



STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
D. J. JACOBETTI HOME FOR VETERANS

MAJ. GEN. GREGORY VADNAIS
ADJUTANT GENERAL AND DIRECTOR

May 9, 2011

Doug Ringler, Director
Office of Internal Audit Services
Office of the State Budget
George W. Romney Building
111 South Capitol, 6th Floor
Lansing MI 48913

Dear Director Ringler:

In accordance with the State of Michigan, Financial Management Guide, Part VII, following are a summary table identifying our responses and corrective action plans to address recommendations contained within the Office of the Auditor General's audit report of the D. J. Jacobetti Home for Veterans.

Audit Recommendation

Agency Preliminary Response

- | | |
|---|---|
| <p>1. <u>Criminal History Background Checks</u> We recommend that the Home should conduct criminal history background checks on all of its volunteers and contract service employees working at the facility with direct access to members.</p> | <p>The Home agrees with the recommendation and has criminal history background checks on file for all contract service employees and has implemented quality assurance reviews to ensure ongoing compliance. The Home has conducted criminal background checks on all new volunteers since October 2009 when the policy was revised and has monitors in place to ensure ongoing compliance. Criminal background checks will be completed on all volunteers by October 2011.</p> |
| <p>2. <u>Activities Therapy Manager</u> We recommend that the Home continue its efforts to hire a qualified activities therapy manager.</p> | <p>The Home agrees with the recommendation. Time frame is dependent on the longevity of the current Activity Therapy Manager and/or the availability of funding for an additional FTE.</p> |
| <p>3. <u>Electronic Medical Record</u> We recommend that the Home continue to pursue potential increases in efficiency and effectiveness to be gained from implementing and EMRS.</p> | <p>The Home agrees with the recommendation. The Home will initiate the process of researching and selecting an EMRS during FY2011 with implementation during FY2012 contingent upon funding.</p> |

4. Medication Controls We recommend that the Home establish proper separation of responsibilities for ordering, receiving, and recording medications and performing a physical inventory of the controlled medications. The Home agrees with the recommendation and has modified the duties of its contractual quality assurance pharmacist to include perform the annual physical inventory of controlled medications. The inventory will be completed in June 2011 and every June thereafter.
5. Member Admissions We recommend that the Home comply with the statutory criteria in restricting admission to eligible applicants. The Home agrees with the recommendation and (as of December 28, 2010) has admitted 838 applicants without error since this admission in 2001.
6. Financial Disclosure and Applicant Assessments We again recommend that the Home establish a sufficient process for obtaining and verifying all financial information to determine an applicant's ability to pay for the cost of his or her care. The Home agrees with the recommendation and has implemented a process requiring all applicants to submit three years of bank statements and tax returns or to sign a release allowing the Home to request this information directly from the Internal Revenue Service and their banks.
7. Controls Over Members' Personal Funds We recommend that the Home establish sufficient controls over its handling of members' personal funds. The Home agrees with the recommendation and has assigned an employee independent of maintaining the checking account to oversee and periodically test the account reconciliations.
8. Space Utilization We recommend that the Home continue to consider other appropriate uses for its unoccupied domiciliary bed space. The Home agrees with the recommendation.

Questions regarding the summary table or corrective action plans should be directed to Bradford Slagle, Administrator, DJJHV at slagleb9@michigan.gov or (906) 226-3576 x 349.

Sincerely,

Signature Redacted

Jason Allen, Senior Deputy Director, Veterans Affairs Directorate, DMVA

Cc: Executive Office
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
House Appropriation Sub-Committee for Military and Veterans Affairs
Senate Appropriation Sub-Committee for State Police and Military Affairs
House Committee for Military and Veterans Affairs and Homeland Security
Senate Committee for Veterans, Military Affairs and Homeland Security
Major General Gregory Vadnais, The Adjutant General, Director DMVA
Joel Wortley, Director of State Operations, CFO, DMVA
Bradford Slagle, Director, D.J. Jacobetti Home for Veterans

EXHIBIT A

D. J. Jacobetti Home for Veterans

Audit Response Summary

Audit Period: October 1, 2007 through June 30, 2010

1. Citations complied with: # 1 in part; #4; #5; #6; #7
2. Citations with which the agency agrees and will comply: #1 / October 2011; #2 pending additional funding or departure of current incumbent; #3 October 2012 and pending funding; #8 ongoing.