



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
MICHIGAN VETERANS AFFAIRS AGENCY  
LANSING

JAMES ROBERT REDFORD  
DIRECTOR

March 6, 2017

Richard Lowe, Chief Internal Auditor  
Office of Internal Audit Services  
Office of the State Budget  
George W. Romney Building, 8<sup>th</sup> Floor  
Lansing, MI 48913

Dear Mr. Lowe:

In accordance with the State of Michigan, Financial Management Guide, Part VII, attached is a summary table identifying our responses and a corrective action plan to address the recommendations contained within the Office of the Auditor General's follow-up audit of the Grand Rapids Home for Veterans covering the period February 1, 2016 through September 30, 2016.

Please direct questions regarding the summary table or corrective action plans to Brad Slagle at (906) 236-2779.

Sincerely,

James Robert Redford  
Director

Enclosure

cc: Office of the Auditor General  
House Fiscal Agency  
Senate Fiscal Agency  
House Appropriations Sub-Committee Military and Veterans Affairs  
Senate Appropriations Sub-Committee State Police and Military Affairs  
Adjutant General Gregory Vadnais, DMVA Director  
Julie Sworden, MVAA Senior Executive Management Assistant  
Brad Slagle, Acting Michigan Veterans Health System CEO  
Scott Blakeney, GRHV COO  
Randy Shaffer, DTMB

**Responses to Office of the Auditor General's Follow-up Audit of**

THE PHOENIX BUILDING 5<sup>th</sup> FLOOR • 222 NORTH WASHINGTON SQUARE • LANSING, MICHIGAN 48933  
MAIL: P.O. Box 30104, LANSING, MI 48909  
MichiganVeterans.com • (517) 284-5298

**Responses to Office of the Auditor General's Follow-up Audit of  
Grand Rapids Home for Veterans**

<b>Summary Table</b>	
<b>Audit recommendations the agency complied with:</b>	
1. Member accountability and safety services need improvement	
5. Controls over nonnarcotic pharmaceuticals need improvement	
<b>Audit recommendations the agency has partially complied with:</b>	<b>Expected Compliance Date</b>
None	

**Corrective Action Plan**

**1. Member accountability and safety services need improvement**

The auditors again recommended that the Home ensure that its contracted caregivers complete and properly document all member location checks.

Agency Preliminary Response

*The Home agrees and has complied, and notes that no members were harmed as a result of the issues noted in this finding.*

*The units' Assistant Directors of Nursing are conducting random reviews of surveillance video and written documentation on their units, monthly; alternating units to ensure member location checks are conducted and documented per policy. The units' Assistant Directors of Nursing turn in the results of their review monthly to the Director of Nursing. Nursing contracted employees are informed of this policy upon orientation. The Director of Nursing ensures nursing contract managers are aware of this policy. The Director of Nursing is responsible for implementation and follow-up.*

**5. Controls over nonnarcotic pharmaceuticals need improvement**

The auditors again recommended that the Home establish adequate controls over its nonnarcotic pharmaceuticals.

Agency Preliminary Response

*The Home agrees and has complied, and notes no members were harmed as a result of the issues noted in this finding.*

*The Director of Pharmacy has educated his staff to ensure one employee orders nonnarcotic pharmaceuticals, and a different employee receives them. The Director of Pharmacy maintains the signature sheets stating his staff understands the policy.*

*The Director of Pharmacy or designee randomly checks a sample of nonnarcotic invoices each month, reviews the findings, and reports the findings to management. This is completed within the Financial Reporting, done at the Pharmacy and Therapeutic Committee, to ensure compliance.*