



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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11-03

MEMORANDUM

TO: EDWARD A. DION, COUNTY AUDITOR

THRU: BARBARA FRANCO, FIRST ASSISTANT *Barbara Franco*

THRU: JAMES O'NEAL, COUNTY AUDITOR MANAGER, SENIOR *James O'Neal*

FROM: DAISY CABALLERO, INTERNAL AUDITOR INTERMEDIATE *Daisy Caballero*
HADI MEDINA, INTERNAL AUDITOR INTERMEDIATE *Hadi Medina*

DATE: NOVEMBER 8, 2019

SUBJECT: SPECIAL REVIEW OF THE EL PASO COUNTY VETERANS ASSISTANCE
HEROES PROJECT

The County Auditor's Internal Audit division conducted a special review of the Veterans Assistance Project for Heroes program as requested by the Texas Veterans Commission.

We concluded there were control weaknesses and violations of grant requirements and provisions. The evaluation report is attached.

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Attachment



Special Review of Veterans Assistance Grant



EVALUATION REPORT

BACKGROUND

The Texas Veterans Commission (TVC) inquired of the County Auditor about a possible fraudulent request for assistance received for an El Paso County Veterans Assistance office employee, Rollin Heassler. A promissory note obligating the TVC for the personal rental payment of the employee was received by their office. The letter contained the TVC letterhead and contact information but was not prepared by their staff. The request was for \$1,675 for rental assistance for the month of July 2019. The employee was questioned by TVC about the demand for rental assistance by the agency and he stated it was a template for training purposes and also stated he had resigned his position. Upon further inquiry, we found no evidence to support the claim that the letter using the State TVC letterhead information was in any way used to train staff regarding County Veteran Assistance Programs. Mr. Heassler was employed with the County from June 20, 2017, through July 19, 2019. Post resignation, Mr. Heassler requested rent and utility assistance. Additionally, his landlord has called the County several times to ask for Mr. Heassler's rent payment.

SCOPE

The following grants were reviewed:

- Grant award number GR-VSO19-001
 - Grant period: 07/01/19 to 06/30/20
 - Award amount: \$300,000
- Grant award number GR_VSO_18-0609
 - Grant period: 07/01/18 to 06/30/19
 - Award amount: \$200,000

EVALUATED RESULTS

A review of every client assisted and check issued within the scope was conducted to determine if the awarded funds were used in compliance with grant requirements. A total of 164 clients received assistance and 392 checks were issued. All discrepancies noted herein were under grant GR_VSO_18-0609. The following discrepancies were noted during the review:

- The Veterans Assistance Heroes Project provides one-time emergency assistance to qualifying clients throughout El Paso County. One-time emergency assistance may result in the issuance of multiple checks at various times. It is the responsibility of the grant administrator to track each assisted Veteran, dependent, and surviving spouse to ensure assistance is only granted once. 19 clients (12%) received assistance on two separate occasions and one client received assistance on three separate occasions. Furthermore, it was confirmed by TVC Lead Compliance Officer Ms. Julie Dillard, that TVC does not have rules regarding being able to serve a veteran more than one time. What is written in the grantee's application sets the rules that apply to the grant in question. The Grant application specifies one-time assistance that may include 1) a security deposit and up to three months' rent or 2) up to four months' current and or arrears rent and up to four months utilities assistance.
- Clients are required to demonstrate financial hardship by providing documentation of an emergency or unexpected expenditure. There was a lack of financial hardship documentation for 16 clients (10%).
- The anticipated outcome of the grant is for every client to remain in their homes and avoid utility service interruption for at least 30 days. Grantee was required to monitor the outcomes by conducting periodic follow up phone calls or visits for a period of 12 months to ensure continued stability. No follow up information was logged for any of the 164 clients (100%) assisted.

There were a total of 57 payments issued in violation of grant requirements with a total potential financial impact of \$28,013.52. Of these exceptions, Mr. Heassler approved 51 out of the 57 payments issued (89%).



Special Review of Veterans Assistance Grant



EVALUATION REPORT

CONCLUSION

The results of this audit revealed weaknesses and violations of grant provisions. It was determined that clients were being assisted in violation of the eligibility, one-time assistance, and hardship requirements. We recommend the grantee administrator and staff fully understand the grant award requirements and establish policies and procedures to fulfill grant requirements. In addition, to enforce the one-time assistance requirement, we recommend the County Auditor Grants Compliance/Reporting/Audit division request and track appropriate data to ensure payments are not processed for multiple requests for assistance. Furthermore, the former employee in question attempted to receive rent assistance from this program but was not approved to receive assistance from any County TVC grant due to this matter and the financial impact mentioned above.