, both in the planning and budget processes (see finance section). The use of performance measures will enable management and the Commission to better measure agency success and identify problem areas that should be addressed**

**to be more efficient and effective. Performance measures should also be used to better inform key stakeholders about FCVSC's performance and needs.**

## **D. Policy Development**

The FCVSC Personnel Policy Manual lacks essential policies, does not address all of the unique practices found at FCVSC, and is not communicated to staff in an effective and consistent manner. On January 2, 2002 the executive director sent a letter to employees informing them that the Franklin County Board of Commissioner's Employee Handbook had been adopted as a guideline and reference for all the staff. However, FCVSC management did not adapt the language of the policies for FCVSC personnel nor does the manual explain internal procedures. Both Hamilton and Summit VSCs have customized, written policies and procedures. In addition, nearly 53 percent of respondents in the AOS employee survey indicate they are unsure (or disagree) if FCVSC has an effective process in place to inform employees about changes. According to supporting comments from the survey, while FCVSC does have specific policies and procedures, the following problems have occurred:

1. Policies change frequently without sufficient explanation;
2. Policies are articulated to staff only when a problem occurs;
3. Policies are either not enforced or are not enforced consistently; and
4. Policies are interpreted differently by management.

An Employee Handbook Checklist developed by Business and Legal Reports, a human resources best practice resource, was used to assess the effectiveness of the FCVSC personnel policy and procedures. The checklist provides a comprehensive listing of personnel policies that should be contained in an effective policy manual. Based on the assessment, policies related to confidentiality, diversity, evaluations, and harassment are not included in the FCVSC policy manual. Furthermore, the policy manual lacks sufficient guidance on certain policies where inconsistencies were found between Franklin County and FCVSC. These are as follows:

- **Dress Code:** FCVSC personnel are not provided with specific guidance on appropriate dress, which can result in inconsistent interpretation. This can create a perception that staff members are not qualified or appropriate to address the needs of the veterans.
- **Tardiness:** According to the policy manual, personnel will be provided a six minute grace period for tardiness, but based on a review of disciplinary action documentation in employee files, some staff members have been counted tardy after one minute. This indicates that FCVSC may actually define tardiness differently than the County, which can cause misunderstandings and inconsistent disciplinary action.

- **Ethics:** The current policy manual lacks an ethics policy. Instead, the manual refers to ethics laws as outlined in the ORC to guide staff in this area. According to the Society for Human Resource Management (SHRM), a Code of Ethics should be created by all organizations, reflecting the culture of the organization and covering the following major areas:
  - ♦ **The Need for Personal Integrity** - The code needs a statement that the organization values and insists upon integrity.
  - ♦ **Compliance and Laws** - This section should prohibit discrimination and harassment, in addition to respecting applicable antitrust or labor laws.
  - ♦ **Political Contributions and Activity** – The organization should set forth its policy regarding political contributions and activity, including solicitation of personal and financial support.
  - ♦ **Confidential Information** – The code should have a clear statement about how confidential information will be treated, and which information the organization considers to be confidential (see **technology** section).
  - ♦ **Conflicts of Interest** – The organization should set forth, in clear language, the expectation that employees will act in the interest of the organization. Requirements should be discussed and examples provided.

According to Business and Legal Reports, employee handbooks that are properly drafted and tailored to an organization's needs can serve as the cornerstone of human resource administration. Each policy and procedure in the handbook should be reviewed and updated periodically to ensure it reflects organizational changes and management priorities. Once the manual has been updated, staff should be made aware of changes to the manual. The following steps are recommended for making staff aware of changes to the policy manual:

- Post notices in the workplace of the impending revision;
- Issue the changed handbook pages before its effective date;
- State the effective date;
- Revoke previous versions of the book by stating this revision supersedes all other previous policies; and
- Ensure all employees sign a form acknowledging their receipt and understanding of the new policy, and place the form in each employee's personnel file.

By adopting a more comprehensive and customized approach to policies and procedures, FCVSC can reduce inconsistencies in the practices of employees and managers and ensure equitable treatment for all of its employees. FCVSC has copies of employee handbooks from other veterans service commissions in Ohio that can be used as models for FCVSC's handbook.

**Recommendation 10:**

10. The executive director and Commission should work with the Franklin County Human Resources Office and the Prosecutor's Office to update the personnel manual. In updating the manual, FCVSC should address all missing policies and those needing expansion and ensure all policies are tailored to FCVSC operations. The executive director and Commission should also work with the County prosecutor's office to rewrite the ethics policy to include specific descriptions explaining unethical practices for each category suggested by SHRM. Developing an ethics policy and code of ethics can reduce liability and provide employees with specific examples, increasing employee understanding of ethical behavior. Once policies have been developed, they should be distributed and explained to employees, and employees should sign a form acknowledging their receipt and understanding of the policies. FCVSC should work with Franklin County and the Ohio Ethics Commission, both of which provide free training classes, to address any additional training needs stemming from the policy changes.

A useful resource for assistance in developing effective policies and procedures is Business and Legal Reports, which provides various publications on developing personnel policies, sample policies, checklists, and how to address questions concerning personnel policies. Developing adequate policies and expanding current policies can increase communication between management and staff, reduce FCVSC's liability, and contribute to a uniform application of policies. Furthermore, FCVSC will be able to address concerns of consistency, fairness, and low morale by providing clear expectations for management and staff. Once developed, all policies should be appropriately communicated to staff.

**E. Staff Training and Development**

FCVSC does not have an effective staff development program in place for employees. According to employee survey results, FCVSC has not implemented an effective training program to increase the knowledge and skills of its employees and to enhance the level of service offered to veterans. These survey results indicated the following deficiencies:

- Nearly 66 percent of respondents do not think the department could effectively maintain productivity on a short-term basis if a co-worker within their department became ill;
- Nearly 60 percent of employees do not think FCVSC has implemented an effective cross-training program;
- Nearly 60 percent of survey respondents do not think FCVSC has an effective process in place for helping staff develop their skills and knowledge; and
- Nearly 67 percent of respondents do not think FCVSC's staff training is effective.

Cross training programs have not been implemented. Some employees indicated that this was a result of mistrust and employees' fear of losing their jobs. The executive director indicated FCVSC is in the process of working through these issues and will increase cross training efforts in the future.

According to Claire Belilos, a hospitality training consultant, Cross-training programs should be carefully planned and presented as learning opportunities. For these programs to be successful, employees must buy into the idea, be encouraged to give feedback, and make suggestions for improvement. The programs could also be incorporated into employee IDPs.

FCVSC also does not provide sufficient training to employees who are not mandated to receive training under the ORC. According to the results of an AOS file review, 9 out of 15 personnel files contain no documentation of annual training and of the 6 files containing training documentation, only those with ORC mandated requirements have supporting documentation of regular training. In 2001, FCVSC allocated approximately \$11,000 for training, primarily for ORC mandated courses, which is less than one percent of expenditures. However, according to the American Society for Training and Development (ASTD) effective training budgets should be nearly 2 percent of expenditures. FCVSC training spending is 80 percent below this standard.

FCVSC has not established a training program for all staff, primarily as a result of the executive director and supervisors' belief that staffing levels make it impossible to provide ongoing training without detrimentally impacting client service. Furthermore, the Commission has not developed a strategic plan to reinforce an emphasis on training. As a result, FCVSC does not take steps to identify training needs for each employee. According to Accel Team, a human resource consulting firm, an assessment of staff skills and training requirements is needed to develop effective training plans. The needs and goals assessment process is often completed using an individual development plan (IDP) that is developed by the employee, with input from the supervisor.

For example, the Franklin County Mental Health Board (Franklin MHB) uses individual development plans as a means of enhancing employee skills and improving the performance assessment process. At Franklin MHB, employees are given a resource guide that explains the purpose of Franklin MHB's policy, the IDP and its benefits, and the process staff should follow to enroll in training courses. The supervisor then meets with the employee to complete the initial development plan which includes short-term and long-term career development goals and how those goals can be achieved. At the end of the meeting the supervisor then establishes a quarterly meeting to discuss progress in attaining the identified goals.

The limited training provided to FCVSC workers may inhibit effective client service and reduce efficiency. Furthermore, insufficient training does not provide employees the opportunity to develop their talents and increase their level of responsibility. This may contribute to low morale, mistrust, and an inability to retain key employees (see **Recommendation 6**).

**Recommendations 11-12:**

11. **The Commission should improve staff training by developing training goals based on an IDP for each employee. As part of an annual evaluation process, employees should develop IDPs with input from their supervisors. The executive director should refer to Franklin MHB's IDP process to develop the procedure for implementing the plan. Once the IDP is developed, supervisors should meet with employees quarterly to assess whether they are achieving the goals outlined in the plan and determine if additional assistance is needed. The IDP should also be used by management to identify internal and external training that could benefit the entire staff. Implementing an effective training program should improve the efficiency and effectiveness of employees and better enable FCVSC to achieve its mission and goals.**

**Cross-training employees (see Recommendation 12) can help FCVSC maintain service levels when employees are attending training, performing outreach functions or on leave. Similarly, the agency could use its weekly Tuesday morning meetings to provide in-house training to employees. Although the staff size may be small, creative alternatives can be used to allow employees to attend external training to improve customer service and agency efficiency.**

***Financial Implication:* To increase the amount and type of training provided to employees, FCVSC would need to increase training expenditures to approximately \$40,000, or 1.9 percent of its total operating budget.**

12. **The executive director should work with the management of each unit to develop cross-training programs for staff to ensure FCVSC has adequate back-up to provide client services. This can begin by first communicating the importance of cross-training programs, and addressing staff concerns about job displacement prior to further implementation. Additionally, cross-training programs should be included in each employee's IDP. Implementing an effective cross-training program will enable FCVSC to maximize employee productivity and improve understanding of the different functional areas throughout FCVSC. (For a further discussion of cross-training needs refer to the case management section)**

**F. Job Descriptions and Performance Evaluation**

The job descriptions for FCVSC were last updated in October 2002, but do not include all the key functions performed by staff. Also, all job responsibilities are not communicated for each position. This is supported by survey results in which nearly 40 percent of respondents in the employee survey indicate that their job descriptions do not reflect their daily duties and

responsibilities. Additionally, a review of annual performance evaluation forms found in all personnel files indicate that areas measured in the evaluation are not linked to the job descriptions, which can reduce FCVSC's ability effectively to measure performance.

FCVSC's evaluation form meets best practice standards from Business and Legal Reports *Personnel Managers Handbook of Performance Evaluation Programs*, except in the area of employee development. While the form does allow the supervisor to suggest training needs, it does not allow employees to express their training needs, nor is it used as a basis for training decisions. (See **Recommendations 11-12** for a further discussion of training.) According to the book *The Number One Guide to Performance Appraisals*, the first step in developing a performance evaluation program is to develop performance evaluation forms that meet specific measurement standards for responsibilities outlined in the job description.

**Recommendation 13-14:**

- 13. The executive director should work with supervisors to review and update all job descriptions. In the future, job descriptions should be reviewed annually and updated as job functions change and should include measurable standards. Up-to-date job descriptions would lead to a greater understanding of job functions and responsibilities and help in achieving management's expectations. Furthermore, the ability to meet management's expectations can make employees feel better about job functions and may lead to increased morale and productivity.**
- 14. The executive director should work with the Commission to improve the performance evaluation process by doing the following:**
  - a. Provide specific performance expectations based on job descriptions.**
  - b. Expand the training segment of the form to include an emphasis on identifying immediate and future training needs, and language directing the employee to express further training needs not highlighted by the evaluation process.**
  - c. Link the evaluation process to the development and subsequent reviews of IDPs.**

**Developing an effective performance evaluation system should enable FCVSC to increase the productivity of the organization by improving the performance of all employees and increasing the consistency and quality of customer service.**

## **G. Commission Governance**

Ohio Revised Code 5901.03 outlines the Commission's governance responsibilities. **Table 2-5** assesses the activities of the Commission compared to ORC mandated duties and governing board best practices recommended in *Best Practices for Executive Directors and Boards of Nonprofit Organizations*.

**Table 2-5: Board Governance Best Practices**

Best Practice or Mandate	Standard Met At FCVSC?
<b>National Standard</b>	
<b>1. Does the board determine the organization's mission, set policy, and approve programs and services relevant to the mission?</b>	
a) Board annually reviews the organization’s mission	a) No, the Commission has not reviewed its mission nor has it developed a strategic plan to guide operations and decision making.
b) Board sets and monitors policies for personnel.	b) Yes, however the Commission does not follow-up with management to see how staff is adhering to personnel policies or to determine staff concerns.
c) Board reviews reports on programs and services that demonstrate links to organization purpose and tracks progress towards desired outcomes.	c) No, the Commission reviews various reports on programs, but it has not established outcomes to assess performance.
d) Board members receive orientation	d) No.
<b>2. Does the board ensure effective fiscal management occurs?</b>	
Board reviews financial reports that are accurate, easy to understand, and timely.	a) Yes
<b>3. Does the board ensure that the public has reasonable access to information about mission, activities, board membership and basic financial data?</b>	
An annual report to inform the public is produced.	a) Yes
<b>4. Does the Board recruit, set salary, and evaluate the performance of the executive director and oversee succession of that position and key staff?</b>	
a) The board performs annual reviews of the executive director and sets goals for coming year.	a) No, the Commission does assess the executive director’s performance annually, but it does not establish specific performance goals that are based on established outcomes.
b) A written policy is maintained regarding board governance.	b) No, the Commission has not developed governance policies.
c) The board designs and implements process for hiring executive director as needed.	c) Yes
<b>5. Does the board maintain a good relationship with organization staff?</b>	
a) The board understands and maintains the policy-making role of the board.	a) No, the Commission does not have governing policies to specify how it carries out the duties outlined ORC 5901.03.
b) Board and staff communicate about organization and program issues.	b) Yes, but the Commission does not spend time assessing staff issues or communicating programs before they are implemented.
<b>ORC mandated</b>	
<b>1. Does the commission establish policies and procedures for the administration of assistance?</b>	1. Yes, but the policies are not adequate to ensure consistent and fair decisions.
<b>2. Does the commission establish programs of outreach and coordination with other agencies to enhance available services to veterans?</b>	2. Yes, but contacts with workers in other social service agencies have not been made.
<b>3. Does the commission promote, monitor, and provide funding for ongoing education for Commission and staff?</b>	3. No, the Commission only ensures that mandated positions receive training.
<b>4. Does the commission establish regular scheduled transportation for veterans?</b>	4. Yes
<b>5. Does the commission participate in memorial and commemorative activities to help veterans?</b>	5. Yes

Source: “Best Practices for Executive Directors and Boards of Nonprofit Organizations”, ORC 5901.03, and FCVSC commissioner interviews.

Based on the information in **Table 2-5**, the Commission meets many of its mandated governance requirements, but does not provide effective governance over FCVSC. The lack of emphasis on all identified governance areas is a result of the Commission viewing its primary function as administering financial and other assistance to veterans. As a result of its over-emphasis on assistance decisions, the Commission has failed to adequately monitor other aspects of FCVSC operations or fulfill its primary organizational oversight functions. As a result, key programs, policies, and procedures have not been developed which would better enable the Commission to perform its duties. These include the following:

1. **Policies and Procedures Governing the Operation of the Commission.** Currently, ORC 5901.03 is the only written explanation of the role and responsibilities of the Commission. The Commission has not developed written governance policies to detail how it specifically accomplishes the requirements found in the ORC. According to the Institute on Governance, governance policies determine how authority is exercised, how decisions are made, and how stakeholder interest is accounted for. Furthermore, governance policies formalize the roles and responsibilities of the Commission and establish its functions and practices. Typical governance policies include the following:
  - Explanation of board structure and responsibilities;
  - Roles of each officer;
  - Executive authority;
  - Board development and orientation; and
  - Board decision making practices.

Ineffective governance and oversight has resulted in the Commission’s inability to focus on key governance issues or provide the agency with firm direction.

2. **Orientation and Training for Commissioners.** FCVSC does not have a separate orientation manual or training for new commissioners. Instead, commissioners are provided on-the-job training during which they observe current commissioners. According to the Whatcom Council of Nonprofits report “Best Practices for Executive Directors and Boards of Nonprofit Organizations,” the executive director and board leadership should ensure new members understand legal requirements and restrictions. Furthermore, the executive director and leadership should ensure there are regular orientations and ongoing training for members in the areas of team building, communication skills, meeting management, public relations, and leadership.
3. **A Fair and Efficient Case Management Process** (See the **case management** section).

Within these high-level categories, the commissioners can provide valuable direction in several areas. Although these activities would be administered and performed by FCVSC employees, the commissioners can set direction to guide operations in the following areas:

- Strategic Planning;
- Staff Development;
- Employee Relations; and
- Outreach;

**Recommendation 15:**

**15. The Commission should develop detailed governance policies. While the ORC provides a high level outline of duties and minimum requirements, the Commission should enact formal policies outlining the implementation of ORC requirements and providing for effective governance. Commission governing policies and procedures should outline quorum requirements, commission duties, officer duties, decision making processes, and training. In addition, the Commission should address the following areas:**

- ***Strategic Planning:*** The Commission should work with the executive director to develop a strategic plan that includes an updated mission statement (Recommendation 7-8), goals, objectives, and performance measures (Recommendation 9).
- ***Staff Development:*** The Commission should work with the executive director to ensure training is emphasized for all employees as outlined in Recommendations 10 and 11.
- ***Employee Relations:*** The Commission should provide regular opportunities for staff to have input into agency decision making. This can be achieved through the development of an annual employee survey similar to the one used by AOS. The use of an annual employee survey can keep the Commission informed on what is occurring internally, and can provide them with areas for goal and performance measurement establishment. Likewise, the Commission could meet with employees each month, potentially in a lunch setting, to ensure that employee concerns and ideas are heard.
- ***Outreach.*** The Commission should ensure adequate outreach activities are performed (see case management for further discussion).

- ***Financial Assistance Decision Making:*** The Commission should reduce its emphasis on making all financial assistance decisions. (see case management for further discussion)

**Additionally, the executive director and Commission should develop an orientation program and the executive director should identify training opportunities for the Commission.**

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# **Finance**

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## **Background**

This section of the performance audit focuses on the financial management function of FCVSC. FCVSC's finance staff creates and maintains financial records for clients, creates internal financial reports, carries out purchasing functions, prepares budgets, issues vouchers to clients, and maintains employee payroll and leave time records. The issuance of payroll and assistance checks is a function of the Franklin County Auditor.

Ohio Revised Code (ORC) section 5901.11 provides for 0.5 mills of county property tax to fund the operation of a veterans service commission. FCVSC may use up to 0.5 mills of the unvoted 10 mills paid by all property owners in the county.

The role of the County Board of Commissioners (BOC) in the budget development process was assessed but did not warrant changes or yield any recommendations. BOC reviews budget requests, and FCVSC must attend hearings to get approval for annual budgets. Also, there is a BOC budget analyst who assists FCVSC with their budget.

## Findings and Recommendations

### A. Organization and Staffing

#### *Organization*

All FCVSC employees are full-time and work 40 hours per week. The finance function is performed by the executive director and three other full-time employees, all of whom are hired by FCVSC commissioners. The finance section is responsible for budgeting, payroll, providing financial assistance, issuing food and gas vouchers, and providing bus tickets to clients from the Central Ohio Transit Authority (COTA). Two of these employees spend only part of their work time performing these tasks, while the other two spend their entire work time on these activities as follows:

- **Executive Director:** Spends approximately 10 percent of his work time (0.1 FTE) preparing budgets and approving purchases. The executive director of FCVSC is responsible for the overall supervision of the finance functions and provides the Commission with regular financial reports regarding the operations of the FCVSC. The executive director and administrative assistant work together to develop the annual budget.
- **Administrative Assistant:** Works in this area on a full time basis (1.0 FTE) managing all accounts payable, accounts receivable, payroll, and spreadsheet applications. The administrative assistant also prepares budget and financial reports under the direction of the executive director, supervises all financial records, and compiles and verifies weekly, monthly, quarterly, and yearly financial reports. The administrative assistant also verifies and files all reports on employee insurance, retirement, payroll deductions, and reimbursements; reconciles account balances; and allocates revenue and expenses to proper accounts.
- **Financial Assistance Clerk/Typist:** Works in this area on a full time basis (1.0 FTE). Duties include, but are not limited to, responsibility for the administrative functions related to emergency financial assistance, such as preparation of financial vouchers to pay requests for housing, rent utilities and others approved by the veterans service commissioners. Other duties include issuing of food and gas vouchers, bus tickets, recording necessary information, maintaining an accurate balance on the financial records dealing with relief matters, answering incoming telephone calls relating to emergency financial assistance, and maintaining a comprehensive filing system.
- **Administrative Clerk/Typist:** Spends approximately 50 percent of work time (0.5 FTE) performing administrative finance functions. These include assisting in the preparation of staff payroll, and the spreadsheet used in processing payments for the transportation and Meals on Wheels programs.

## Staffing

**Table 3-1** indicates the number and distribution of finance department staff for FCVSC and the peers, and **Table 3-2** shows key statistics for the administration of these functions.

**Table 3-1: Finance Staffing Comparison**

Position	FCVSC		Hamilton VSC <sup>3</sup>		Summit VSC <sup>3</sup>		Montgomery VSC		Peer Average	
	FTE	Actual	FTE	Actual	FTE	Actual	FTE	Actual	FTE	Actual
<b>Executive Director</b>	0.1	1.0	0.2	1.0	0.2	1.0	0.0 <sup>4</sup>	0.0 <sup>4</sup>	0.1	0.7
<b>Supervisor<sup>1</sup></b>	1.0	1.0	0.9	1.0	0.2	1.0	1.2	2.0	0.8	1.3
<b>Support Staff<sup>2</sup></b>	1.5	2.0	0.0	0.0	0.9	1.0	0.0	0.0	0.3	0.3
<b>TOTALS</b>	<b>2.6</b>	<b>4.0</b>	<b>1.1</b>	<b>2.0</b>	<b>1.3</b>	<b>3.0</b>	<b>1.2</b>	<b>2.0</b>	<b>1.2</b>	<b>2.3</b>

Source: FCVSC and peer GOVA reports and organizational charts.

<sup>1</sup>The supervisor category consists of the administrative assistant for FCVSC and HCVSC; assistant executive director for SCVSC and MCVSC.

<sup>2</sup> The Support staff category consists of the financial assistance clerk/typist and administrative assistant clerk/typist for FCVSC, and financial officer for SCVSC.

<sup>3</sup> Hamilton and Summit VSC employees work 35 hours per week.

<sup>4</sup> Montgomery VSC has an executive director, but this individual does not have significant financial duties.

**Table 3-2: Finance Function Key Statistics**

	FCVSC	Hamilton VSC	Summit VSC	Montgomery VSC	Peer Average
<b>Total Applications Approved</b>	1,728	1,290	5,009	1,418	<b>2,572</b>
<b>Finance Personnel FTE</b>	2.6	1.1	1.3	1.2	<b>1.2</b>
<b>Total Finance Personnel Salaries</b>	\$76,962	\$71,511	\$78,245	\$35,368	<b>\$61,708</b>
<b>Approved applications per FTE</b>	665	1,173	3,853	1,182	<b>2,143</b>
<b>Finance Personnel Cost per Application</b>	\$45	\$55	\$16	\$25	<b>\$32</b>

Source: FCVSC and Peer counties.

As shown in **Table 3-1**, FCVSC has 2.6 full time equivalents while the peer average is 1.2. Furthermore, as indicated in **Table 3-2**, FCVSC processes 665 approved client applications per finance FTE, which is 1,478 fewer than the peer average of 2,143. Approved applications require finance staff to enter the data into MUNIS, Franklin County's financial management software, and generate the vouchers to send to the county for processing. FCVSC's processing cost per approved application is \$45, nearly 41 percent higher than the peer average. Part of this discrepancy is due to the low number of applications approved. FCVSC processes 43 percent

fewer approved applications than the next lowest peer (Hamilton VSC: 1,173) and 69 percent fewer than the peer average. See **program assessment and case management** for more information on service levels.

A more significant factor, however, is the inefficient work distribution of FCVSC's finance section when compared to the peers. Dividing financial management functions among four people creates gaps and delays in processing times. Staff members must sometimes wait for other staff members to complete functions before they can perform their job duties. These gaps and delays decrease employee productivity by creating downtime and frustrate employees who must wait for other staff to complete various functions. The more centralized administration of these processes at the peers expedites and streamlines financial management. Designating a single position responsible for financial management with assistance from senior management would allow this person to prioritize and perform tasks in the most efficient manner, thereby reducing or eliminating downtime.

FCVSC is not able to perform finance duties with one FTE and support from the executive director because the administrative assistant does not have the necessary experience and training to be able to carry out human resources and financial duties efficiently. The current administrative assistant was originally hired as a support staff person and did not have prior educational or professional experience in human resources or finance. According to model job descriptions from the Society for Human Resources Management (SHRM), minimum qualifications for a finance position, such as finance officer or director of finance, should include a degree in accounting or finance or a related field and several years of related experience.

#### **Recommendation 16:**

- 16. The executive director should streamline FCVSC's administrative finance functions by having one full-time position primarily responsible for these functions in conjunction with the executive director, as is the practice among the peers. This will eliminate some overlap in the job performance, allow for more efficient distribution of responsibilities and minimize downtime. The executive director should ensure a person with sufficient human resources and finance experience fills the position.**

## **B. Budgeting**

FCVSC does not develop a formal forecast to help project its expenditures. Forecasting refers to a range of techniques that produce estimates of future revenue collections and expenditures by modeling causal relationships. According to the Government Finance Officers Association (GFOA), a government should have a financial planning process that assesses long-term implications of current and proposed policies and programs, and includes key assumptions for developing appropriate strategies to achieve goals. A key component in determining future options, potential problems, and opportunities is forecasting revenues and expenditures.

Because it has not developed an expenditure forecast, FCVSC has made numerous revisions to its budget line items in recent years during the budget year. **Table 3-3** compares FCVSC's original budget appropriations to the revised budgets and actual expenditures for FYs 1999 through 2002.

**Table 3-3: FCVSC Revisions to Original Budget, 1999-2002**

Year and Line Item	Original Appropriation	Revised Budget <sup>1</sup>	Percent Over (Under) Original Appropriation	Actual Expenditure	Percent Over (Under) Original Appropriation
<b>1999</b>					
<i>Memorials</i> <sup>2</sup>	\$102,300	\$127,300	24%	\$95,853	(6%)
<i>Operations</i> <sup>3</sup>	\$1,969,900	\$1,969,900	0%	\$1,705,415	(13%)
<b>Total</b>	<b>\$2,072,200</b>	<b>\$2,097,200</b>	<b>1%</b>	<b>\$1,801,268</b>	<b>(14%)</b>
<b>2000</b>					
<i>Memorials</i>	\$127,300	\$127,300	0%	\$94,779	(26%)
<i>Operations</i>	\$2,065,627	\$2,073,423	0%	\$1,808,759	(12%)
<b>Total</b>	<b>\$2,192,927</b>	<b>\$2,200,723</b>	<b>0%</b>	<b>\$1,903,538</b>	<b>(13%)</b>
<b>2001</b>					
<i>Memorials</i>	\$127,300	\$137,300	1%	\$126,037	(1%)
<i>Operations</i>	\$2,402,020	\$2,898,000	21%	\$2,776,004	16%
<b>Total</b>	<b>\$2,529,320</b>	<b>\$3,035,300</b>	<b>20%</b>	<b>\$2,902,041</b>	<b>15%</b>
<b>2002</b>					
<i>Memorials</i>	\$127,300	\$148,300	16%	\$124,378	(2%)
<i>Operations</i>	\$3,104,330	\$3,333,330	7%	\$2,930,137	(6%)
<b>Total</b>	<b>\$3,231,630</b>	<b>\$3,481,630</b>	<b>8%</b>	<b>\$3,054,515</b>	<b>(6%)</b>

**Source:** Franklin County OMB and FCVSC.

<sup>1</sup>Includes any shift among budget line items and supplemental requests for additional funding.

<sup>2</sup>*Memorials (ORG. 10533)* – A general account used for the payment of items such as burial services and plot expenses, public service/client allocation (Memorial Day funds include money given to specific veteran organizations for Memorial Day functions and grave markers.)

<sup>3</sup>*Operations (ORG. 10532)* – An operating and administrative account used for payment of salaries and wages, vacation and other personal services; insurance and other fringe benefits; safety and security services, and other services and charges; printing and printing supplies, and other materials and supplies; capital outlays, and financial assistance.

As indicated in **Table 3-3**, FCVSC has requested budget increases of more than 10 percent for at least one line item in 3 of the 4 years. However, FCVSC spent less than 90 percent of its original appropriation in 1999 and 2000. In 2001, FCVSC exceeded its original budget by 15 percent, although final expenditures were below the revised budget amount. In 2002, FCVSC again requested additional funds in the course of the year but underspent its original appropriation. The data in **Table 3-3** indicate FCVSC has not undertaken effective budgeting and forecasting practices. FCVSC has been unable to accurately predict revenue and expenditures, which limits its ability to plan for the future and to demonstrate fiscal responsibility to the BOC.

GFOA recommends governments at all levels forecast major revenues and expenditures. The forecast should extend at least three to five years beyond the budget period and should be

regularly monitored and periodically updated. The forecast, along with its underlying assumptions and methodology, should be clearly stated and made available to participants in the budget process. Forecasting revenues and expenditures provides the following benefits:

- Provides an understanding of available funding;
- Evaluates financial risk;
- Assesses the likelihood services can be sustained;
- Assesses the level at which capital investment can be made;
- Identifies future commitments and resource demands; and
- Identifies the key variables that cause change in the level of revenue.

**Table 3-4** illustrates a simple trend analysis of FCVSC's actual spending on major items for the years 1999-2002. The variation on each line item from one year to another is expressed in percentage terms.

**Table 3-4: Expenditure History**

Line Item	1999	2000	Percent change 1999 to 2000	2001	Percent Change 2000 to 2001	2002	Percent Change 2001 to 2002	3-Year Percent Change
<b>Personal Services</b>	\$402,006	\$416,368	4%	\$489,005	17%	\$495,564	1%	23%
<b>Benefits<sup>1</sup></b>	\$58,179	\$124,111	113%	\$155,512	25%	\$169,612	9%	192%
<b>Other Expenses<sup>2</sup></b>	\$181,233	\$255,538	41%	\$479,169	88%	\$493,131	3%	172%
<b>Capital Outlay</b>	\$76,387	\$9,314	(88)%	\$14,919	60%	\$21,803	46%	(71)%
<b>Grants<sup>3</sup></b>	\$1,083,462	\$1,098,207	1%	\$1,763,437	61%	\$1,874,404	6%	73%
<b>Total</b>	\$1,801,267	\$1,903,538	6%	\$2,902,042	52%	\$3,054,514	5%	70%

**Source:** FCVSC budget reports for 1999-2002.

<sup>1</sup> Includes public employees' retirement system (PERS), Medicare tax, fringe benefits, workers compensation and unemployment compensation.

<sup>2</sup> Includes purchased services and materials and supplies.

<sup>3</sup> Includes financial assistance to veterans.

**Table 3-4** illustrates a wide variance from year-to-year for all the items, indicating the current historical-based budgeting cannot effectively project revenue needs. Therefore, a more detailed analysis of key expenses is needed to determine the major factors driving costs in those areas. For example, accurate forecasts of grant expenditures require identifying key factors, such as anticipated veteran deaths and economic conditions that impact memorial financial assistance costs. Also, past analysis performed by FCVSC suggests that assistance requests will increase in the few years after a major conflict like Korea or the Persian Gulf. Effective forecasting requires identification of the driving factors for each major spending category along with detailed assumptions to forecast future expenditures.

According to FCVSC, a law enacted in 2002 has limited its ability to make necessary budget requests. In 2002, ORC section 5901.021 was adopted, which permits the BOC to add six members to a veterans service commission if it requests a budget that exceeds either (1) 0.025 percent of the assessed value of property in the county or (2) the amount appropriated to the commission from the county general fund in the current fiscal year by more than 10 percent. The Commission does not want to risk having additional Commission members added by the BOC, so it has chosen to ensure that its budget requests do not exceed the previous year's request by more than 10 percent, even when additional funding is necessary to provide the services required by veterans or to meet FCVSC's service goals.

FCVSC develops its budget using an historical perspective, with the previous year's budget serving as a baseline which is increased by a certain percentage to determine the budget request for the coming year. The following steps comprise FCVSC's budgeting process:

1. Using last year's budget as a baseline, the administrative assistant and executive director work with staff to identify needs and develop a budget request.
2. The FCVSC commissioners review the budget request and make recommendations for changes. After making the appropriate changes, the administrative assistant sends the approved budget to the Franklin County Office of Management and Budget (OMB).
3. OMB performs a technical review to ensure the accuracy of all budget figures and reviews the reasonableness of the request by examining the number of people served and the benefits provided. OMB recommends changes to the budget request before it is submitted to the county administrator and County Board of Commissioners (BOC). OMB provides assistance to FCVSC upon request at any step in the budget process. The administrative assistant is responsible for making any changes to the budget pursuant to OMB's review.
4. The county administrator reviews the finalized budget request, and it is scheduled for a hearing before the BOC. Public budget hearings are carried out by Franklin County in the month of October.
5. The budget is approved by the BOC and released in November.

Beginning in 2002, county agencies were required to use strategic budgeting principles in developing their budget requests. Specifically, each agency was required to submit a strategic budget outlining its programs and performance measures for evaluating each program. The county provided training and assistance to most agencies to aid them in developing their strategic budgets, but FCVSC did not receive this training. As a result, FCVSC was not required to submit a strategic budget. The county plans to provide FCVSC with the necessary training and assistance in 2003, and BOC will expect FCVSC to submit a strategic budget in 2003 for FY

2004. FCVSC will be required to write a strategic business plan that identifies strategic objectives, the programs designed to achieve those objectives, and operational performance measures for each program, including:

- **Demand Measures** identify demand for particular services and programs and staff workload, such as the number of requests for assistance received and number of clients who receive help with referral.
- **Output Measures** help to determine staff productivity and workload appropriateness. Some examples include the number of decisions and total applications approved or disapproved, referrals made, and the average time to make decisions.
- **Outcome Measures** assess how well FCVSC is able to accomplish its mission. Potential measures for FCVSC could include customer satisfaction and percent of clients receiving effective referrals and percent of clients for which assistance facilitates long term solvency. Outcomes can be tracked using client surveys or follow-up with referral agencies.
- **Efficiency Measures** assess how well FCVSC is using its resources. FCVSC may want to track data presented in this report such as cost per application and cost per case approved.

FCVSC will be required to describe its programs, develop performance measures for each program, identify performance targets for the coming year, and delineate the resources needed to achieve the following year's performance targets. Each program budget request must include performance targets for demand, output, outcomes and efficiency. These same elements will be required when developing a financial forecast. FCVSC's budget request will be reviewed by OMB to ensure it is a cost-effective use of resources relative to the performance targets outlined. Strategic budgeting should help FCVSC better predict program needs, evaluate organizational performance, and justify its budget requests. As long as FCVSC can justify its budget requests and the need for its programs and services, it should request whatever funding is needed to serve the veterans of Franklin County without drawing arbitrary funding thresholds.

#### **Recommendations 17-18:**

17. **The executive director and FCVSC management should take steps to develop a quantitative forecasting method to estimate short- and long-term changes in expenditures with a higher degree of confidence. FCVSC management should identify key factors for major spending items that drive demand and, therefore, costs. FCVSC should develop initial models using these key factors and then revise the models in future years based upon an assessment of their accuracy. Effective use of forecasting will better enable FCVSC to plan for the future, serve veterans' needs, and justify spending requests to the county.**
18. **FCVSC should develop a strategic budget in conjunction with the development of a strategic plan (see organization and staffing). Effective strategic budgeting and**

planning will enable FCVSC to align its funding allocations with strategic goals instead of historical funding levels, and more effectively accomplish its mission. Funding requirements should be identified to accomplish the goals outlined in the strategic plan (see organization and staffing), and performance measures should be evaluated, assessed and reported in a manner to bring about change in the organization where necessary to coincide with the mission of FCVSC. For example, FCVSC should identify the major programs it provides, such as the direct financial assistance, benefits application assistance, and referral programs, and adopt performance measures to evaluate the successes of these programs. FCVSC should use the model adopted by Franklin County to track demand, outputs, outcomes and efficiency.

All management personnel, and any other employees with responsibility for developing or monitoring budgets, should be trained on the principles of strategic budgeting, including the development of performance plans and the implementation of effective measurement processes to validate and verify performance criteria. The executive director of FCVSC should ensure employees receive training and assistance from the BOC (see organization and staffing for staff training).

## C. Internal Controls

### *Financial Policies and Procedures*

FCVSC has adopted Franklin County's policies and procedures manual to govern its operations. This document provides general guidelines for all major operations, but it does not delineate specific internal procedures for functions such as processing travel reimbursements. As a result, FCVSC does not have clearly defined processes and is not able to develop appropriate internal controls.

FCVSC adopted Franklin County's general travel policy but has not outlined formal internal procedures and timelines to be followed by staff and management for applying for and processing reimbursement requests. The county travel policy addresses only the following major issues:

- Authorization to travel;
- Reimbursable expenses for both in and out-of-county travel; and
- Special considerations.

The travel policy manual sufficiently outlines travel expectations, requirements, reimbursable and non-reimbursable expenses and other significant issues concerning travel by its employees both within and outside the county. However, the policy manual does not outline the procedures

and required timelines for FCVSC to process travel with the county budget office for reimbursement. As a result, there are issues and complaints about late payment of travel reimbursements by some employees of FCVSC.

Summit VSC's manual outlines formal procedures for staff to receive travel reimbursement. These procedures also provide standards and expectations against which staff performance can be evaluated. Summit VSC allows a one week window during which expense receipts associated with travel must be submitted to the financial officer for processing. All travel reimbursements at Summit VSC are paid on time when travel documents and receipts are submitted promptly.

Franklin County's policy manual does not describe specific procedures for several other functions, including purchasing and payroll. The policies outline key information needed by the County to process these functions, but does not establish procedures for agencies to follow for internal processing. For example, the County's purchasing policy lists the information to be included on a purchase order and how to process the orders with the County. However, it does not describe procedures for agencies to follow when gathering quotes, selecting vendors, or other major purchasing functions.

Another area that lacks specific procedures in Franklin County's policy manual is payroll. The County specifies payroll processing timeframes and lists the required information, but does not establish a procedure for agencies to use when processing payroll. This allows flexibility in procedures across different agencies, but if agencies do not develop subsequent procedures for processing payroll, information that is submitted may be inconsistent, inaccurate, or incomplete. While agencies should have procedures for all major activities, it is particularly important for financial management processes, such as travel reimbursement, purchasing, and payroll.

#### **Recommendation 19:**

- 19. The executive director and Commission should develop written and formalized policies and procedures for its financial processes. This is a fundamental requirement for effective internal controls and is useful for establishing staff expectations, ensuring consistency, and evaluating staff performance. FCVSC should have written policies and procedures for purchasing, payroll, hierarchy of expense approvals and other areas for which there are no formal policies and procedures. Having written policies and procedures will help to simplify job functions and present both the management of FCVSC as well as the staff with clear expectations.**

**For example, FCVSC could adopt a travel reimbursement procedure similar to Summit VSC, which requires employees to submit all travel receipts for reimbursement within one week of the date of completion of such travel. This provides a rule for staff as to what is expected concerning travel reimbursement.**

**Employees know when travel receipts must be submitted, and the administrative assistant knows when such expenses must be processed in order to be paid in a timely manner. The travel reimbursement policy should also specify possible consequences for non-compliance.**

### *Application of Internal Controls*

Internal control weakness were found in the areas of payments for clients, policies and procedures, and information security (information security is addressed in the **technology** section). Internal control is broadly defined as a process, affected by an agency's governing board, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

Internal controls are tools that help agencies function in an effective and efficient manner while avoiding serious problems such as overspending, operational failures, and violations of law. Internal controls are the structure, policies, and procedures put in place to provide reasonable assurance management is meeting its objectives and fulfilling its responsibilities. Internal controls also facilitate the achievement of management objectives by serving as checks and balances against undesired actions. A well-designed internal control structure reduces improper activity. Designing and implementing internal controls is a continuous process. As conditions change, control procedures may become outdated and inadequate. Management must anticipate certain procedures will become obsolete and modify internal control systems in response to these changes.

Most internal controls are classified as either preventive or detective. Preventive controls are designed to discourage errors or irregularities, while detective controls are designed to identify an error or irregularity after it has occurred. The Commission and FCVSC management are responsible for establishing and maintaining internal controls to protect against the loss, theft or misuse of its assets, as well as to reduce errors. FCVSC has established effective processes in some key areas; however, the controls have not been formalized in writing. Putting practices into formal policies and procedures is fundamental to developing effective internal controls. Internal controls are likely to function more effectively if management believes those controls are important and communicates that view to employees at all levels. An effective internal control environment:

- Sets the tone of an organization, influencing the control consciousness of its people;

- Is an intangible factor that is the foundation for all other components of internal control, providing discipline and structure;
- Describes the organizational culture;
- Includes a commitment to hire, train, and retain qualified staff; and
- Encompasses both technical competence and ethical commitment.

If management views controls as unrelated to agency-wide objective achievement, or even worse – as an obstacle – this attitude will also be evident to staff. Despite policies to the contrary, employees will view internal controls as procedures that should be circumvented to expedite work processes. The views of top management on internal controls will determine how successfully they are integrated into agency practice. Effective internal control practice requires an organization to develop written policies and procedures for all its major operations and activities. FCVSC does not have formal written policies and procedures in the following key internal control areas:

- Approval of office expenses and service contracts;
- Guidelines to determine amount of financial assistance for clients;
- Number of employees, and/or positions approving expenses;
- Authorization process for purchasing office equipment and services;
- Controls to protect applicant information from public release;
- Financial record keeping;
- Payroll processing;
- Travel reimbursement; and
- Voucher issuance to clients.

Effective internal controls begin with written goals and objectives in the following areas:

- Operational objectives;
- Financial reporting objectives; and
- Compliance objectives.

Objectives should be formalized and documented in writing. Also, objectives should be included in formal planning documents and should be taken into account when developing the agency's mission and goals.

**Recommendation 20:**

- 20. Once formal policies and procedures have been developed for financial processes, FCVSC should prepare formal internal control objectives and should articulate the importance of internal controls in writing to employees at all levels of the agency. Management support of internal controls is best measured by the operational practices and outcomes of an agency. In agencies with effective internal controls, programs and functions achieve their intended results (they are effective). Likewise, resource use is consistent with the agency mission (it is efficient), and laws and regulations are followed (it meets compliance requirements). Finally, accurate and timely information is prepared, and reporting is reliable.**

*Assistance Processing and Payment*

In cases of payments for mortgages, rents, and utilities on behalf of clients, FCVSC notifies the Franklin County Auditor by sending a list of all approved applications. This function is carried out in two ways including transmitting a compilation of several check requests through the MUNIS accounting system, and hand-carrying the hard copies of these check requests to the Franklin County Auditor from FCVSC. On receipt of the batch from FCVSC, the Franklin County Auditor sends payments in the form of checks directly to the vendors, sometimes in batches. The batching process allows these vendors to be paid for a number of clients, using a single check. An invoice is included with the check identifying the accounts to be credited.

The check stub and the invoice make it possible for the mortgage company to identify the beneficiary so as to credit the right amount to the correct account. Sometimes, however, the check stubs and enclosed invoice are not properly received or processed by the mortgage companies, preventing them from crediting the proper accounts. Typically, the mortgage company keeps such checks for several weeks before returning them to the Franklin County Auditor with cover letters. Often, by the time these checks are returned, the payments are already late. As a result, clients may lose their homes or apartments for non-payment of mortgages or rent.

When a veteran is approved for mortgage payment or rent assistance by the Commission, the following steps are followed to issue the assistance check:

- The information is typed into a “meeting sheet” and transferred to the financial assistance clerk/typist. The meeting sheet contains all the approval information needed by the financial assistance clerk/typist in order to prepare the check requests.
- The financial assistance clerk/typist enters all approvals into the MUNIS accounting system.
- The financial assistance clerk/typist transmits the list to the Franklin County Auditor.

- The financial assistance clerk/typist physically carries the hard copies of check requests to the Franklin County Auditor.
- The Franklin County Auditor reviews the list, generates the checks and sends them through the U.S. mail to the appropriate companies with an invoice that identifies the name, account number and other information about the beneficiary of each payment.

**Recommendation 21:**

**21. FCVSC's executive director and Commission should take steps to ensure client payments for mortgages and rents are properly credited. Such steps could include the following:**

- **Working with the Franklin County Auditor to implement a check payment system whereby all checks sent out to vendors have the name, address, account number, and other identifying beneficiary information printed on the check itself. By having the Franklin County Auditor print such information on the check, the problem of returning checks unpaid due to lack of identification will be eliminated, even if check stubs are separated from the checks.**
- **Working with mortgage companies, banks and other relevant businesses to obtain a contact person with whom FCVSC can follow-up after checks are sent out to ensure they were properly credited to clients' accounts. FCVSC should also provide a memorandum with its checks informing businesses of FCVSC's intent to contact them after a check is mailed to ensure the checks are properly credited. An FCVSC representative should confirm receipt of payment and proper crediting of clients' accounts.**
- **Providing an "Assistance Information and Next Steps" document to clients receiving assistance. This document should specify the amount of aid granted, where the check will be sent and when the client can expect the credit to appear in the account. This would allow clients to follow up directly with their mortgage companies to ensure the proper receipt and processing of payments. FCVSC could still follow up with banks, but providing clients the same information would reduce the risks of a check not being properly processed and credited.**

# Compliance

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## Background

This section of the report focuses on the compliance of Franklin County Veterans Service Commission (FCVSC) with applicable federal, state and county laws, regulations and policies. For the purposes of this section, compliance is defined as adherence to the mandates of the United States Code, Title 38, Veterans' Benefits, Part III; the Ohio Revised Code (ORC) section 5901, Ohio Veterans Laws; and the Ohio Administrative Code (OAC) section 5902.

The Auditor of State reviewed relevant files from the Franklin County Court of Common Pleas (FCCCP), the Governor's Office of Veterans' Affairs (GOVA) and FCVSC to determine FCVSC's compliance with the applicable statutes enumerated above. To determine compliance of FCVSC with ORC 5901 and OAC 5902, all personnel files of commissioners and veteran service officers (VSOs) at FCVSC were reviewed. Personnel files of the commissioners and VSOs at the Governor's Office of Veterans Affairs (GOVA) and Franklin County Court of Common Pleas (FCCCP) were also reviewed and examined to obtain evidence of compliance with ORC and OAC. FCVSC was found to be in compliance with most applicable statutes. The areas of non-compliance or areas in which there was inadequate documentation to determine compliance are detailed in this section. For a complete listing of all compliance assessments performed, see **Appendix A**.

## Findings and Recommendations

### *Veterans Service Commissioners – General Requirements*

ORC 5901.02 outlines the requirements for an individual to serve as a commissioner of a veterans service commission. According to ORC 5901.02, the judge of the court of common pleas who is responsible for appointing county veterans commissioners is to notify each post or chapter of each veterans' organization in the county from which a member must be appointed, and request a list containing three recommendations of persons eligible for appointment. If the judge does not receive any recommendations within 60 days after the required notification, the judge may appoint any qualified veteran to represent the veteran community. FCVSC's commissioners were nominated by the following veterans' organizations:

- Disabled American Veterans;
- American Veterans;
- Vietnam Veterans of America;
- Veterans of Foreign Wars; and
- American Legion.

OAC 5902-1-01 through 03 outlines the education, training, certification and minimum qualifications for commissioners. Overall, there was adequate documentation in the commissioners' personnel files to determine compliance with ORC 5901.02 and OAC 5902.

- All commissioners satisfied the qualifications needed for appointment to serve as a veterans service commissioner.
- All commissioners satisfied the residency requirement.
- As mandated by ORC, the court of common pleas judges notified the appropriate veterans organizations by October 15.
- Two commissioners' nomination letters were not found in their respective personnel files at FCVSC. In addition, one commissioner's appointment letter from the FCCCP was not found in the respective personnel file at FCVSC. However, AOS did find copies of nomination (or re-nomination) and appointment letters in the files maintained by FCCCP and GOVA. During the review of the files, AOS was informed by FCVSC that the letters of nomination were received and were probably not yet placed in the respective commissioners' personnel files or may have been improperly filed.
- Appointment letters for commissioners were all enclosed in the respective commissioners' files at FCCCP and GOVA.
- DD 214 forms (service discharge papers) located in the personnel files at FCVSC, FCCCP and GOVA reflected that all the commissioners were honorably discharged from military service.

- The commissioners' personnel files contained codes of conduct signed in 1995; however, no evidence exists that updated codes of conduct were signed thereafter. The ORC requires GOVA to adopt rules for the certification and recertification of commissioners, and the OAC requires codes of conduct to be signed by all commissioners annually.

#### *Veterans Service Commissioners – Training*

OAC 5902-1-02, which augments ORC 5902.02, outlines the education, training, and certification requirements for veterans service commissioners. According to OAC, in order to be certified, "...each re-appointed commissioner shall attend and complete annually a minimum of four credits (one of which must be at the regional and district level) of formal instruction concerning the rules, procedures, and laws relating to...duties as a commissioner and sign a code of conduct. The instruction shall consist of a program approved by the director of the Governor's Office of Veterans Affairs...." In addition, each commissioner who completes the annual requirements is issued a certificate of completion by the director of GOVA. Examples of GOVA programs of instruction for county veterans commissioners and other organizations include sessions titled "Legislative Updates," "Commissioner Duties," "Case Analysis," and "Administrative Rules and Expectations."

GOVA maintains a registration and attendance roster, which shows the attendance of FCVSC commissioners to the varied training provided by GOVA. GOVA training attendance rosters indicate that the veterans commissioners at FCVSC complied with all necessary training requirements for 2002. In addition, the veterans commissioners at FCVSC have obtained required training credits and are certified by GOVA to be in compliance with the ORC and OAC. Copies of the GOVA certificates showing proof of completion of the program of instruction and attainment of four credits are maintained in the commissioners' personnel files at FCVSC.

As mentioned above, FCVSC is largely in compliance with the mandates of the ORC section 5901 and OAC section 5902. However, adherence and compliance to specified statutes alone does not equate to efficiency and effectiveness in operations and services. Because FCVSC's mission is to provide advice and assistance to veterans, active duty members of the Armed Forces of the United States, and their dependents to obtain benefits and entitlements from federal, state and local agencies, it should strive to exceed the minimum expectations outlined by ORC section 5901 and OAC section 5902.

**Recommendations 22-24:**

- 22. FCVSC should obtain all relevant documents, such as copies of high school diplomas or equivalent qualifications, from FCCCP and GOVA and keep them in the personnel files of the respective commissioners and employees.**

The retention of these and similar documents would be a good practice to implement in case members of the community, veterans service organizations or concerned parties want to verify information. This would also keep the personnel files at FCVSC current and would ensure that FCVSC maintains documents regarding its commissioners, similar to those retained by FCCCP and GOVA. For additional information on other documents that FCVSC should keep in the personnel files, refer to the organization and staffing section.

- 23. GOVA should ensure that appropriate codes of conduct are signed by the commissioners at the beginning of each term of appointment and prior to certification. Codes of conduct should be updated and signed each year, as required by the OAC. The updated and signed codes of conduct should be kept in the files of the respective commissioners at GOVA and copies of the updated and signed codes of conduct should be sent by GOVA to FCVSC, where they should also be placed in the commissioners' personnel files.**
- 24. FCVSC should implement best practices to improve its operations and the services it provides to veterans and their dependents. The implementation of best practices will elevate FCVSC above and beyond the minimum mandates of ORC section 5901 and OAC section 5902. One example is board governance. Although FCVSC's activities are governed by ORC and OAC, other activities such as strategic planning and performance measurement could enhance FCVSC's ability to provide services efficiently and effectively. For more examples of some of the best practices that FCVSC should consider implementing to improve its operations and services, refer to the program assessment and case management, organization and staffing, finance and technology sections of the report.**

*Veteran Service Officers*

OAC 5902-1-03 through 5902-1-06 outline the qualifications for hiring, minimum education requirements, certification and accreditation for veteran service officers. A review of the VSOs' personnel files at FCVSC revealed that the files contained most of the information needed to be in compliance. However, two VSOs' files did not contain documentation of background checks. According to FCVSC, background checks for VSOs have only been performed within the past five years, so any VSO hired prior to that time would not have had a background check completed.

**Recommendation 25:**

- 25. FCVSC should continue to conduct timely background investigations on all future applicants for VSO positions. The background investigations should be conducted prior to offering applicants the position. Further, FCVSC should ensure that documentation detailing the results of background investigations are placed in VSOs' personnel files (see the organization and staffing section for more on personnel files). FCVSC should also send the results of background investigations to GOVA, which should also retain the information in its personnel files. FCVSC should consider requesting voluntary background checks from the two VSOs that have not yet had background checks conducted.**

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# Program Assessment and Case Management

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## Background

This section reviews Franklin County Veterans Service Commission's (FCVSC) programming and case management functions for employees who provide direct services to clients. The two main types of services FCVSC provides to veterans are financial assistance and Department of Veteran Affairs (VA) claim application assistance.

FCVSC financial investigators assist clients applying for financial assistance, which is paid using revenue from county property taxes. Financial assistance is available to veterans who have been residents of Franklin County for at least three months and have achieved active duty status as a member of the Armed Forces of the United States, or their spouses, dependent parents, minor children, or wards. FCVSC service officers assist eligible veterans and family members in applying for any federal VA benefits such as disability pensions, widow's pensions, and service and non-connected compensation to which veterans may be entitled. Service officers act as liaisons between veterans and the VA and also prepare claim forms to submit to the VA on behalf of eligible veterans.

## Customer Survey

A customer survey was distributed to 70 FCVSC clients in the waiting room during all five morning and afternoon week days. The purpose of the survey was to obtain clients' feedback and perceptions of customer service and related issues. The survey solicited responses to 29 statements concerning the quality and timeliness of service provided, types of assistance needed, and demographic information. Survey questions were multiple choice; yes/no/does not apply (N/A); or a scale of: 5- Strongly Agree, 4- Agree, 3-Neutral, 2-Disagree, 1-Strongly Disagree. The survey results are discussed throughout this section of the report. For complete survey results, see **Appendix C**.

## **Findings and Recommendations**

### **A. Policies and Procedures**

FCVSC does not have thorough, written guidelines or clearly stated criteria for making financial assistance decisions. Although FCVSC does have financial assistance policies and procedures, they lack specific information about financial assistance decisions. FCVSC's current financial assistance policies define an eligible client as a veteran, or an individual related to a veteran (surviving spouse, dependent child) who must be a resident of the county for at least 90 days. Although FCVSC does review clients' income and work history, assistance decisions are made on a case-by-case basis and without adhering to specific criteria. In addition, the financial assistance manual does not define the length of time which a client can receive assistance. Without having clearly defined policies and procedures, the Commission must spend additional time reviewing each case, reducing the processing time available for handling more urgent applications. The lack of formal criteria also results in inconsistent and inadequately supported decisions which could result in FCVSC facing liability issues.

Montgomery VSC requires clients to meet income guidelines, based on household size, to be eligible for aid and only provides assistance to clients three times within a 12 month period. In addition, Summit VSC has created a monthly food and housing allowance table that clearly indicates the level of assistance eligible clients are provided. Summit VSC has also created a comprehensive policies and procedures manual that describes how service officers should gather information, and how financial assistance decisions should be made. In addition, Summit VSC requires verified monthly receipts and will not provide assistance if income exceeds the monthly budget. Summit VSC will provide assistance to clients for three months. After the three month period a client is ineligible to receive aid for six months. At the end of six months a client can receive financial assistance for three months. After the conclusion of the second three month period of assistance, a client cannot receive assistance from Summit VSC for one year. By operating in this manner, Summit VSC has developed an effective temporary assistance policy. Summit VSC has developed procedures for making timely and consistent assistance decisions. Summit County VSC uses the following policies to help ensure assistance is temporary and to promote client responsibility:

- Clients will not be granted assistance for a period of 180 days if Summit VSC determines that clients had control over their loss of income.
- All income entering the household will be figured into the client's total income. This includes income from other individuals residing in the client's house, including parents, parents-in-law, children over 18 years of age, other relatives, ex-spouses, and friends.

- Most financial assistance awards will not be provided to a client for more than 90 days. The executive director has been empowered to authorize extensions to the 90 day policy to account for extenuating circumstances.
- Financial assistance will be terminated if income earned by a client is greater than the household monthly budget.
- After a client has received assistance for 90 days, no further assistance will be granted for six months.
- Clients (and spouses) who are receiving ODJFS monies, (Ohio Department of Jobs and Family Services) TANF (Temporary Assistance for Needy Families), or food stamps can receive financial assistance one time in a 12 month period.
- Clients who are receiving financial assistance are not permitted to use the aid for credit card payments, credit accounts, school tuition, cable television or telephone bills

Summit VSC has also created a manual that provides information to service officers about how to conduct client interviews. As a result, Summit VSC service officers are able to make more timely and consistent decisions because policies clearly indicate eligibility requirements. The following are key components of the Summit VSC interview manual:

- Service officers should create questions before the interview so all information needed to make a decision can be gathered easily.
- Service officers can request supervisor assistance when making a financial decision.
- Service officers should review the VSC List of Acceptable Expenditures with the client during the interview. Clients are required to sign the list illustrating that they have been informed about the policy. Clients who violate this policy will forfeit assistance during their next visit.
- Service officers must complete an Interviewer's Budget Checklist regardless of whether a client does or does not have income. The budget checklist reflects the client's financial situation and allows the service officer to make a decision about the amount of assistance to offer the client. The deficit amount found after the form is completed should be the amount of assistance which is sought. Although FCVSC has a form that is completed by investigators and lists income and expenses of clients, FCVSC does not have a policy about the level of assistance to provide to clients.
- The manual also provides service officers with guidelines and examples for writing case notes.

The creation of these manuals has allowed Summit VSC to efficiently and consistently identify eligible candidates and provides service officers with pertinent information about how to compile information and make financial assistance decisions. The manuals also serve as resource guides to help staff answer difficult scenarios that can be encountered. Summit VSC also ensures that its service officers receive training in addition to GOVA requirements. Common training topics have included communication techniques and conflict resolution.

Currently, FCVSC financial assistance investigators do not attend regular training sessions, but service officers attend 16 hours of VA-related training per year. As a result, financial assistance investigators have not been given training in such areas as dealing with difficult clients, investigative techniques, or assessing problematic situations (for additional information on training, see the **organization and staffing** section). Without these training opportunities, financial assistance investigators may have to spend longer periods of time with clients, which reduces the quality of service and impacts waiting times for other clients.

**Recommendations 26-28:**

- 26. The executive director, senior financial assistance investigator, and the Commission should develop detailed financial assistance policies, similar to policies developed by Summit and Montgomery VSC's. Key policies should include length of financial assistance, job quit information, list of acceptable expenditures, income requirements that must be satisfied, and income earned by other household members. Creating a written policy covering this information will provide specific criteria which clients must satisfy to receive assistance. As a result, assistance decisions could be made in a timelier manner. In addition, written financial policies could reduce FCVSC's legal liability from clients who could claim that FCVSC has made unfair assistance decisions.**
- 27. The executive director, senior financial assistance investigator, and the Commission should create a manual detailing guidelines and expectations for client interviews. The manual should include information about typical interview questions, how to record information, and sample interview write-ups. In addition, the executive director should coordinate interview training for all direct service staff. Developing a formal interview manual and providing interview training should increase the productivity of FCVSC staff.**
- 28. The executive director and the Commission should arrange for client service training to be provided for all direct service employees. The training should highlight key areas such as handling difficult situations, investigative techniques, and communicating with clients. Attending training sessions will provide direct service staff with effective techniques that can be used to deal with a diverse veteran population and improve service delivery.**

## **B. Case Management Process**

### *Staff Workload*

**Table 5-1** compares FCVSC with peer veteran service commissions regarding the number of direct service staff FTEs who work with clients to obtain financial and VA assistance. For the purpose of this analysis, FTEs were calculated based on a 40 hour work week. FCVSC and Montgomery VSC staff work 40 hours per week. Hamilton and Summit VSC staff work 35 hours per week.

**Table 5-1: Direct Service Staff FTEs**

Position	Franklin VSC	Hamilton VSC <sup>1</sup>	Montgomery VSC	Summit VSC <sup>1</sup>	Peer Average
Supervisors	1.0	0.2	0.0	0.2 <sup>2</sup>	0.1
Service Officers	2.0	0.4 <sup>3</sup>	1.7 <sup>4</sup>	1.3 <sup>5</sup>	1.1
Office Manager/Service Officers	0.0	0.0	0.5 <sup>6</sup>	0.0	0.2
Veterans Benefit Specialists	0.6 <sup>7</sup>	0.0	0.0	0.0	0.0
Benefits Coordinator	0.0	0.0	0.0	0.6 <sup>8</sup>	0.2
Assistant Benefits Coordinator	0.0	0.0	0.0	0.2 <sup>9</sup>	0.1
Intake Personnel	0.0	0.0	0.0	0.2 <sup>10</sup>	0.1
<b>Total VA Assistance Staff FTEs</b>	<b>3.6</b>	<b>0.6</b>	<b>2.2</b>	<b>2.3</b>	<b>1.7</b>
Supervisors	1.0	0.6	0.0	0.6	0.4
Investigators	2.0	0.0	1.0	0.3 <sup>11</sup>	0.4
Veterans Benefit Specialists	1.4	0.0	0.0	0.0	0.0
Service Officers	0.0	1.3	3.3	3.9	2.8
Office Manager/Service Officers	0.0	0.0	0.3	0.0	0.1
Benefits Coordinator	0.0	0.0	0.0	2.0	0.1
Assistant Benefits Coordinator	0.0	0.0	0.0	0.6	0.2
Intake Personnel	0.0	0.0	1.0 <sup>12</sup>	0.6	0.5
Outreach worker	0.0	0.0	1.0 <sup>13</sup>	0.0	0.3
<b>Total Financial Assistance Staff FTEs</b>	<b>4.4</b>	<b>1.9</b>	<b>6.6</b>	<b>8.0</b>	<b>5.5</b>
<b>Total Direct Service Staff FTEs</b>	<b>8.0</b>	<b>2.5</b>	<b>8.8</b>	<b>10.3</b>	<b>7.2</b>

Source: VSC documents and interviews

<sup>1</sup> Summit and Hamilton VSC employees each work 35 hours weeks, and FTE staffing levels are based on 40 hour weeks.

<sup>2</sup> The supervisor spends 75 percent of his time on financial assistance applications and 25 percent of his time on VA applications

<sup>3</sup> The service officers spend 75 percent of their time handling financial assistance applications and 25 percent of their time completing VA applications.

<sup>4</sup> Montgomery VSC has a total of five service officers. The service officers spend 34 percent of their time on VA applications and 66 percent of their time on financial assistance applications.

<sup>5</sup> The service officers spend 65 percent of their time handling financial assistance applications and 35 percent of their time handling VA applications.

<sup>6</sup> Montgomery VSC has two officer managers/service officers who spend 25 percent of their time on VA applications and financial assistance applications, the remaining 75 percent of their time is spent on office manager work.

<sup>7</sup> The veteran benefit specialists spend 70 percent of their time handling financial assistance applications and 30 percent of their time completing VA applications.

<sup>8</sup> The benefits specialists spend 75 percent of their time and 25 percent of their time handling VA applications.

<sup>9</sup> The assistant benefits coordinator spends 75 percent of time handling financial assistance applications and 25 percent of time on VA applications.

<sup>10</sup> Summit VSC employs two intake personnel. One intake staff member spends six months completing records retention while the other staff member spends 75 percent of time taking financial assistance information and 25 percent of time completing VA information. The two staff members switch jobs after six months.

<sup>11</sup> Summit VSC has a field investigator/driver position. This individual spends 40 percent of work time on investigations.

<sup>12</sup> Intake personnel include a financial assistance specialist.

<sup>13</sup> The outreach worker is a part-time employee who works 18 hours per week. In addition, Montgomery County VSC has a vacant outreach position. The position will be filled, and the individual will work on a part-time basis. The vacant position is included in the analysis.

**Table 5-1** presents the direct service staffing levels for FCVSC and the peers. FCVSC has 42 percent more VA assistance staff FTEs when compared to the peer average, but 20 percent fewer financial assistance staff FTEs when compared to the peer average. However, FCVSC has similar overall direct service staff FTEs when compared to the peer average. Based on the staffing numbers, FCVSC should also have similar workload data when compared to the peers.

**Table 5-2** examines the staffing of FCVSC and the peers by comparing workload data and presents a three year average for both the number of financial assistance applications processed and the number of VA claims processed.

**Table 5-2: Direct Service Staff Workload**

	Franklin VSC	Hamilton VSC	Montgomery VSC	Summit VSC	Peer Average
VA Assistance Staff FTEs	3.6	0.6	1.9	2.3	2.1
Financial Assistance Staff FTEs	4.4	1.9	6.6	8.0	5.5
Veteran Population	96,866	82,312	62,394	53,959	66,222
Average Financial Assistance Applications Processed (1999-2001)	1,606	1,220	1,271	5,022 <sup>1</sup>	2,054
Average Cases Denied Financial Assistance	306	964	360	1,334 <sup>1</sup>	886
Average Financial Assistance Applications Filed	1,912	2,184	1,631	6,356	3,390
Financial Assistance Applications Processed per Financial Assistance Staff FTEs	435	1,150	247	795	730
VA Claim Applications Filed (2001)	364	1,028	921	871	940
VA Claim Applications Filed per VA Assistance Staff FTE	101	1,713	485	379	859
Total Applications Processed	2,276	3,212	2,552	7,227	4,330
Veterans Per VA Claim Application Filed	266	80	68	62	70

Source: VSC Documents GOVA reports

<sup>1</sup>The average for Summit VSC is only a two year average (2000-2001)

As shown in **Table 5-2** FCVSC has a 32 percent higher veteran population than the peer average but processes 44 percent fewer financial assistance applications and 61 percent fewer VA applications compared to the peer average. In addition, FCVSC is processing nearly 40 percent fewer financial assistance applications per staff FTE when compared to the peer average. This suggests that FCVSC's client service processes may not be as efficient as the peers. The peers have created well-defined temporary assistance guidelines and streamlined decision-making to increase efficiency. FCVSC's decision-making process relies heavily on the commissioners, which reduces the agency's flexibility in dealing with emergencies and lengthens timeframes for decisions (see **Recommendation 7**). **Table 5-3** also shows the ratio of veterans within the county per application filed. FCVSC receives a claim application for every 286 veterans in Franklin County while the peers average one application for every 70 veterans. FCVSC's ratio indicates that it may not be meeting the needs of veterans because too many veterans within the county are not aware of its services. If FCVSC had matched the peer average ratio of VA claim applications filed to the county veteran population, an additional 1,384 VA claims would have been filed.

**Recommendation 29:**

**29. FCVSC should maintain current direct service staffing levels for FCVSC. Based on Table 5-2, FCVSC has not processed numbers of VA applications or financial**

assistance applications comparable to those of the peers. Without an increase in the number of clients served, any increase in direct service staffing levels will further reduce applications filed per FTE. For further information about staffing levels see the organization and staffing section.

### *Financial Assistance Levels*

Table 5-3 shows financial assistance data for FCVSC and the peers.

**Table 5-3: Average Distribution of Financial Assistance, 1999-2001**

	Franklin VSC	Hamilton VSC	Montgomery VSC	Summit VSC <sup>1</sup>	Peer Average
Average Financial Assistance Applications Processed	1,912	2,183	1,631	6,356	3,390
Average Cases Denied Financial Assistance	306	964	360	1,334	886
Average Cases Approved for Financial Assistance	1,606	1,220	1,271	5,022	2,504
Percentage of Cases Approved for Assistance	84%	34%	78%	79%	64%
Average Amount of Assistance Distributed <sup>2</sup>	\$1,381,115	\$391,168	\$630,319	\$1,977,269	\$999,585
Average Amount of Assistance Distributed Per Each Case Approved	\$860	\$321	\$496	\$394	\$404

Source: VSC Documents

<sup>1</sup> The average for Summit VSC is only a two-year average (2000, 2001)

<sup>2</sup> Assistance amounts are adjusted by a cost-of-doing-business-factor to account for differences in county costs for housing, utility, and food.

FCVSC distributes the second highest average amount of total assistance, the highest average amount of assistance per case approved (124 percent more than the peer average), and has the highest percentage of approved assistance cases (31 percent more than the peer average). FCVSC's high percentage of cases approved and its large amount of assistance per each case approved can be attributed to FCVSC's limited financial assistance policies and procedures which can lead to inconsistent and inadequately justified decisions. **Table 5-4** further compares FCVSC's financial assistance expenditures for the three year period.

**Table 5-4: FCVSC Financial Assistance Expenditures by Category**

	1999	2000	1999 to 2000 Percentage Change	2001	2000 to 2001 Percentage Change	1999 to 2001 Percentage Change
<b>Housing</b> <sup>1</sup>	\$694,560	\$630,766	(9%)	\$919,387	46%	32%
<b>Amount per Application Approved</b>	\$428	\$430	1%	\$532	24%	24%
<b>Utilities</b> <sup>2</sup>	\$191,291	199,910	5%	\$361,517	81%	89%
<b>Amount per Application Approved</b>	\$118	\$136	16%	\$209	53%	78%
<b>Food</b>	\$196,050	230,700	18%	\$469,875	104%	140%
<b>Amount per Application Approved</b>	\$121	\$157	30%	\$272	73%	125%
<b>Transportation</b> <sup>3</sup>	\$14,269	\$15,652	10%	\$33,895	116%	138%
<b>Amount per Application Approved</b>	\$8.79	\$10.68	22%	\$19.62	84%	123%
<b>Medical</b> <sup>4</sup>	\$6,095	\$3,351	(45%)	\$4,523	35%	(26%)
<b>Amount per Application Approved</b>	\$3.75	\$2.29	(39%)	\$2.62	14%	(30%)
<b>Other</b> <sup>5</sup>	\$6,783	\$1,238	(82%)	\$4,752	284%	(30%)
<b>Amount per Application Approved</b>	\$4.18	\$.84	(80%)	\$2.75	227%	(34%)
<b>Total Financial Assistance Applications Approved</b>	1,624	1,466	(10%)	1,728	18%	6%
<b>Total Financial Assistance Approved Expenditures</b>	\$1,109,048	\$1,081,617	(3%)	\$1,793,949	66%	62%
<b>Amount per Application Approved</b>	\$683	\$738	8.0%	\$1,038	41%	52%

Source: FCVSC

Note: Every client approved for assistance did not receive assistance in all categories.

<sup>1</sup> Housing includes rent and mortgage assistance.

<sup>2</sup> Utilities include gas, water and electric assistance.

<sup>3</sup> Transportation includes bus tickets and gasoline assistance.

<sup>4</sup> Medical includes glasses and medicine assistance.

<sup>5</sup> Other includes personal assistance (tools, specialty work clothing etc.), trash, telephone and keycard (monthly bus pass).

Table 5-4 shows that FCVSC increased its financial assistance distributions significantly over the period from 1999 to 2001. Total financial assistance expenditures increased almost 62 percent over the three year period. Financial assistance expenditures increased over this period in housing, utilities, food and transportation. The average percentage increase from 1999 to 2001

in those four categories was nearly 100 percent. This dramatic increase in assistance expenditures can be attributed to a lack of financial assistance policies (see **Recommendation 1**). Without such policies, FCVSC can not ensure that aid is administered fairly or consistently. A need for increases in overall expenditures could also be caused by a general increase in costs (inflation), an increase in the number of clients served, or the needs of clients, all of which could be caused by a downturn in the economy. During this period, FCVSC approved only 6 percent more financial assistance applications, suggesting that an increased number of clients is not a major factor causing the increase in assistance expenditures.

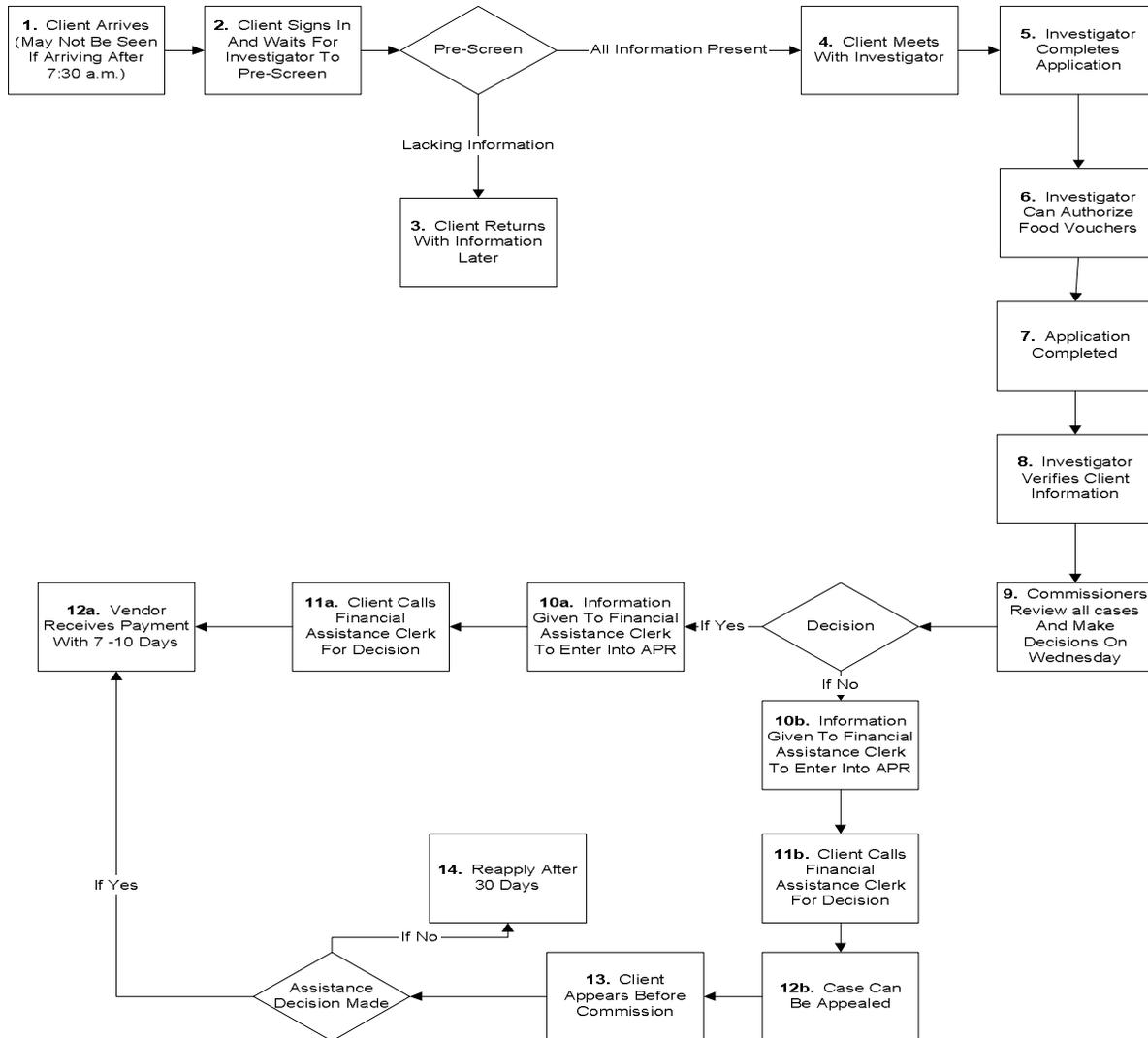
The Consumer Price Index (CPI) is a measure of the average change over time in prices paid by urban consumers for a market basket of consumer goods and services. From 1999-2001, the CPI showed an average increase in the cost-of-living in Franklin County of approximately 2.7 percent, suggesting inflation was not a major factor driving the increase in expenditures. However, from 1999-2001, Franklin County unemployment increased by an average of 0.35 percent and actually dropped by 0.1 percent between 1999 and 2000. This suggests that a significant downturn in the Franklin County economy did not cause an increased need for financial assistance.

As economic factors did not play a significant role in the increases in assistance amounts, it appears that FCVSC's lack of decision criteria or assistance guidelines was the most significant factor in the dramatically increasing costs. As long as decisions are made at the discretion of the commissioners without any form of decision criteria or guidelines, FCVSC will not be able to ensure consistent funding requirements or monitor program demand.

### *Financial Assistance Process*

FCVSC's current financial process does not provide clients with timely and effective service. As a result, clients can wait up to a week and a half for an initial assistance decision to be made, and if the case is appealed, a two week wait can occur. FCVSC's financial assistance process is presented in **Chart 5-1**.

**Chart 5-1: FCVSC Financial Assistance Process**



Source: FCVSC and AOS analysis

As result of FCVSC’s process, clients can spend an extended period of time waiting for an application to be taken and clients are not provided with timely decisions about the status of their applications. The wait time, combined with a lengthy decision making process, can expose clients to additional financial hardships. **Chart 5-1** illustrates the following issues that have arisen due to FCVSC’s financial assistance process:

- **Clients Turned Away (Step 1)** – FCVSC will only take applications for a prescribed number of clients each day, based upon the number of financial assistance investigators. As a result, many clients arrive at FCVSC before 5:00 a.m. to ensure that they can file a

financial assistance application. As presented in **Appendix C**, nearly 58 percent of surveyed clients stated that they arrived at FCVSC before 6:00 a.m. In addition, clients who arrive after 7:30 a.m. are usually sent home because FCVSC has a prescribed number of clients who will be seen that day. A client who is sent home has no guarantee from FCVSC that a financial assistance application will be taken the next day. If FCVSC allowed clients to submit application data over the telephone (see **Recommendation 5**), they would not experience long wait times and could contact FCVSC at their convenience. As presented in **Appendix C**, 62 percent of surveyed clients had spent more than two hours at FCVSC.

- **Lengthy Wait times for Clients (Steps 2 and 4)** – Clients sign in with the receptionist and are then pre-screened by a financial assistance investigator. If clients have all necessary documentation, they are required to wait until a financial assistance investigator is available to complete an application. As a result, clients may spend three or four hours waiting for an available investigator because most FCVSC direct service employees do not schedule appointments. According to **Appendix C**, clients are dissatisfied with the amount of time spent in the waiting room as evidenced by an average response of 2.8 or below neutral. Although FCVSC does not have a written client scheduling appointment process, the two outstation employees schedule seven appointments per day and one service officer located at FCVSC schedules appointments one afternoon per week.
- **Prolonged Decision Process (Steps 7 and 9)** – After the application is completed, a decision on the case is not made until the weekly Commission meeting on Wednesday. Therefore, a client could wait up to a week for an initial decision to be made if an application for assistance was made on Wednesday.
- **Delayed Notification of Application (Step 11a and 11b)** – Clients are notified whether their application has been approved or denied on Friday after calling the financial assistance clerk. Therefore, a client who completes an application on Wednesday afternoon will not be notified about the status of the application for ten days.
- **Inadequate Appeal Process (Step 12b and 13)** – Clients can appeal service decisions, but not until the Commission meeting on Wednesday, five days after service was denied, and potentially two weeks after the initial application was submitted. Clients are required to appear in person before the Commission to provide additional information or explanations to the Commission regarding the case. After questions have been answered by the client, the Commission votes on the case and notifies the client immediately about the decision. Therefore, a client who completes an application and files an appeal may wait up to 14 days before an assistance decision is made. The policy of holding an appeal process before the same group making the initial decision does not provide adequate due process because the Commission is reviewing its own decisions. In addition, AOS

observed the appeal process and found that no formal written criteria were used in making decisions, resulting in inconsistent and inadequately justified decisions.

Summit VSC has created an effective financial assistance process that has minimized wait time for clients and has allowed immediate financial assistance decisions to be made. A client can contact Summit VSC to inquire about applying for financial assistance and will be scheduled for an appointment to meet with a benefits coordinator. The benefits coordinator meets with the client to obtain relevant financial assistance information. At the end of the meeting, the benefits coordinator schedules an appointment, within three days, with a service officer who will make a decision about the case based upon detailed guidelines established by the Commission (For further information about financial assistance policies see **recommendation 6**). The service officers review both financial assistance and VA applications. If a client fails to appear for the appointment, Summit VSC will reschedule the client for another appointment. Further missed appointments result in rescheduling the appointment, but only after a prescribed number of days have elapsed. If a client misses a scheduled appointment, Summit VSC staff members use the available time to type up case notes, perform work on other cases or complete other filing tasks. During the meeting with the service officer, all financial information and other information provided by the client is investigated. An assistance decision is made during the meeting after the service officer has reviewed the amount of income versus the amount of expenditures, using a form approved by the Summit VSC Commission. If the client does not agree with the decision, he or she may file an appeal by listing the reasons for the appeal on an approved form. The executive director then reviews the information and makes a determination based upon Summit VSC's assistance policies. After this decision, if the veteran still does not agree with the explanation offered by the executive director, the veteran can file an appeal with the commissioners. Any decision made by the Summit VSC commissioners is final.

During the audit, AOS conducted a file review of 69 FCVSC client files that have been active in the past three years. Files were randomly sampled and were reviewed for documentation such as DD214 forms, pay stubs, receipts, residency, and assistance awarded. The following highlights key information of the sampled files:

- 55 percent of the files did not have a DD214 form. However, in 97 percent of the files, the application stated that the existence of the DD214 form was verified. Two files indicated that the DD214 form was not included nor verified and one of the clients was approved for assistance.
- 100 percent of the clients who were denied assistance had a documented reason for the denial. Denial reasons included no emergency, pay priorities, need more information, cannot afford, want to talk to client, sufficient help, and failed to help himself/herself. Despite clients receiving a denial reason, 46 percent of those denied were approved one week later, but no reasons for the appeal approval were given. Hard copy client files did not have assistance decisions included because the assistance decisions are recorded in the Veterans Assist computer system. By not including assistance decisions in the file,

but in Veterans Assist, FCVSC has reduced the size of the paper files and the amount of pages which need to be printed.

- Payroll information was included in only 70 percent of files reviewed. Unemployed clients accounted for 26 percent of the files, and the remaining 4 percent of files contained no information regarding employment or payroll.
- 30 percent of the files did not have actual receipt documentation. In addition, one client had been to FCVSC a total of four times and did not have any receipts listed. The client was approved for food assistance during the last visit.
- Several files indicated that aid was granted to non-residents of Franklin County. On one application it was noted that a client was currently a resident of another county, but had previously lived in Franklin County. This individual was approved for food assistance. According to zip code data provided by FCVSC, three clients were approved for aid, from December 2001 to December 2002, who resided in zip codes located in Delaware County.

FCVSC does not have a policy concerning what information is required to be kept in client files. Although the application forms indicated that much of the required information was reviewed by the financial assistance investigators, management cannot verify that the documentation was provided. In addition, by not requiring documentation to be included in the client files, there is a greater chance for fraud to be committed by clients or staff without being detected. To ensure that adequate controls are in place, Summit VSC requires all documentation to be included in client files, including placing the adding machine tape that shows the calculations performed prior to making the assistance decision. As part of a quality control phase, the Summit VSC Commission periodically reviews client files and assistance decisions.

### **Recommendations 30-35:**

- 30. The executive director and the Commission should revise the financial assistance application process to include an intake department and permit clients to complete applications over the phone. The receptionist and the financial assistance clerk should be assigned to the intake department to complete applications. Once an application is completed, the client should be provided with a scheduled time to meet with a financial assistance investigator to discuss the application. The intake department should also discuss the information necessary for clients to bring when the application is reviewed by a financial assistance investigator. Clients should be informed that if any information is missing, the application will not be reviewed and another appointment will be needed. The revised intake process should allow staff to better use work time and more effectively allocate duties by minimizing the time financial investigators and VSOs spend completing paperwork with clients. Revising**

the application process would require additional training for staff (for further information see the organization and staffing section).

Taking applications over the phone would reduce the amount of time clients spending waiting at FCVSC for an application to be completed. Clients would also be able to contact FCVSC at their convenience. However, to accommodate clients who prefer to complete an application with a staff member, FCVSC should allow clients to make appointments to meet with an intake staff member in person.

31. The executive director and the Commission should formulate and implement an appointment scheduling process for all direct service staff. Currently, FCVSC allows several direct service employees to schedule appointments during the week. FCVSC should expand upon its current appointment scheduling process and schedule hourly appointments for all direct service staff. In addition, during missed appointments, FCVSC staff should complete other work assignments and interview walk-in clients. The executive director and the Commission should also create a sanction policy similar to the one created by Summit VSC. The creation of this policy should reduce the number of clients who miss their scheduled appointments and will make clients accept greater responsibility to appear for scheduled appointments. Also, by allowing all direct service staff to make hourly appointments, FCVSC should reduce any lengthy wait time experienced by clients and allow FCVSC to more effectively serve clients.
32. The executive director and the Commission should develop detailed policies and guidelines allowing financial assistance investigators to make all initial financial decisions for clients. The guidelines should illustrate specific information to be reviewed and should provide financial assistance investigators with factors for granting assistance, eligibility, and duration of assistance. A section of the guidelines should include a provision that prohibits out-of-county residents from receiving any type of financial assistance. Upper level management should routinely monitor the residency of clients who receive assistance to ensure that they are current residents of Franklin County. By permitting financial assistance investigators to make initial assistance decisions, clients will receive more timely and effective service from FCVSC.
33. The executive director and the Commission should provide training for all eligible service officers and financial assistance investigators so they can handle both VA and financial assistance applications, as benefits specialists already do. The training should encompass service officer and financial assistance job duties. After completing this training, service officers and financial assistance investigators will have received the necessary cross-training to be able to complete both VA applications and financial assistance applications. For further information about cross-training, see the organization and staff section. By cross-training staff, clients

will not have to be referred to veteran service officers by financial assistance investigators, which will reduce the amount of time clients spend at FCVSC. The addition of a cross-training program will allow staff to complete additional duties if a client does appear for a scheduled appointment and will allow FCVSC to better manage future workload fluctuations.

34. The executive director and the Commission should revise the current appeal process to mirror the appeal process created by Summit VSC. FCVSC's executive director should develop an appeal form for clients to complete to request an appeal. The appeal form should provide additional information about the case and will reduce the review time of the executive director when making an appeal decision. If clients do not agree with the decision of the executive director, they should be given the opportunity to file an appeal with the Commission. The appeal before the Commission should be the final step in the process. Implementing a tiered appeal process will ensure that the Commission has final authority to make financial assistance decisions while providing adequate due process to clients. The development of, and adherence to, a formal appeal process should provide clients with more consistent and equitable appeal decisions.
35. The executive director and the Commission should develop a policy that clearly indicates the required information to be maintained in client files. The policy should state that applications missing proper documentation will be denied. Information contained in client files should be regularly verified and reviewed by supervisors or the Commission to ensure compliance. Staff should ensure that clients reside within Franklin County. File reviews by upper management can be used to evaluate staff performance in adhering to the file maintenance policy and can be used to identify training needs, promotions, or raises. Quality reviews by upper management are an important element of an effective decentralized decision-making process.

### C. Outreach and Referrals

FCVSC's outreach efforts do not appear to be effective compared to peers which have a much lower ratio of veterans per application (**Table 5-2**). FCVSC's primary outreach efforts include advertising on the radio and billboards and publishing a newsletter. Although FCVSC spent \$145,000 on advertising in 2001, most client survey respondents did not find out about FCVSC through these advertisements. **Appendix C** indicated that the majority of veterans surveyed, 40 percent, learned about FCVSC and its services from friends or relatives. Only six percent of surveyed veterans were alerted to FCVSC through radio advertisements, and only three percent of surveyed veterans were informed about FCVSC's services through its quarterly newsletter.

The quarterly newsletter published by FCVSC contains information about VA benefits but has no information about the financial assistance process or how a veteran can apply for assistance.

The newsletter has a circulation of 803 and is distributed to county and government officials and local veterans groups. Of the 803 newsletter copies, 69 percent are sent to political leaders, veterans organizations, military posts and other veterans service commissions. Only 246 newsletter copies (31 percent) are distributed to individuals. Despite the large circulation of its newsletter, FCVSC has not taken steps to assess the effectiveness of the newsletter for raising awareness about its services.

FCVSC does not track whether various groups are being reached, such as women or minorities, and does not compile any demographic information about clients who have received a newsletter. FCVSC has not identified a staff member to gather distribution information and does not have any statistical information regarding how effective the newsletter is at reaching the veteran population. Without statistical information, FCVSC cannot determine whether the articles in the newsletter are relevant to their audience and whether the newsletter is reaching a significant percentage of the veteran population.

FCVSC has not developed a formal policy providing information about its outreach program and expectations for making referrals. Although FCVSC has established a media program and works with the Urban League, the Columbus Metropolitan Area Community Action Organization, Meals on Wheels, and Legal Aid, it does not have guidelines for providing information about the services offered by these organizations or key contact information. FCVSC also does not document referrals to social service agencies, nor does it provide staff training on making referrals. Without documentation of referrals, FCVSC can not identify agencies that it should work more closely with or the effectiveness of its referral process.

In addition, FCVSC has not collaborated effectively with other agencies that offer long-term assistance in an attempt to refer clients to these organizations. For example, a major social service coordinator in Franklin County is FirstLink, which provides community resource referrals to individuals. FCVSC is listed in FirstLink's community resource database and FirstLink staff refers individuals to FCVSC. However, FirstLink has additional resources that FCVSC has not used. These resources include a listing and description of agencies providing long-term assistance in Franklin County, an agency tour highlighting FirstLink capabilities, and training about community resources offered by FirstLink. By not working with agencies offering long-term assistance, FCVSC is not able to effectively refer clients to these organizations and reduce the number of repeat financial assistance applications from clients. FCVSC is also missing an opportunity to promote its services with other agencies and increase the number of veterans it serves by increasing referrals from other social service agencies.

The peers have engaged in more effective outreach efforts resulting in a higher number of veterans served. For example, Montgomery VSC has a cooperative outreach program with the VA medical center. Every Tuesday one staff person at Montgomery VSC is deployed to the VA medical center to take applications, schedule clients for interviews, and answer general veteran related questions. As a result, Montgomery VSC has identified eligible veterans who may be unaware of the services offered.

The executive director of Summit VSC develops informational and educational materials for staff and clients to facilitate referrals. Summit VSC has created an Akron street card listing all service agencies within Summit County, their addresses, phone numbers, and hours of operation. The newsletter has information about financial assistance, commonly asked financial assistance questions, and a response card requesting discussion with a staff member about financial or VA assistance. The newsletter also lists the names, addresses, and telephone numbers of all veterans' organizations within Summit County. Veterans are encouraged to contact the organizations to become a member. Finally, the newsletter includes Summit VSC's office hours and phone numbers as well as a map and directions. FCVSC does not include any of this information in its newsletter. All of this information provides veterans with additional information about services offered by Summit VSC and other social services organization. The creation of these outreach methods has allowed Summit VSC to provide temporary assistance to its clients while directing clients to other agencies that can help clients with long-term problems. Through these efforts, Summit VSC is able to consistently offer effective referrals to clients and provide information to additional social service organizations that can refer clients to Summit VSC.

### *Satellite Offices*

FCVSC's main office is located in downtown Columbus. FCVSC has two satellite offices, one on the west side of the county and one on the south side of Columbus. FCVSC is planning to open another satellite office on the east side of Columbus. Between December 2001 and December 2002, 38 percent of FCVSC's clients resided in the downtown Columbus area, 27 percent on the southeast side of the county, 23 percent on the northeast side, 8 percent on the southwest side of the county, and 4 percent on the northwest side of the county. Based on this analysis, the opening of an east side office would be effective for FCVSC. However, to ensure that clients will visit the new satellite office, FCVSC will need to make a concentrated effort to promote it. According to **Appendix C**, only 32 percent of surveyed clients have previously visited a satellite office, while nearly 86 percent of surveyed clients are aware that the satellite offices exist.

### **Recommendations 36-38:**

- 36. The executive director should develop a formal policy describing FCVSC's outreach program and key contact information. The executive director should also meet with agencies, such as FirstLink, to identify additional social service organizations with which FCVSC can work in a cooperative manner. Data gathered during these meetings should be used to develop informational and educational materials to educate clients about services offered by FCVSC and to improve documentation of client referrals. Clients who are identified as having additional needs can be referred to organizations offering long term assistance. Creating this dialogue with outside agencies should allow FCVSC to promote its services without allocating additional monies. In addition, the outreach policy should highlight the importance of**

documenting referrals. The policy should also state the information that will be provided to clients when a referral is made. This information should include a description of the program, address, phone number, and a contact person's name. The referral system can also be used as a performance measure to evaluate organizational progress and individual performance during annual evaluations. See the organization and staffing section for more information on performance evaluations.

The executive director and the Commission should also develop performance measures to evaluate the effectiveness of outreach efforts and to determine if monies are properly allocated to outreach. (For more information about performance measures see organization and staffing.) Client survey results indicated that a majority of clients did not learn about FCVSC services from advertising. If these same results are found after analyzing performances measures, FCVSC can reduce its advertising expenditures and reallocate these monies to provide funding for additional programs or to use for staff trainings.

37. FCVSC's executive director, with assistance from the senior financial investigator and administrative assistant, should revise the newsletter to incorporate information about financial assistance policies and procedures. Included in this section should be frequently asked questions about the financial assistance process and policies. In addition to this change, FCVSC should also assign a staff member to compile demographic information about individuals currently receiving a copy of the newsletter. This information should be used to assess success in reaching key sub-groups of veterans and for identifying goals for expanding circulation. This employee should also network with all veterans groups in the county to ensure that the newsletter is distributed to all veterans' organizations. Once FCVSC compiles demographic information, it can begin to customize the newsletter to fit the demands and interests of its readers.
38. FCVSC should proceed to open a satellite office on the eastern side of Franklin County. Due to the large percentage of FCVSC clients residing in this area, the creation of this new satellite office should increase convenience to clients. However, when FCVSC staffs the new satellite office, it should not hire any additional staff (see recommendation 4 and the organization and staffing section for more information about direct service staffing levels). Instead, FCVSC should reassign the staff member located in the south office, which has a lower client population, to the newly created eastern office. In order to provide services to the southern part of the county, FCVSC should place one of the newly cross-trained employees (see recommendation 8) in the southern office for one or more days per week. On the remaining work days, this employee should be located at VA clinics or other governmental agencies, such as the Franklin County Department of Jobs and Family

**Services, to provide information about FCVSC and to complete financial assistance applications.**

**In addition to creating another satellite office, FCVSC's executive director and the Commission need to raise awareness of the new satellite office by informing all clients, other agencies, and other veterans' organizations about the location, telephone numbers, and hours of operation. The executive director should also track the number of clients seen at the various satellite offices to determine the effectiveness of these outreach efforts. These statistics should be analyzed at least annually by the executive director to determine whether staffing adjustments need to be made or new satellite offices should be staffed.**

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# Technology

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## Background

FCVSC operates on a 100Mb Ethernet LAN connected by a T-1 line to the main county network. Although Ameritech supplies the T-1 line, Franklin County hosts the network. FCVSC currently operates with 11 personal computers and 6 laptop computers with docking stations. According to FCVSC, all computers are less than one year old, except for one, which is approximately five years old. FCVSC currently uses a Centrex telephone system, the County's primary system. FCVSC currently uses the following software applications in daily operations:

- **Microsoft (MS) Office Suite 2000** - MS Word, Excel, Access, PowerPoint and Outlook.
- **Veteran's Records Express (VetRex)** - a database used by veteran service officers (VSO) to process U.S. Department of Veterans Affairs (VA) claim forms for federal benefits. One main feature of VetRex is its capability to scan forms into the database so the entire case file can be stored electronically. VetRex contains scanned images of VA forms. The program automatically extracts the information required to fill out a form from the VetRex data file then inserts the data into the appropriate field on the form.
- **Benefits Delivery Network (BDN)** - a program administered by the VA. This software grants VSOs the ability to verify client military service information, claim status, and eligibility in order to process benefits. The VA stores all claim information electronically, including medical and financial information. According to the Governor's Office of Veterans' Affairs (GOVA), only 54 of Ohio's 88 counties use the BDN program. This system increases the speed at which VSOs can access federal claims information, enabling FCVSC to serve clients more efficiently and reducing the time VSOs would otherwise spend by calling the VA directly.
- **Veteran Assist** - an automated system created by Advanced Programming Resources, Inc. (APR) for recording requests and approvals for emergency financial assistance to veterans. Veteran Assist is a ledger system that tracks the funds issued by FCVSC to both veterans and vendors. The system has the ability to store complete and detailed client information, both military and other, including scanned copies of DD214 discharge papers. The Veteran Assist application also captures and stores the information required to generate a financial assistance application. Veteran Assist offers claims processing and reporting, along with the ability to track and review clients' financial request histories. It also provides voucher accounting and tracking for food, gas, and local transportation. Veteran Assist can generate numerous reports, including Commission worksheets that provide case information for use

during Commission meetings, and provides information required to complete State-mandated annual reports. Veteran Assist is also a management tool, offering scheduling capabilities and providing detailed reporting on various office activities. Veteran Assist is accessed from FCVSC's satellite offices through a browser on an Internet connection. The application also supports the use of a signature pad, so that client signatures can be captured and stored electronically.

*Assessments Not Yielding Recommendations*

Assessments of the following areas were conducted but did not warrant any changes or yield any recommendations:

- **Technology use policies:** FCVSC has a technology use policy that contains the elements recommended by GFOA best practices. By implementing a formal technology policy that includes employee rights and responsibilities, FCVSC effectively minimizes the risk of abuse and ensures appropriate usage of County equipment.
- **Increased efficiency through use of technology:** FCVSC has one of the most sophisticated technology environments for veterans service commissions in Ohio. Specifically, by employing BDN and Veteran Assist software applications, FCVSC has increased its ability to provide effective customer service. Additionally, by taking advantage of services from the Franklin County Data Center (FCDC), FCVSC is better able to minimize the time required to perform technology-related support functions.
- **License agreements:** FCVSC's software licenses are maintained by FCDC.
- **Telephone system:** FCVSC's telephone system is currently adequate to meet its needs. If FCVSC implements an over-the-phone intake process (as recommended in the **program assessment and case management** section), it may want to upgrade the capabilities of its phone system to collect call statistics, such as call duration and abandonment rate. These statistics can be used to measure and improve client service and assess workload.

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## Findings and Recommendations

### A. Technology Service Level Agreement

FCVSC does not have an internal Management Information System (MIS) or Information Technology (IT) department or staff. All MIS and IT-related functions, including help-desk service, troubleshooting, basic computer training, project-planning, and form creation have been outsourced to FCDC. FCDC is a county agency operating under the Automatic Data Processing Board, which is administered by the Franklin County Auditor. FCDC specializes in centralized and distributed computing, regular data backups, and protected data storage. Although formal help desk performance measures are not tracked, approximately 60 percent of FCVSC staff members agree that FCDC provides both timely and high quality service.

FCVSC's relationship with FCDC is formalized via an Information Technology Service Level Agreement (SLA) which enumerates the various technology-related services and responsibilities of both FCVSC and FCDC personnel. The following levels of service support are offered by FCDC:

- **Level 1:** Upon receiving a call, FCDC creates a trouble ticket and performs low-level troubleshooting steps in an effort to either solve the problem or identify its source. If troubleshooting identifies an issue that requires a technician, FCVSC is informed of the action to be taken and the expected completion timeframe.
- **Level 2:** Technicians assigned to issues perform Level 2 service. Technicians perform services related to security, IBM Enterprise Server (Mainframe), Application Server (AS/400) and Operations, Windows/UNIX Server, desktops, and networks. When the problem is successfully resolved, the trouble ticket is closed and FCDC personnel notify FCVSC to verify both completion and customer satisfaction.
- **Level 3:** This level of support involves problems that exceed the capabilities of both FCVSC and FCDC. Should this occur, FCVSC is required to contact the vendor of the affected hardware and/or software. For example, any problems related to the Veteran Assist software package must be resolved by the vendor, APR.

FCDC also differentiates service calls by the following priorities:

- **Urgent:** Server or network malfunction. A problem is deemed urgent or critical when work stoppage occurs, negatively impacting FCVSC's ability to conduct business. FCVSC receives updates every 30 minutes, until the problem is resolved;

- **High:** An application is malfunctioning, and FCVSC is unable to work around the problem, negatively impacting FCVSC's ability to conduct business. FCVSC receives updates every 60 minutes until the problem is resolved;
- **Medium:** A partial, non-critical functionality loss to which a reasonable work-around is available. FCVSC receives updates every 120 minutes until the problem is resolved; and
- **Low:** A low-impact problem, such as a "how to" question, or a request for software or documentation enhancement. FCVSC receives updates every 120 minutes until the issue is resolved.

According to the SLA, FCDC's Customer Service Center will only respond to calls received from FCVSC employees specifically enumerated in the SLA, to prevent FCDC from being flooded with telephone calls. However, several employees indicated that they are unaware of being listed in the agreement and cannot explain the duties assigned to them. Moreover, FCVSC job descriptions do not outline those duties involving contact with the FCDC (see **organization and staffing** section for more regarding job descriptions). Since not all employees are aware of the SLA or the duties specified within, there is an increased risk of confusion if technology-related problems arise. FCVSC could better ensure agency-wide adherence to the SLA and minimize risk by making sure all employees are aware of its contents.

According to the Robert Frances Group, Inc. (RFG), a help desk best practices organization, SLAs should contain the following elements:

- Detailed description, including specifications about volumes, responsiveness, timeliness and level of service to be provided;
- Listing of specific parties (names and contact information) and their specific responsibilities;
- Performance measures that specify tools to be used to monitor and measure results and over what period of time, as well as the data to be used and how the results will be calculated.
- Problem management and escalation procedures that describe what happens if SLA objectives are not met (i.e., penalties); and
- Periodic review of service or a schedule of regular meetings to discuss SLAs and services being provided.

RFG offers the following examples of performance measures for inclusion in SLAs:

- Average number of service requests per user/per month;
- Average amount of time FCDC requires to solve Level 1 and 2 support issues;
- Percent of time FCDC support staff spends on the phone with FCVSC;

- Percent of time FCDC support staff spends at FCVSC facility; and
- Percent of time Level 1 and 2 support issues are solved over the phone.

Although FCVSC's SLA with FCDC does not enumerate specific performance measurements upon which service is monitored, help desk services are provided at a minimal cost to FCVSC, and are the most cost effective option currently available. However, by explicitly identifying measures of performance within SLAs, both FCVSC and FCDC will be in a better position to anticipate technology-related problems before they occur and effectively minimize potential risk to client service.

### **Recommendations 39-40:**

- 39. FCVSC's executive director should ensure that all employees specifically listed in the SLA receive a copy of the SLA and are aware of the responsibilities contained in it. Furthermore, FCVSC management should regularly update the job descriptions of those employees with SLA-specified responsibilities, and link the performance of these duties to FCVSC's annual review process (see the organization and staffing section for more information on job descriptions and annual evaluations).**
- 40. FCVSC's executive director should work with FCDC to include formal and explicit performance measures, such as those offered by RFG, in future SLAs. Including performance measures will enable the executive director to better evaluate services provided by FCDC and identify areas for mutual improvement.**

## **B. Technology Planning**

### *Technology Needs Assessment*

FCVSC does not have an agency-wide strategic plan that links potential technology needs and purchases to future budgets (see the **financial management** section for more on budgeting). Although technology is adequate and appropriate, FCVSC does not have a formal process for assessing the technology-related needs of its employees. Currently, FCVSC assesses technology needs by requiring employees to submit a list to supervisors on an annual basis. Staff request lists are reviewed and prioritized by the executive director, who develops the agency's IT project plan. Once the IT project plan is approved by Veterans Service Commission members, it is put before the County Office of Management and Budget (OMB), which then makes a recommendation to the County Board of Commissioners for approval.

The internal needs assessment process may be insufficient since it does not include input from all FCVSC staff. An AOS survey of FCVSC technology use indicated that nearly 50 percent of staff members believe management is unaware of their technology-related needs. Additionally, since needs assessments are not based upon any form of long-term planning, FCVSC may rely

too heavily upon technology updates and initiatives from FCDC, and supplemental budget requests may be sent to the County Board of Commissioners on an as-needed basis, rather than a strategic basis.

In addition, the current needs assessment process does not account for the training needs of FCVSC employees. According to the AOS survey, approximately 60 percent of staff members have not received computer-related training in the past two years (see **organization and staffing** section for more on employee training), and several staff members have indicated that they would like to receive basic training in the use of MS Office Suite. Inadequate training can hinder FCVSC from providing optimal service and can create other operational problems. For example, the senior financial assistance investigator is planning to retire within the next year, and it will be necessary to train replacement staff on the position's technical duties to enable effective use of the system and to prevent and solve system problems. Specifically, replacement staff will require additional Veteran Assist program training for the production of FCVSC reports, as well as training on procedures for handling FCDC-related service calls and staff concerns. By providing for additional training, FCVSC will be in a better position to plan for the expected or unexpected loss of key personnel and effectively minimize potential risks to client service by providing adequate backup in the event that key personnel are unable to perform their duties.

GFOA suggests that formal needs assessments are especially valuable in building employee consensus about how and when to proceed with technology-related purchases. Consensus is built by obtaining input from an agency's employees and identifying the costs, risks and benefits of varying courses of action. GFOA offers the following four-step methodology for assessing technology needs:

- 1. Define the problem:** Obtain direction from management regarding long-term technology-related goals the agency wants to pursue (e.g., strategic plan), gather ideas from staff about immediate needs and evaluate the current system to identify gaps.
- 2. Identify and research alternatives:** Assess the availability and operational feasibility of technology to address identified gaps between the strategic plan and current system. Assess any costs and identify vendors associated with the implementation of hardware and software.
- 3. Establish options and develop recommendations:** Evaluate and refine the alternatives and develop a draft of all recommendations based upon costs, timeframes, advantages, and disadvantages.
- 4. Finalize the decision and take action:** Develop an action-plan that includes timeframes for assigning staff responsible for the project, developing requests for proposals (RFP) if necessary, obtaining funds, and implementing the project.

A formalized needs assessment process will help to improve FCVSC's decision making process while effectively and efficiently addressing agency needs.

According to FCVSC, recent changes to Ohio Revised Code (ORC) chapter 5901 prevent the agency from making necessary technology purchases (see **compliance** section for more on State and federal regulations). For example, FCVSC recently submitted a \$106,000 proposal to the County Board of Commissioners for digitally imaging select paper files and converting them to CD-ROM format, after the FCDC asked FCVSC if it wanted to be involved in the imaging project. One reason the proposal was denied includes ORC chapter 5901, which grants the County Board of Commissioners the ability to appoint up to six new Veterans Service Commissioners should the agency exceed its budget by 10 percent. Another reason for denial involves the Board's concern that FCVSC has not enforced its records retention schedule (see **Recommendation 6**). Prior to submitting the proposal, FCVSC had not thoroughly evaluated the costs and benefits of the project, including how processes could be changed and improved with an imaging process in place.

With a comprehensive strategic plan that includes employee input about technology needs and objectives identified by a formalized assessment process, FCVSC would be in a better position to accurately assess employee needs, including training, and prepare a long-term budget which allocates sufficient funds to technology (see **financial management** section for more on budgeting). FCVSC would also be in a better position to justify its technology requests to the County.

#### **Recommendation 41:**

- 41. FCVSC's executive director should formalize its technology needs assessment process and link it to an agency-wide strategic plan (see the organization and staffing section for additional recommendations on strategic planning). These functions could be accomplished at the weekly staff meetings. The executive director should ensure that Commission members are apprised of these efforts and approve of FCVSC's recommendations before they are submitted to the County.**

#### *Disaster Recovery*

FCVSC does not have a formal disaster recovery plan that describes methods and procedures to safeguard and restore agency operations in the event of a disaster. The 2002 SLA between FCVSC and FCDC lists such duties as ensuring an appropriate level of privacy and data integrity, providing a secure and reliable electronic environment, and ensuring that all computer and network hardware and software are operational. Additionally, FCDC maintains a backup of all information contained on FCVSC's server so that items can be restored in the event of loss.

However, FCVSC interviews indicate that staff members are unaware of a formal policy or procedures to follow in the event of storm, earthquake, flood, fire, tornado or any other crisis resulting in the loss of electronically stored data. If such a crisis arises, FCVSC employees are to contact FCDC, which maintains its own disaster recovery plan. This is a critical first step, since FCDC is the primary backup for FCVSC's server, but without a formal policy and procedures

that assign responsibilities to specific individuals, FCVSC's employees may become confused in an emergency situation, resulting in decreased service to clients. For example, if a fire destroyed FCVSC's offices, a disaster recovery plan should identify specifically the names and telephone numbers of contacts at FCDC, as well as the FCVSC employees responsible for making those calls. Also, without sufficient procedures FCVSC will not be able to reestablish client services with the data recovered by the FCDC.

According to GFOA, state and local governments have a duty to ensure that disruptions in the provision of essential services are minimized following a disaster. Effective disaster recovery planning must specifically and formally address those policies and procedures that minimize the disruption of government operations should computers fail. Without a formal plan, timely service to clients could be adversely affected while repairs and replacements are considered following a crisis situation.

#### **Recommendation 42:**

**42. The technology steering committee should establish formal procedures for minimizing potential computer disruptions by developing a disaster recovery plan. These procedures should be updated regularly and annually tested to ensure employee awareness. The body of the plan should include the following elements:**

- ***Emergency action-step information:*** one-page summary of immediate steps to be taken and individuals to be contacted;
- ***Emergency contact list:*** names, telephone numbers, and alternative means of contact;
- ***Prevention/protection strategy:*** scheduling procedures and persons responsible for routine testing and inspection;
- ***Inspections form:*** checklist of what requires inspection (e.g., fire alarms and smoke detectors, etc.);
- ***Responsibility checklist:*** list of what all employees are required to do in the event of a disaster; and
- ***Instructions:*** specific details about how to recover any salvageable equipment, how to retrieve data from FCDC and how to re-establish services at an alternate site, should FCVSC's primary facility be unusable.

**FCVSC's disaster recovery plan should provide for the availability of critical computer and communications systems in the event of a major crisis. Standard procedures for developing and maintaining the recovery plan should be documented and distributed to all personnel. FCVSC should work with the FCDC in developing its disaster recovery plan.**

## C. Security of Client Records

FCVSC employs the following key security features to protect and maintain client confidentiality:

- **Veteran's Records Express (VetRex)** – Only VSOs and benefits specialists (outstation employees) have access to VetRex, which is password protected.
- **Benefits Delivery Network (BDN)** – To gain access to BDN, qualified staff must enter a unique password issued by the VA upon certification. Before a new VSO can obtain BDN certification from the VA, the VSO must have 18 months work experience, including working alongside other VSOs to learn BDN. After 18 months, an accreditation test is offered by GOVA, followed by Training Responsibility Involvement and Preparation of Claims (TRIP) training. This is mandatory to earn BDN certification. Almost all of FCVSC's VSOs are BDN certified, although the two out-station employees are scheduled to take their GOVA accreditation tests in April, 2003.
- **Veteran Assist** – Veteran Assist is available to approximately 90 percent of FCVSC employees, including clerical/administrative personnel. Access to Veteran Assist is password protected, though a list of employees' passwords is maintained by the administrative assistant in case a password is forgotten. One potential problem with Veteran Assist, according to FCVSC personnel, is a lack of security safeguards. For example, employee A could input all client financial information into the computer system and then employee B could make changes to that data. Employee A would not necessarily be aware of the changes, which could create inaccuracies in the data. This is a potential security risk that could negatively impact FCVSC's ability to provide effective service while ensuring client confidentiality.

According to APR, the Veteran Assist database automatically records employee user information and any edits or additions to a client's record. Employee user information is not currently displayed, but such information could be shown in the status bar at the bottom of the window. For instance, if a financial assistance investigator were viewing the client address screen and selected one of the address records shown, the user who last edited that address could be displayed in the status bar.

Another tracking option involves client claims. A table could be programmed into the system that tracks the status of each claim, along with the employee user involved. This information could be made available on another screen, possibly at a higher security level. For instance, when a claim is entered into the system for a specific veteran, the system would record claim status and the employee user. If the claim is later edited, that user's information would also be recorded. When the claim is approved or denied, the status and user information would be added to the table. If the claim is re-opened, the information would

again be added to the table. Such upgrades, according to APR, would allow for increased claims tracking capabilities and help to improve security by reporting any edits made to client claims.

- **MUNIS** – MUNIS can only be accessed by agency employees with direct involvement with budgeting and payroll. Employee passwords, which are maintained by the Franklin County Auditor, are changed every 90 days. MUNIS training is provided to FCVSC staff by the County OMB.

In addition to various MIS help desk services, FCDC provides security software to FCVSC. The security software tools help to protect FCVSC's clients and employees against computer hacking and viruses, which could negatively impact client services. Software provided by FCDC includes the following:

- *Norton AntiVirus* – protects computers against the accidental download of viruses;
- *Windows 2000 security controls* – increases online security by preventing a website from deleting digital certificates or electronic security attachments;
- *Websense* – prevents users from opening prohibited web pages;
- *Snoop Software* – prevents users from downloading certain files such as MP3s, which may contain viruses; and
- *MS Outlook security controls* – protects e-mail by filtering out viruses.

While FCVSC has many security measures in place, it has not developed policies, procedures and safeguards regarding access to hard copy files and electronic files -- particularly in Veteran Assist. The file room, which contains approximately 50 file cabinets filled with client information and documentation, is open throughout the day and cabinets are not locked. Therefore, any employees, clients, or other guests in the FCVSC office area could easily access and read, remove, alter, or damage files. Also, FCVSC does not have formal policies outlining who may access various files nor does it detail the type of access (read, write, create) various staff should have.

According to the United States General Accounting Office (GAO), formal risk assessments of individual software applications provide the primary basis for establishing security policies and controls. GAO offers the following methodology for assessing potential risks and increasing technology-related security controls:

1. *Recognize information resources and software as essential organizational assets* – determine what software programs are currently in place and describe how each affects daily operations and client services;

2. *Develop practical risk assessment procedures that link security to agency needs* – decide, based on job descriptions, which staff should have access to various software programs. For example, FCVSC employees who do not have direct involvement with budgeting, should not be permitted access to MUNIS and BRASS applications;
3. *Hold managers accountable* – allow only supervisors to have both access to employee passwords and clearance to make changes to client files. For example, the service officer supervisor and the senior financial assistance investigator should maintain exclusive rights to the Veteran Assist passwords of employees under their direct supervision; and
4. *Manage risk on a continuing basis* – enforce all technology-related policies and link compliance to employee performance evaluations and disciplinary procedures.

Without detailed security access policies and sufficient controls, FCVSC risks the confidentiality of client records and the chance that records will be altered or destroyed without the ability to identify responsible parties or detect changes that have occurred. These risks could result in improper decisions and potential legal action. The lack of sufficient security policies and safeguards allows for more people than necessary to have the ability to read client files.

#### **Recommendation 43:**

43. **FCVSC’s executive director should collaborate with his staff and the FCDC to identify and remedy security risks to the confidentiality of client records, both in hard copy and electronic forms, following GAO’s prescribed methodology. FCVSC should work with APR, for example, to upgrade and improve Veteran Assist’s employee user tracking safeguards to minimize client confidentiality risks and improve internal controls. FCVSC should clearly outline a policy regarding what type of access various employees should have to client files. Furthermore, the file room should remain locked to prevent unauthorized access.**

***Financial Implication:* Veteran Assist employee user tracking upgrades would result in a one-time expenditure of at least \$2,500.**

#### **D. Record Retention**

Since 1959, the Ohio Historical Society (OHS) has been serving as the archives administrator for Ohio and its political subdivisions with the goal of preserving historically valuable records created by municipal and county governing units. OHS’s Local Government Records Program (LGRP), which has been provided to FCVSC, offers advice and assistance on records management to local governments upon request, and recommends the following procedure for developing a retention schedule and disposing of records:

1. **Designate a records officer** - One person, usually appointed by the executive director, should be responsible for all aspects of records retention and disposition, and serve as liaison to the County Records Commission. Designate a person who is familiar with the duties and responsibilities of the department and the records it creates and maintains.
2. **Conduct a complete records inventory** - A *record series* is defined as a sequence of records systematically classified and filed, or as a group of records created for a specific activity or function. Examples include: vouchers, receipts, minutes, correspondence files, and payroll files. For each record series, the inventory should include its origin, location, information content, inclusive dates, quantity (in cubic feet), frequency of use, and purpose.
3. **Determine a retention period for records created and follow it** - Records should be kept until they are no longer of administrative, legal, and fiscal value. Records of historical value should be maintained permanently (see **Table 5-1**).
4. **Prepare retention and disposal lists** - A *schedule of records retention and disposition* (RC-2) specifies the period of time each record series will be retained by an agency, and provides continuing authority for disposition of the record at the expiration of the stated retention period. For each disposal, a *certificate of records disposal* (RC-3) must be filed with OHS State Archives 15 business days before the disposal date. An *application for a one-time records disposal* (RC-1) is used to request permission to destroy or transfer particular records covering only specified dates, or records that are obsolete and no longer created and maintained.
5. **Submit schedules or applications to the County Records Commission** - Following approval of the executive director, schedules of record retention and disposition or applications of one-time records disposal should be submitted to the County Records Commission for approval or amendment in an open meeting.
6. **Obtain approval from the Auditor of State (AOS) and OHS prior to records disposal** - AOS and OHS have 60 days to review records prior to disposal. The 15 business days requested for the RC-3 submittal is considered part of the 60-day review and selection period.
7. **Prepare a Certificate of Records Disposal (RC-3)** - Send copies to the County Records Commission and OHS. This should be done 15 business days prior to disposal. OHS will forward the RC-3 to AOS.
8. **Enforce the retention schedule** - Although FCVSC has a record retention schedule for the disposal of files, staff members indicate it has not been enforced for many years.

FCVSC has developed a record retention schedule; largely following the methodology outlined by OHS, but has not enforced it recently. **Table 5-1** compares FCVSC's current record retention schedule of select files with that suggested by OHS.

**Table 5-1: FCVSC and OHS Record Retention Schedule Comparison**

Documentation	FCVSC	OHS
Assistance case files – applications for assistance, eligibility, issue cards	5 years after date of application	3 years or after termination of assistance, whichever is longer
Federal case files – VA forms, correspondence, award cards	7 years after final decision	3 years or after termination of assistance, whichever is longer
Federal case files and supporting documentation	7 years after final decision	3 years or after termination of assistance, whichever is longer

Source: FCVSC and OHS

Note: This is not an all inclusive list of each agency's schedules. Rather, client-related case files have been selected for comparison.

**Table 5-1** indicates that FCVSC maintains client-related case files approximately two to four years longer than OHS recommends. However, since FCVSC has not enforced its records retention schedule, files are stored indefinitely. FCVSC believes it is important to maintain client documentation for a long period of time, in case a client should return to FCVSC in the future. For example, FCVSC points out that if discharge papers are not kept and a veteran returns for assistance, it can take from several months to over a year to obtain copies of the discharge records from the national records center maintained by the federal government. However, GOVA maintains copies of over 1.5 million discharge records for Ohio veterans who served during war time eras (i.e., World War II, Korea, and Vietnam) and applied for a service bonus from the state of Ohio.

Summit VSC is currently developing its record retention schedule and has created a process whereby two clerical staff set aside some time each day to purge records on an alternating basis. One staff member purges records in the morning, and the second person takes over in the afternoon. It is not mandatory that staff purge files every day, especially when the agency is busy. However, file disposal has been identified as a priority and assigned staff members work to dispose of unnecessary files during periods of downtime.

Establishing and following a records retention schedule ensures that time and money are not wasted maintaining unnecessary records and preserves the rights and heritage of Ohio's veterans. Although the agency has developed a schedule, FCVSC may be increasing its risk of damage resulting from a fire by not enforcing it. By following OHS's recommendations, FCVSC could enhance administrative efficiency by allowing the reuse of storage space and filing equipment, while preserving those records that have historical value.

FCVSC may decide to digitally image those documents critical to daily operations in order to maximize space and streamline processes; however, this should occur only after FCVSC has enforced its record retention schedule and minimized the cost of the project by adequately assessing the need (see **Recommendation 3**) and identifying potential alternatives, such as outsourcing the project to FCDC.

**Recommendation 44:**

**44. FCVSC should revise and implement its record retention policy following the OHS methodology and the implementation process used by Summit VSC. The executive director should work with VSOs and financial assistance investigators to revise the record retention schedule in accordance with OHS standards and FCVSC operational needs. For example, FCVSC should determine which files do not have long-term value, such as outdated receipts and client applications, and which files have long-term administrative value, including DD214 discharge papers. In assessing the need to keep various documents, FCVSC should take into account documents maintained by other agencies, particularly GOVA. The executive director should then assign at least one staff member the task of implementing the FCVSC record retention schedule and disposing of unwanted and unnecessary files. These additional duties should be linked to both job descriptions and performance evaluations (see organization and staffing section). Finally, FCVSC should not undertake an imaging project until it has completed the process of culling its files and subsequently re-evaluating whether the project would significantly reduce costs and how it could serve to improve client service.**

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# Appendix A

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For the purposes of the FCVSC performance audit, compliance was defined as adherence to the mandates of the United States Code, Title 38, Veterans’ Benefits, Part III; the Wagner-Peyser Act of 1933; the Ohio Revised Code (ORC) section 5901, Ohio Veterans Laws; and the Ohio Administrative Code (OAC) section 5902.

FCVSC was found to be in compliance with the following federal requirements, therefore warranting no recommendations:

- United States Code, Title 38, Veterans’ Benefits, Part III
- Wagner-Peyser Act of 1933

FCVSC was found to be in compliance with the following State requirements, therefore warranting no recommendations:

- ORC 5901.03
- ORC 5901.04
- ORC 5901.05
- ORC 5901.06
- ORC 5901.07
- ORC 5901.08
- ORC 5901.09
- ORC 5901.11
- ORC 5901.14
- ORC 5901.15
- ORC 5901.18
- ORC 5901.25
- ORC 5901.26
- ORC 5901.27
- ORC 5901.29
- ORC 5901.99
- ORC 5707.01
- ORC 5707.05
- ORC 5707.38
- ORC 5705.41
- ORC 5907.01

FCVSC was also found to be in compliance with the basic requirements of the Franklin County Board of County Commissioners’ policies and procedures, which warranted no changes or recommendations.

**Table A-1** illustrates information contained in each of the veterans service commissioners’ respective personnel files and shows their level of compliance with ORC 5901.02 and OAC 5902-1-01 through 5902-1-03, as of November 2002. **Table A-1** also illustrates information contained in each of the veteran service officers’ personnel files and shows their level of compliance, as of November 2002, with OAC 5902-1-03 through 5902-1-06, which outline qualifications for hiring, minimum education requirements, certification, and accreditation for veterans service offers at FCVSC.

**Table A-1: FCVSC Compliance to ORC and OAC**

<b>FCVSC Commissioners' Compliance to ORC and OAC</b>					
	<b>Disabled American Veterans</b>	<b>American Veterans</b>	<b>Vietnam Veterans of America</b>	<b>Veterans of Foreign Wars<sup>1</sup></b>	<b>American Legion</b>
<b>ORC 5901.02</b>					
Residency	✓	✓	✓	✓	✓
Judge notifies appropriate veterans organization by 10/15	✓	✓	✓	✓	✓
Nomination Letter	✓	✓	✓	NAD	NAD
Appointment Letter due by 01/15	✓	✓	✓	NAD	✓
DD 214 (Service Discharge Paper)	✓	✓	✓	✓	✓
<b>OAC 5902-1-01</b>					
Special Course Attended for New Commissioners	N/A	N/A	N/A	N/A	N/A
Signed Code of Conduct	✓	✓	✓	✓	✓
<b>OAC 5902-1-02</b>					
Reappointed Commissioner: four education credits per year	✓	✓	✓	✓	✓
Updated Code of Conduct	No	No	No	No	No
<b>FCVSC Veteran Services Officers Compliance to OAC</b>					
	<b>Senior Veteran Service Officer</b>	<b>Veteran Service Officer</b>	<b>Veteran Service Officer</b>	<b>Veteran Service/ Benefit Officer</b>	<b>Veteran Service/ Benefit Officer</b>
<b>OAC 5902-1-03</b>					
Honorably discharged/separated veteran-DD 214	✓	✓	✓	✓	✓
High school graduate or equivalent	✓	✓	✓	✓	✓
Background investigation	No	No	✓	✓	✓
<b>OAC 5902-1-04</b>					
Certification by GOVA within 30 months	✓	✓	✓	N/A	N/A
<b>OAC 5902-1-05</b>					
Federal Veterans Affairs Certification	✓	✓	✓	N/A	N/A
State Certification					
18 months on the job training- hiring date	✓	✓	✓	N/A	N/A
70 percent score on approved test	✓	✓	✓	N/A	N/A
Maintain educational requirements	✓	✓	✓	N/A	N/A
<b>OAC 5902-1-06</b>					
Earn five education credits per year	✓	✓	✓	N/A	N/A

**Source:** FCVSC commission members' and VSOs' personnel files, FCCCP and GOVA files

**Key:** In compliance (✓)  
 Not in compliance (No)  
 Inadequate documentation (NAD)  
 Not applicable (N/A)

# Appendix B

An employee survey was distributed to all 15 employees of FCVSC to determine employee views on human resources and technology and technology issues. The survey received a 100 percent response rate, and the results are summarized here.

## Appendix B: FCVSC Employee Survey – Human Resources

Question/Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Response
<b>My Job Description Reflects my Daily duties and Responsibilities</b>	3	3	3	5	1	<b>2.9</b>
Comments:	Most respondents in this category claimed to perform functions that are not listed in the job descriptions.					
<b>If a co-worker within my department became ill, our department could effectively maintain productivity on a short-term basis.</b>	5	5	2	2	1	<b>2.3</b>
Comments:	Several respondents stated that brief, planned absences would not cause any significant service deficiencies. However, nearly all respondents believe that more cross-training is needed, and staff would not be able to effectively cover lengthy or unplanned absences.					
<b>An effective cross-training program has been implemented at FCVSC.</b>	6	3	1	3	1	<b>2.1</b>
Comments:	Few respondents were aware of any cross-training programs. Several respondents attributed this to territorial issues of other staff.					
<b>FCVSC has an effective process in place for helping staff to develop their skills and knowledge</b>	5	4	4	2	0	<b>2.2</b>
Comments:	Respondents overwhelmingly stated that insufficient training is provided, and outside training is discouraged. If GOVA did not require training for certain positions, nobody would receive training. Many respondents claimed to learn their job skills via informal, on the job training.					
<b>Staff training is effective at FCVSC.</b>	4	6	4	1	0	<b>2.1</b>
Comments:	Respondents to this question expressed frustration at the lack of training at FCVSC and discussed learning job skills by trial and error.					
<b>FCVSC service hours are sufficient to effectively serve clients.</b>	2	2	3	5	3	<b>3.3</b>
Comments:	Most respondents felt that hours are sufficient to serve clients but that other factors stand in the way of effective customer service. Some respondents indicated that lengthened or weekend hours could improve services as well as scheduling appointments.					
<b>The number of Employees at FCVSC is appropriate to handle the caseload</b>	7	4	1	2	1	<b>2.1</b>
Comments:	Respondents overwhelmingly believe that more employees are needed in all departments.					

Question/Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Response
<b>I receive constructive and timely feedback on how to improve my performance.</b>	3	3	6	3	0	<b>2.6</b>
Comments:	The majority of respondents indicated that they do not receive feedback on a regular basis, and several respondents claimed to be degraded or harassed for seeking feedback.					
<b>Employees are treated with dignity and respect by their supervisors.</b>	7	3	1	2	1	<b>1.9</b>
Comments:	Approximately half of the respondents to this question claim to have been berated or yelled at in front of other staff, and the other half feel they have been treated fairly but have witnessed other people in other departments being yelled at and berated.					
<b>There is an effective process in place to inform employees about changes made in policies and procedures.</b>	2	1	5	5	2	<b>3.3</b>
Comments:	Although inconsistent with the ratings, respondents that commented overwhelmingly stated that policy changes are not communicated, but staff are held accountable for them regardless. Some respondents indicated that while this is a problem for the entire agency, it is better in some departments than others.					
<b>Current discipline procedures are fair.</b>	6	3	3	2	0	<b>1.9</b>
Comments:	The most significant concern in this area was consistency. While some respondents had been disciplined and some had not, all comments claimed that policies and procedures are not applied consistently.					
<b>The discipline policy is carried out in a fair manner</b>	6	4	3	2	0	<b>2.1</b>
Comments:	Most respondents felt that the extent of discipline depends on the department and the supervisor and that consistency is the largest problem with disciplinary procedures.					
<b>I believe that pay increase and promotions at FCVSC are primarily based on merit.</b>	5	4	2	1	3	<b>2.5</b>
Comments:	Approximately half of the respondents could see no clear reason for some promotions and pay raises, and the other half claim these decisions are made based on faulty information.					
<b>Clear goals regarding the direction of FCVSC have been communicated to employees</b>	3	3	5	3	1	<b>2.7</b>
Comments:	Most respondents believe that the goal of FCVSC is to avoid exceeding the current budget by 10 percent. A few respondents believe that FCVSC has a strategic direction, but they are not informed of it, and it changes frequently.					
<b>I believe that the overall morale and employee satisfaction of CMHB is positive.</b>	8	3	2	2	0	<b>1.9</b>
Comments:	All comments indicated poor employee morale at FSVSC. A few respondents suggested that additional training could resolve some of the problems, while lack of communication was the most common reason given for the poor morale.					
<b>I understand how my job fits into the goals and mission of FCVSC.</b>	1	0	1	7	5	<b>3.8</b>
Comments:	This question received very few comments, all of which were moderately positive.					
<b>The Commission's leadership is effective.</b>	7	0	3	4	0	<b>2.1</b>

Question/Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Response
Comments:	An overwhelming majority of respondents believe that the Commission's decisions are not made based on a sound understanding of what employees do or think. These respondents believe that decisions are made for political purposes or that the Commission is swayed by a select few individuals at FCVSC.					
<b>The Organizational structure of FCVSC is effective for serving veterans</b>	1	3	2	4	5	<b>3.6</b>
Comments:	Nearly all respondents feel they serve veterans effectively and receive some level of satisfaction from serving veterans. However, most of those respondents believe that services could be improved by resolving internal problems and increasing personal efforts.					
<b>Overall, does FCVSC adequately serve Franklin County's veteran population?</b>	4	2	4	0	5	<b>3.0</b>
Comments:	Most responses for this question focused on the need for customer service training and additional outreach activities.					

**Appendix B: FCVSC Employee Survey – Technology**

Question/Statement	Application		Number of Employees		% of Employees	
<b>Please identify computer applications used in the course of your job.</b>	MS Windows		15		100	
	MS Word		15		100	
	MS Excel		13		87	
	Veteran Assist		13		87	
	Veterans Records Express		7		47	
	MUNIS/BRASS		5		33	
	MS Outlook		4		27	
	Benefits Delivery Network		3		20	
<b>What percent of your typical workday is spent working on a computer?</b>	<b>Number of Employees</b>					
	<b>&lt;20%</b>	<b>20-40%</b>	<b>41-60%</b>	<b>61-80%</b>	<b>&gt;80%</b>	
	0	1	2	5	7	
<b>While an employee of FCVSC, have you attended computer training within the past two years?</b>	<b>Yes</b>			<b>No</b>		
	40%			60%		
Comments:	Of the respondents who said yes, approximately 17 percent noted that the training they received was neither relevant nor helpful to their current position, while approximately 50 percent indicated training was extremely helpful and relevant. Additionally, basic computer training was the most common need identified.					
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Average Response
<b>The technology available to me enables me to perform my job duties efficiently.</b>	3	4	0	4	4	<b>3.1</b>
Comments:	Several respondents indicated that FCVSC should implement a technology-related needs assessment process to obtain feedback and evaluate employee training needs.					
<b>Overall, technology training at FCVSC is effective.</b>	7	1	1	5	1	<b>2.5</b>
Comments:	Respondents indicate an overall lack of technology-related training opportunities.					
<b>Overall, staff members able to effectively use the technology available at FCVSC.</b>	3	2	2	7	1	<b>3.1</b>
Comments:	Interviews indicate that basic computer training would benefit FCVSC.					
<b>Overall, FCVSC management</b>	4	3	0	7	1	<b>2.9</b>

<b>is aware of staff technology needs.</b>						
Comments:	Several respondents indicate that management rarely seeks suggestions from staff and recent changes to ORC § 5901 have a strong impact on purchasing suggestions.					
<b>If I offered a suggestion regarding how FCVSC could use technology to improve its operations, my suggestion would get fair and appropriate consideration.</b>	4	1	3	5	2	<b>3.0</b>
Comments:	Several respondents indicate that management rarely seeks suggestions from staff and recent changes to ORC § 5901 have a strong impact on purchasing suggestions.					
<b>I am knowledgeable about FCVSC policies regarding the use of technology (e.g., e-mail, telephone).</b>	1	1	1	5	7	<b>4.1</b>
Comments:	Generally, FCVSC employees understand that equipment is to be used for business purposes only.					
<b>FCDC provides timely service.</b>	0	1	5	7	2	<b>3.7</b>
Comments:	Respondents indicate that FCDC personnel are prompt, but some note that FCDC only makes temporary fixes.					
<b>FCDC provides high quality service.</b>	0	1	4	8	2	<b>3.7</b>
Comments:						
<b>I am aware of recent technology initiatives.</b>	1	3	1	6	4	<b>3.6</b>
Comments:	Although a majority of respondents are aware of current initiatives, some employees indicate that FCVSC policies, related to technology are subject to change without notification.					

Scale: 1-strongly disagree, 2-disagree, 3-neutral, 4-agree, 5-strongly agree

Note: Survey received a 100 percent response rate

## Appendix C

A customer survey was distributed to 70 FCVSC clients in the waiting room on a selection of week days (January 21, 22, 23, 24, 27 and 29). Surveys were distributed in the morning and afternoon. The purpose of the survey was to obtain clients' feedback and perceptions of customer service and related issues. The survey solicited responses to 29 statements concerning the quality and timeliness of service provided, types of assistance needed and demographic information.

### Appendix C: FCVSC Customer Service Survey

Survey Questions	Client Results
<b>1) Why are you here today?</b> A) To pick up information about financial assistance B) To bring back a completed packet and apply for aid C) To apply for VA assistance D) To appeal my case E) Pick up vouchers F) Other	9.5% 4.8% 38.1% 32.1% 9.5% 5.9%
<b>2) If you had to bring in certificates, bills, or other paperwork, how long did it take to get these together?</b> A) Less than one hour B) More than one hour C) Two-three hours D) More than three hours	42.8% 17.4% 17.4% 22.2%
<b>3) Have you ever filed for assistance before at FCVSC?</b>	81.1% Yes 18.8% No 0.0% N/A
<b>4) Have you received assistance before?</b>	82.6% Yes 17.4% No 0.0% N/A
<b>5) If you have received assistance, do you understand why you were given the amount of aid?</b>	67.2% Yes 13.4% No 19.4% N/A
<b>6) If you have been here before, but were denied assistance, were you told why?</b>	43.1% Yes 29.2% No 27.6% N/A
<b>7) What time were you told to arrive at FCVSC?</b>	3.4% Before 5:00 am 25.4% Between 5:00 am and 6:00 am 18.6% Between 6:00 am and 7:00 am 22.0% Between 7:00 am and 8:00 am 30.5% Between 8:00 am and 9:00 am 0.0% After 9:00 am

**Note:** Questions 13-23, 25 and 28 show the average response based on the following scale: 5 – Strongly Agree, 4 – Agree, 3 – Neutral/Not sure, 2 – Disagree, 1 – Strongly Disagree

### Appendix C: FCVSC Customer Service Survey

Survey Questions	Client Results
8) What time did you arrive?	21.8% Before 5:00 am 35.9% Between 5:00 am and 6:00 am 6.3% Between 6:00 am and 7:00 am 7.8% Between 7:00 am and 8:00 am 28.1% Between 8:00 am and 9:00 am 0.0% After 9:00 am
9) How much time have you spent at FCVSC today? A) 1 hour or less B) 2-3 hours C) 4-5 hours D) More than 5 hours	35.7% 39.2% 23.2% 1.8%
10) Did a staff member tell you how long it would take until you receive aid?	38.2% Yes 47.1% No 14.7% N/A
11) Did anyone explain guidelines to aid for you?	94.0% Yes 3.0% No 3.0% N/A
12) Were you told by veteran service commission employees of other job assistance centers or self-help programs.	63.8% Yes 27.5% No 8.7% N/A
13) I need help in finding a job	3.2
I need training or counseling to make it easier to get a job	3.0
I need help in getting benefits from the federal government	3.6
I need help in paying an electric or gas bill	3.4
I need help in paying a phone bill	2.9
I need help in paying a mortgage or rent	3.7
I need help with groceries	4.1
14) The amount of time spent in the waiting room is reasonable	2.8
15) The staff members at this office were able to answer my questions and were friendly	3.6
16) I had to wait too long to get a decision on my case. (Non-VA Cases)	3.0
17) I would come back to FCVSC for assistance.	4.0
18) I feel that the staff treated me in a respectful way.	3.8
19) The staff members appear knowledgeable about veterans' issues.	3.8

Note: Questions 13-23, 25 and 28 show the average response based on the following scale: 5 – Strongly Agree, 4 – Agree, 3 – Neutral/Not sure, 2 – Disagree, 1 – Strongly Disagree

### Appendix C: FCVSC Customer Service Survey

Survey Questions	Client Results
20) I believe that FCVSC does a good job in providing help to veterans.	3.7
21) I believe that the hours that FVSC is open are convenient.	3.5
22) The main location at 250 West Broad Street is convenient.	3.8
23) I am aware that FCVSC has two outstation offices.	85.7% Yes 8.6% No 5.7% N/A
24) I have visited one of the outstation offices before seeking assistance.	31.9% Yes 65.2% No 2.9% N/A
25) How did you find out about the services offered by FCVSC? A) Another agency B) Veterans organizations C) Friend/relative D) Brochure/newsletter E) Radio advertisements F) Other	10.4% 29.9% 40.2% 3.0% 6.0% 10.4%
26) I am aware that FCVSC publishes a newsletter called "Veterans Journal."	3.2
27) What day of the week is most convenient for you to visit FCVSC? A) Monday B) Tuesday C) Wednesday D) Thursday E) Friday F) Saturday E) Sunday	45.8% 6.3% 16.7% 8.3% 8.3% 12.5% 2.0%
28) What time of the day is most convenient for you to visit FCVSC? A) 8:00 am – 10:00 am B) 10:00 am – 12:00 pm C) 12:00 pm – 2:00 pm D) 2:00 pm – 4:00 pm E) 4:00 pm – 6:00 pm F) 6:00 pm – 8:00 pm	83.8% 11.3% 0.0% 0.0% 3.2% 1.6%
29) I am satisfied with the services and assistance offered by FCVSC.	3.4

Note: Questions 13-23, 25 and 28 show the average response based on the following scale: 5 – Strongly Agree, 4 – Agree, 3 – Neutral/Not sure, 2 – Disagree, 1 – Strongly Disagree

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