



TEXAS GENERAL LAND OFFICE
COMMISSIONER DAWN BUCKINGHAM, M.D.

REPORT ON THE AUDIT OF THE TEXAS STATE VETERANS' CEMETERY OPERATIONS CONTRACT MANAGEMENT

SEPTEMBER 2023

EXECUTIVE SUMMARY

The Veterans Land Board, Texas State Veterans Cemeteries (TSVC) program generally has effective processes and controls to ensure the TSVCs are operated in compliance with contractual requirements. The audit determined that the following activities were conducted in accordance with contractual requirements:

- Disposal of capital assets/equipment
- Determination of Veteran eligibility for interment
- Timely submission of required reports (*daily, monthly, and annual financial reports*)

Although processes and controls are in place to ensure TSVCS is operating in compliance with contractual requirements, there are areas that should be strengthened to enhance them.

Areas of improvement identified during the review pertained to the following:

1. Conduction of annual testing or exercises of the established Disaster Preparedness Plans in accordance with contractual requirements.
2. Development and submission of Risk Management and Loss Prevention Policies.
3. Routine periodic user access reviews to ensure appropriate access to sensitive data.
4. Retention of program documentation in adherence to agency requirements.

Additional information on the items mentioned above is outlined in the “Details Results” section of this report. As a result of the audit, there were additional opportunities to strengthen internal controls, but they did not meet the criteria for inclusion in this report. These items were presented to management in a separate communication.

MANAGEMENT'S SUMMARY RESPONSE

Management (concursgenerally concurs/does not concur.) with the recommendations. The "Detailed Results" section of this report contains management's response to each observation.

ACKNOWLEDGMENTS

The TSVC program and staff of the state Veterans cemeteries reviewed during this audit (Rio Grande Valley State Veterans Cemetery in Mission and the Coastal Bend State Veterans Cemetery in Corpus Christi) are to be commended for their efforts. We appreciate the assistance and cooperation provided to us by the management and staff of the TSVC program during this audit. For questions about this report, please contact Tracey Hall at (512) 463-6078.



Tracey Hall, CPA, CISA
Chief of Audit and Compliance

September 18, 2023

Date

BACKGROUND INFORMATION

The Veterans Land Board (VLB), in partnership with the U.S. Department of Veterans Affairs (VA), maintains and operates four state veterans' cemeteries in Killeen, Abilene, Mission, and Corpus Christi. Veterans, including all members of the armed forces and certain reserve component members, their spouses, and eligible dependents, can be interred at no cost to them.

The GLO entered into Cemetery Management and Operation Interlocal Cooperation Agreements with the City of Mission (October 2020) and Nueces County (October 2021) to take over specific maintenance and operations of the Rio Grande Valley State Veterans Cemetery and the Coastal Bend State Veterans Cemetery, respectively. A GLO on-site representative serves as a VLB representative at each cemetery to monitor operations and act as a liaison between GLO, VLB, veterans and families, the operator of the cemetery, and the local community. In addition to VLB's management and oversight of state veterans' cemeteries, they are subject to compliance reviews conducted by the VA.

Table 1: TSVC Interlocal Cooperation Agreements

Operator Name	Effective Date	Contract Amounts		
		FY20 - FY21	FY21 - FY22	FY22 - FY23
City of Mission	10/1/2020	\$750,000	\$750,000	\$750,000
Nueces County	10/1/2021	N/A	\$918,000	\$900,000

APPENDIX

OBJECTIVE

To determine whether VLB Texas State Veterans Cemeteries (TSVC) program has effective processes and controls to ensure the TSVCs are operated in compliance with contractual requirements.

SCOPE & METHODOLOGY

The scope of the audit covered work performed during Coastal Bend State Veterans Cemetery's (SVC) period of fiscal year 2022 through fiscal year 2023 and Rio Grande Valley SVC's period of fiscal year 2021 through fiscal year 2023.

The methodology consisted of conducting site visits, observing processes, interviewing knowledgeable staff, collecting information, performing tests, and analyzing and evaluating the information. We reviewed our draft report with the appropriate management of the program area and solicited comments before issuing the final report.

The audit was conducted in accordance with *Government Auditing Standards and International Standards for the Professional Practice of Internal Auditing*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

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