

# Performance Audit Report

North Dakota Veterans Home

Report No. 3039-17(a)

February 10, 2018

State Auditor  
Joshua C. Gallion

Office of the State Auditor  
Division of Performance Audit

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February 10, 2018

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Mark B. Johnson, Administrator, North Dakota Veterans Home

We are pleased to submit this performance audit report on aspects of the North Dakota Veterans Home. This report contains the results of our review to determine whether there are opportunities to:

- Better position the Veterans Home for the future.
- Strengthen the monitoring activities of the Veterans Home.

We conducted this audit under the authority granted within North Dakota Century Code Chapter 54-10. Included in the report are the objectives, scope, recommendations, and management responses. We summarized the response to recommendation #1 to remove exhibits and other material not responsive to the recommendation.

Respectfully Submitted,

/S/

Joshua C. Gallion  
State Auditor

# Veterans Home Report Highlights

**Position for the Future:** Opportunities exist for the Veterans Home to better position itself for the future.

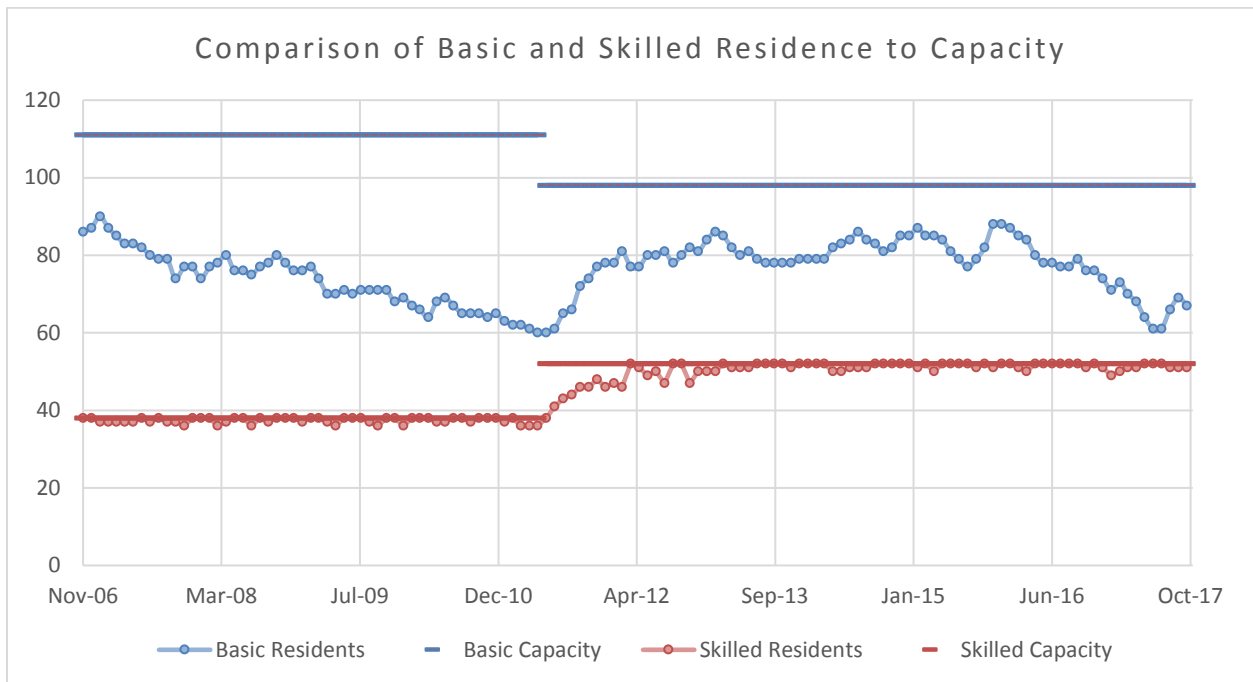
- Approximately one-third of the Veterans Home basic care beds are empty and management has shut down a portion of the facility. The Veterans Home has opportunities to utilize this unfilled capacity and to identify the best and most effective use of the facility.
- The Veterans Home went an extended period without a strategic plan. Without a strategic plan, the Veterans Home lacked a road map to connect where they are now to where they are going in the future.

The Veterans Home needs to seek assistance to measure and forecast demand and to identify the best and most effective use of the facility.

**Monitoring Activities:** Opportunities exist for the Veterans Home to strengthen its monitoring activities.

- The Veterans Home’s policies and procedures lack the level of detail necessary to allow management to effectively monitor control activities.
- Veterans Home’s monitoring activities failed to ensure policies and written plans were in fact carried out.
- Veterans Home’s employees had not received a performance evaluation within the last year.

The Veterans Home needs to strengthen their policies and procedures and monitoring of those policies and procedures.



Source: End of the Month Resident Census Data Provided by the Veterans Home

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## Purpose and Authority of the Audit

This performance audit of the North Dakota Veterans Home was conducted by the Office of the State Auditor pursuant to authority within North Dakota Century Code Chapter 54-10.

Performance audits are defined as engagements that provide assurance or conclusions based on an evaluation of sufficient, appropriate evidence against stated criteria, such as specific performance requirements, measures, or defined business practices. Performance audits provide objective analysis so management and those charged with governance and oversight can use the information to improve performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability. The purpose of this report is to provide our analysis, findings, and recommendations regarding our limited review to determine whether there are opportunities to better position the Veterans Home for the future and to strengthen the monitoring activities of the Veterans Home.

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## Background Information

The Veterans Home (formerly named Soldiers Home) was established in 1891 and has been in operation since 1893. The Veterans Home is located in Lisbon, North Dakota. The purpose of the Veterans Home, according to North Dakota Century Code Section 37-15-02, is to provide basic care and long-term (skilled) care for:

- All eligible veterans and all honorably discharged soldiers of the North Dakota National Guard who may become permanently disabled from any cause while in line and discharge of duty.
- Spouses and surviving spouses of those mentioned above if they meet the requirements for admission.

The general supervision of the Veterans Home is vested in the Administrative Committee on Veterans Affairs. The chairman and secretary of the committee appoint a seven-member governing board for administration of the Veterans Home. The governing board selects an administrator for the Veterans Home. The administrator serves at the pleasure of the governing board.

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## Objective of the Audit

Two objectives were established for this performance audit of the Veterans Home. The objectives of this performance audit were:

“Are there opportunities to better position the Veterans Home for the Future?”

“Are there opportunities to strengthen the monitoring activities of the North Dakota Veterans Home?”

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## Scope and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require 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 objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit field work was conducted from October 12, 2017 to February 10, 2018. The audit time period was July 1, 2013 to September 30, 2017. In certain instances, additional information was reviewed. This was done, in part, to analyze historical trends and to identify strategic planning information created prior to the audit time period. At the beginning of this audit, we conducted a survey of selected Veterans Home employees. Of the 185 employees surveyed, 69 completed the survey (37% response rate).

As part of this audit, we evaluated controls surrounding compliance with significant laws and policies. We gained an understanding of internal control surrounding these areas. Deficiencies identified with internal controls determined to be significant are addressed in this audit report. Deficiencies of less significance were communicated in a separate letter to management of the Veterans Home.

As part of completing the position for the future objective, we:

- Reviewed the Veterans Home's strategic planning information, Governing Board meeting minutes, and legislative testimony.
- Contacted industry representatives to assess future demand for basic care and skilled care in North Dakota.
- Conducted internet searches to identify Veteran population projections and best practices related to strategic planning.
- Compared the bed mix of the Veterans Home to the bed mix of Veterans Homes from other states.

As part of completing the monitoring activities objective, we:

- Interviewed selected Veterans Home employees.
- Reviewed certain employee job descriptions, policies, procedures, processes and tracking information related to monitoring activities of selected areas of operations, as well as, Quality Assurance Committee meeting minutes.
- Observed selected monitoring activities.
- Inspected ten employee's most recent performance evaluations.

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## Opportunities to Better Position the Veterans Home for the Future

The objective of our audit was to answer the following question:

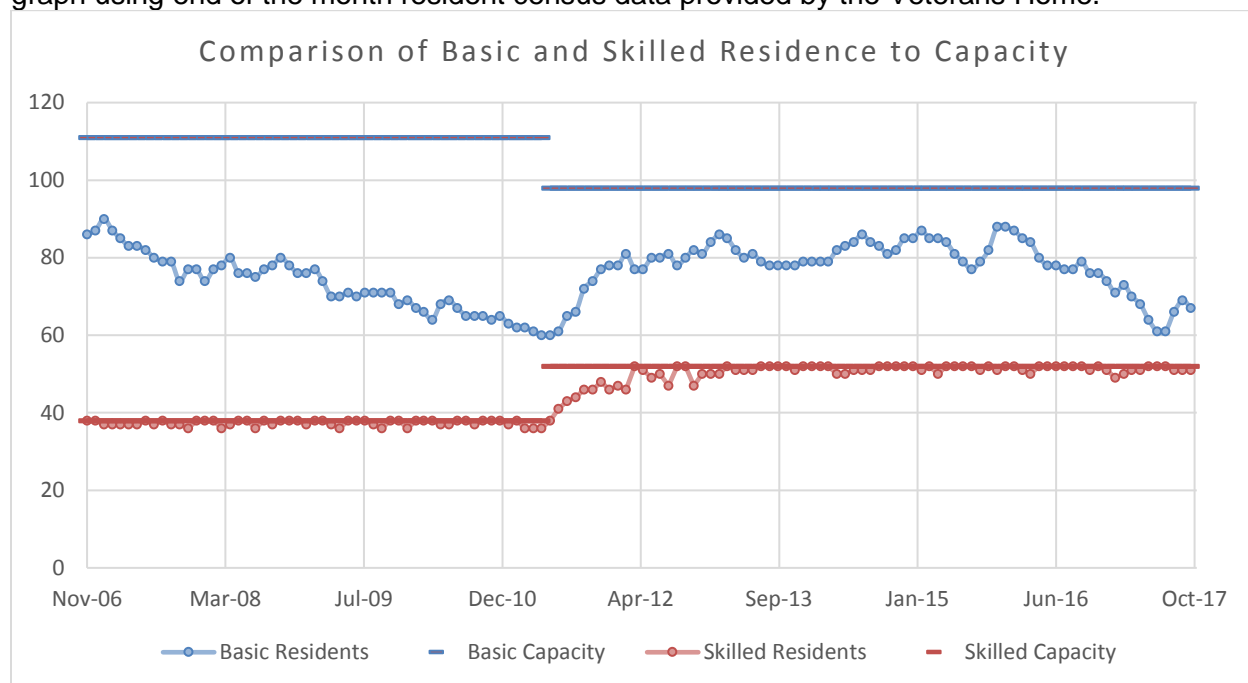
“Are there opportunities to better position the Veterans Home for the Future?”

We identified opportunities exist for the Veterans Home to better position itself for the future.

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### Summary

Approximately one-third of the Veterans Home basic care beds are empty and management has shut down a portion of the facility. Since moving into the new facility in May 2011, the Veterans Home has yet to fill the 98 basic care beds while skilled care beds have been at or near capacity. To illustrate the Veterans Home’s historical capacity, we created the following graph using end of the month resident census data provided by the Veterans Home.



See Appendix A for the end of the month resident census data provided by the Veterans Home.

Our review of testimony from the 60<sup>th</sup> Legislative Assembly (2007) identified planning for the new facility could have been more detailed to better determine the proper capacity and bed mix. In addition, the Veterans Home went an extended period without a strategic plan. The current strategic plan for the Veterans Home (See Appendix B) includes advertising and marketing to “improve census.” However, the Veterans Home has yet to analyze where its residents are coming from to be able to focus such advertising efforts.

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## Audit Findings

In this section, we will discuss challenges facing the Veterans Home's and the opportunities to address these challenges through strategic planning.

### Measuring and Forecasting Demand

The intent during the initial planning for the new home was to move forward with construction using the same bed mix as the old Veterans Home. Then, as skilled care beds became available, the Veterans Home would consider the possibility of buying additional skilled care beds and reducing the number of basic care beds. While our review of testimony identified the Veterans Home had a waiting list for skilled care beds and vacant basic care beds, we did not identify demand was ever measured and forecasted. As a result, the current bed mix may not be the best and most effective use of the facility. Best practices indicate that measuring and forecasting demand is important to strategic decisions. Instead, we identified the following comments in testimony given by a then-governing board member:

*“The fact that the home has not been filled to capacity is not due to lack of eligible veterans, it has been driven by other constraints and limitations based on modern standards and the limited size and flexibility of the existing facility.”*

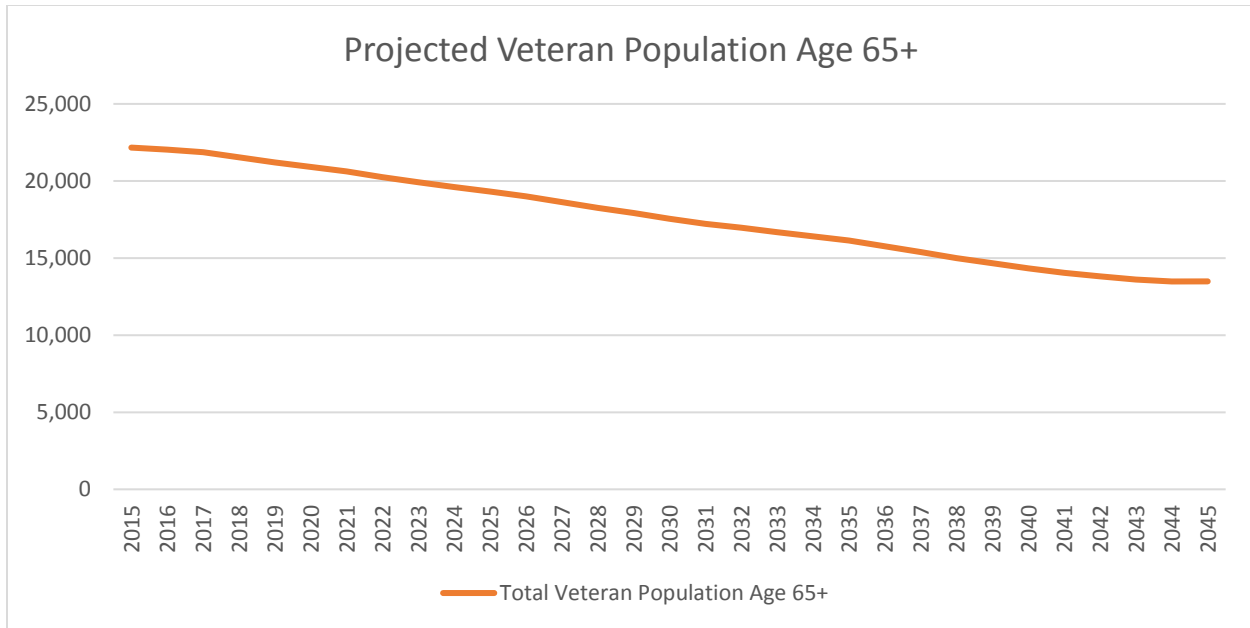
*“A new facility, with room sizes and amenities that meet modern standards, will almost certainly fill to capacity.”*

We compared the bed mix at the Veterans Home to the bed mix of 43 Veterans Homes from 15 other states. Our comparison shows the bed mix at the Veterans Home is disproportionate to Veterans Homes in other states. In addition, North Dakota is the only state where basic care beds outnumber skilled care beds and many of the Veterans Homes from other states do not even provide basic care.

We also attempted to assess demand for the Veterans Home by contacting industry representatives and searching for veteran population projections. According to the Executive Director of the North Dakota Long-Term Care Association, the number of basic care facilities and basic care occupancy rates in North Dakota have been declining while the number of assisted living facilities and assisted living occupancy rates have been increasing. A representative from the Veterans Affairs Midwest Health Care Network (VISN 23) referred us to the federal regulations (Code of Federal Regulations, Title 38, Section 59.40) which lists the maximum number of skilled care and basic care beds for veterans by state. For North Dakota, the maximum number of beds is 137 based on 2020 projections. According to the regulations, a state may not request a grant for a project to construct or acquire a new state Veterans Home or expand existing capacity beyond the maximum number designated. The representative also indicated two Veterans Homes within the region recently converted basic care beds to skilled care beds. Lastly, federal veteran population projections (VetPop2016) estimate that the veteran population, age 65+, in North Dakota will decline from 22,166 in 2015 to 13,487 by 2045.

To illustrate this decline, we created the following graph using the VetPop2016 data.





See Appendix A for VetPop2016 data.

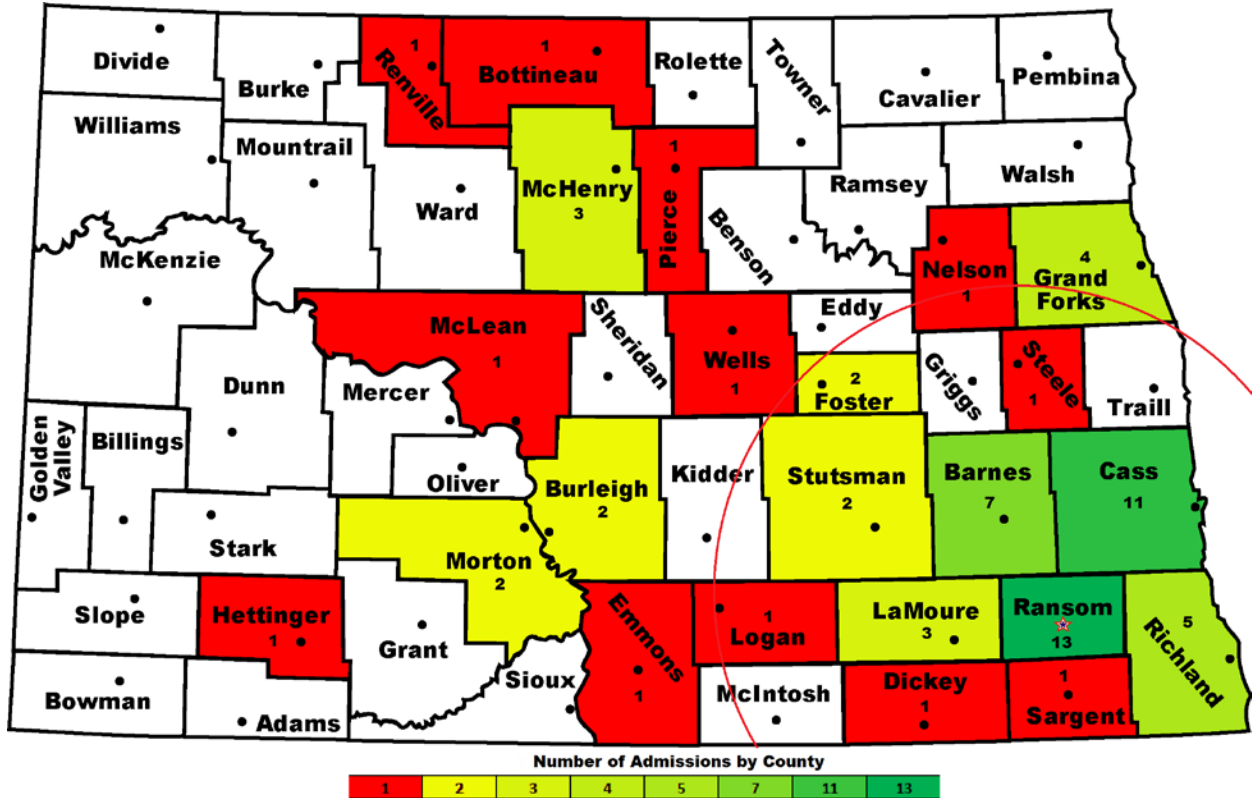
### Creating and Implementing a Strategic Plan

We identified the Veterans Home went an extended period without a strategic plan. The Governing Board, to a limited extent, created strategic plans dated November 2010 and October 2011. However, management lacked knowledge of these strategic plans when initially requested in June 2017. Thus, we concluded these strategic plans were not implemented. Without a strategic plan, the Veterans Home lacked a road map to connect where they are now to where they are going in the future.

In August 2017, the Governing Board attempted to create a strategic plan (See appendix B). This strategic plan included advertising and marketing to “improve census.” However, the Veterans Home was unable to provide an analysis of where residents were coming from to be able to effectively advertise and market. None of the strategic plans reviewed contained performance targets related to capacity or other opportunities to utilize the unfilled capacity.

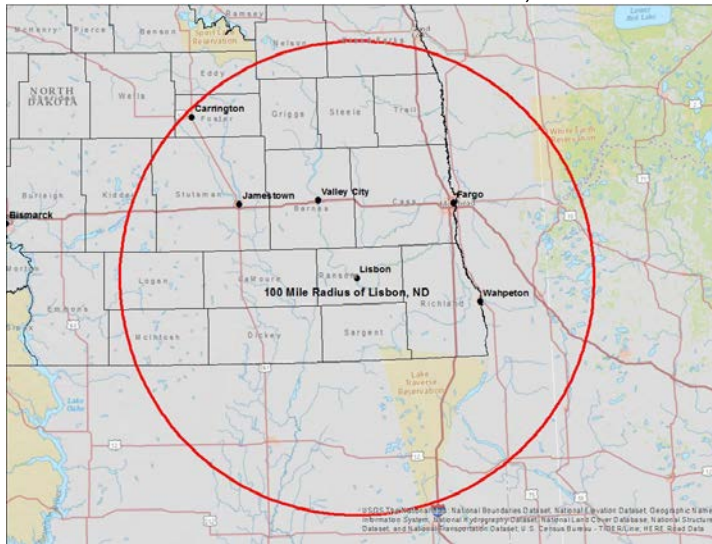
Since the Veterans Home had yet to analyze where residents were coming from, we requested resident information from the Veterans Home to conduct a limited demographic analysis. The resident information provided by the Veterans Home reflects the county listed on the application for new residents admitted between January 2015 and November 2017.

According to the data in relation to the map, 79% (52 out of 66) of the recent Veterans Home admissions were from approximately 100 miles from Lisbon.



See Appendix A for resident admissions by county information provided by the Veterans Home.

100-miles radius from Lisbon, ND



According to North Dakota Century Code Subsection 37-18.1-03(5), the Governing Board shall create and implement a strategic plan for the Veterans Home. The subsection also states the Governing Board annually shall report as to the status of the strategic plan to the Administrative Committee on Veterans Affairs, who after receiving the report shall submit the report to the Governor. Our review of Administrative Committee on Veterans Affairs (ACOVA) meeting minutes did not identify the Governing Board annually reported on the status of the strategic

plans to the ACOVA. Ultimately, the Administrative Committee on Veterans Affairs is responsible for assuring compliance with applicable state laws in the administration of the Veterans Home.

## Conclusion

In closing, we conclude the Veterans Home needs to seek assistance to measure and forecast demand and to identify the best and most effective use of the facility.

### **Recommendation 1**

We recommend the Veterans Home seek assistance to create and implement a strategic plan. Report on the status of the strategic plan to the Administrative Committee on Veterans Affairs.

#### **Veterans Home Response:**

Partially Agree

The department disagrees with the recommendation of the auditors. We would like to point out the state has a moratorium on bed growth. In the letter Shelly Peterson from the NDLTCA opposed the growth of beds at the Veterans Home. Due to her opposition, it made bed growth over 14 beds very difficult. Due to the lack of experience the audit team has in healthcare they failed to identify which states they interviewed that had moratoriums on bed growth. Converting or adding beds under state moratoriums are traditionally almost impossible. The Veterans Home hired the consulting firm of YHR to do a condition assessment and master plan for the new building. At the time no one knew that the state would have over a 350 bed decrease in skilled beds, a 500 bed increase in basic care beds and a 1200 bed increase in assisted living beds over an 11 year period.

The department agrees with the recommendation of a strategic plan. The strategic plan was accepted by the ACOVA Committee on November 16, 2017. Our findings have been sent to the Governor's Office for their review by the ACOVA. At our last Governing Board meeting the board went on record to send out a RFP to study occupancy trends and future needs of the Veterans Home. Once the RFP is received back the cost of the survey will be submitted for funding to house and senate appropriations committees. Funding will be determined on the committee's willingness to fund the Veterans Home Budget.

In the past the Governing Board has expressed their concerns about decreased occupancy and what we can do with the beds. However due to several limitations set forth by the VA, only VA programs can be implemented in the usage of our facility. We look forward to have a more in-depth comprehensive review from a consultant to assist with utilization of our empty beds.

#### **State Auditor Concluding Comments:**

We analyzed the current bed mix at the Veterans Home to assess the need for strategic direction. Strategic plans need to be developed to optimize the use of Veterans Home.

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## Monitoring

The objective of our audit was to answer the following question:

“Are there opportunities to strengthen the monitoring and oversight activities of the North Dakota Veterans Home?”

We identified opportunities exist for the Veterans Home to strengthen its monitoring activities.

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### Summary

External regulators, including the Department of Health and Human Services Centers for Medicare & Medicaid Services (CMS), Fargo VA Health Care System, North Dakota Department of Health, and State Fire Marshal, conduct regular surveys of the Veterans Home. We reviewed these external regulators' survey reports for surveys conducted between July 1, 2013 to June 30, 2017. Our review identified the Veterans Home was relatively deficiency free during the period; except for, the most recent CMS Standard Health Survey conducted in May 2015. The CMS survey report listed nine deficiencies. A corresponding letter indicated the survey found “the most serious deficiencies to be widespread deficiencies that constitute no actual harm with potential for more than minimal harm that is not immediate jeopardy [to resident health or safety] ...”

The Veterans Home has established numerous policies and monitoring activities to ensure the resident health and safety and to evaluate employee performance. Monitoring activities include, a Quality Assurance Performance Improvement (QAPI) program, stand-up meetings, and a Performance Management program. The intent of the QAPI program is to identify and address quality issues, to identify areas of improvement, and to implement any corrective action plans in response to quality deficiencies identified by external regulators. The Veterans Home's policy requires the QAPI Committee to meet at least quarterly. The Veterans Home conducts morning stand-up meetings throughout the week. The intent of stand-up meetings is to keep key staff informed about current events. The Performance Management program allows supervisors to monitor the extent to which administrative decisions regarding programs and policies are in fact carried out.

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## Audit Findings

In this section we will discuss the issues identified, as well as, the opportunities to strengthen the Veterans Home's monitoring and oversight activities.

### Document Policies

We identified instances where the Veterans Home's policies and procedures lack the level of detail necessary to allow management to effectively monitor the control activities. For example, the Veterans Home's medical records policies require that medical records of all basic care and skilled care residents be audited upon admission and discharge. However, the policies lack the time frame which these audits should be completed after admission and discharge. As a result, medical records audits are being completed as time allows.

We also identified the Veterans Home lacks documented policies and procedures for room inspections. Thus, management's expectations regarding the number of rooms to be inspected and the frequency of the inspections is unclear. As a result, the number of rooms being inspected and the frequency of the inspections have varied.

The Veterans Home's Performance Management policy indicates performance standards should be specific, measurable, achievable, realistic, and time bound. These instances lack certain performance standard elements. In addition, the *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book, GAO-14-704G) states policies should be documented in the appropriate level of detail to allow management to effectively monitor the control activities. Without policies and procedures documented in the level of detail necessary to allow management to effectively monitor the control activities, the Veterans Home lacks a baseline to monitor the internal control system and determine the extent to which employee's job performance compares favorably or unfavorably to expectations. Thus, we concluded opportunities exist for the Veterans Home to strengthen its policies.

### Recommendation 2

We recommend the Veterans Home ensure policies are documented in the appropriate level of detail to allow management to effectively monitor the control activities.

#### Veterans Home Response: Disagrees

The department disagrees with the auditors finding. The auditors lack the experience and knowledge to understand the requirement set forth in the Long Term Care Survey Manual published by the American Healthcare Association. This manual is the one tool that all healthcare providers and surveyors use for certifications and accreditation. The audit team failed to follow state and federal guidelines imposed by CMS on audits of QA's. Their attempt to follow standards set forth by the Internal Control in Federal Government (The Green Book) could lead the North Veterans Home into deficient practice and potential fines and sanctions.

The Veterans Home follows all guidelines set forth by the Long Term Care Survey Manual and not the green book. The Veterans Home QAPI program follows all federal and state guidelines. The strength of the QAPI program is designed to work within the perimeters of the

Long Term Care Survey Manual, which meets all state and federal standards. Monitoring the QA's are done frequently but not at timed intervals, which the Performance Audit Team is recommending. The dietary manager completed 54 audits of the kitchens last year, which far exceeds the imposed guidelines set forth by the Long Term Care Survey Manual.

Setting specific measurable guidelines for cleaning rooms and etc.. would lead to deficiencies and potential fines and sanctions. For example: Room must be cleaned 1 x per week. What about an incontinent resident where we may need to clean a room 2 x per day? Setting such standards for employees would be counterproductive and lead to fines and sanctions. The department disagrees with the findings of the Auditors on deep cleaning of the rooms. Documentation supports that all rooms were cleaned, but the audit of the cleaning schedule for the rooms missed a couple of documented cleaned rooms. Our agency is not going to follow the Performance Auditors recommendation to audit the audit that audits the cleaning schedule for the rooms. This would be counterproductive and would ultimately cost taxpayers more money and reduce staffs time spent to care for residents. The Performance Auditors recommend the facility to have timed intervals specified to clean rooms. This would cause our organization deficiencies and ultimately lead to fines and sanctions. Therefore the Veterans Home will comply with regulation set forth in the Long Term Care Survey Manuel and not the Green Book, which is not related to the healthcare setting.

Medical records review follows all guidelines set forth by the State and Federal Government. Varying from the regulations would be counterproductive because of the credentials our Medical Records Director holds. The imposed recommendation by the Performance Audit Team is an example of the team's lack of knowledge into the healthcare regulation and their inability to interpret the regulations.

**State Auditor Concluding Comments:**

According to Office of Management and Budget Fiscal and Administrative Policy (216):

*“Agency management must establish and maintain effective internal controls within their agency. A guide to effective internal controls is the “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States (Green Book).”*

Standards for Internal Control in the Federal Government (known as the Green Book), provide the overall framework for establishing and maintaining an effective internal control system. The term internal control covers all aspects of an entity's objectives (operations, reporting, and compliance). In the case of the Veterans Home, this system should ensure compliance with regulations such as the Centers for Medicare and Medicaid Services Requirements of Participation for Long Term Care Facilities which are outlined in the Long-Term Care Survey Manual published by the American Healthcare Association.

Our recommendation to the Veterans Home relates to clearly communicating and documenting management's expectations to staff. Contrary to the Veterans Home response, we believe effective internal controls, properly administered by management, will improve operations through accountability and reduce the potential fines or sanctions.

## Strengthen Monitoring Activities

We identified instances where the Veterans Home's monitoring activities failed to ensure policies and written plans were in fact carried out. For example,

- Dietary Services participates in the QAPI program. The Director of Dietary Services developed a written plan to monitor and evaluate Dietary Services. The tracking information provided by the Veterans Home did not support that Dietary Services was consistently monitored in accordance to the written plan. In addition, the written plan lacked the appropriate level of detail for us to determine whether the objective was to monitor all open kitchens or a sample of open kitchens monthly.
- Human Resources tracks the status of employee performance evaluations. The tracking spreadsheet provided by the Veterans Home indicated performance evaluations were not being conducted in accordance to the Veterans Home's performance management policy. However, it doesn't appear this information was presented to an appropriate level of management to correct the problem.
- Environmental Services tracks the status of resident room deep cleaning. The tracking information provided by the Veterans Home did not support that all rooms were deep cleaned at least annually. The Veterans Home's Cleaning Resident Room policy states, "Resident rooms will be thoroughly cleaned after a resident moves out and at least yearly."

The *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States (Green Book, GAO-14-704G) states management should establish and operate monitoring activities to monitor the internal control system and evaluate results. Without effective monitoring activities, the Veterans Home was unable to ensure policies and written plans were in fact carried out. Thus, we concluded opportunities exist for the Veterans Home to strengthen its monitoring activities.

### Recommendation 3

We recommend the Veterans Home strengthen monitoring activities to ensure policies and written plans are in fact carried out.

#### Veterans Home Response: Agrees

The department agrees with the findings of the evaluations being late. A number of evals fell over the 365 day threshold of an annual eval. All evals in question were completed in December of 2017 and a new alert system has been put in place in order to keep evaluations current.

#### State Auditor Concluding Comments:

The Veterans Home's response does not adequately address the recommendation. The recommendation relates to ensuring management's expectations are met by strengthening internal controls.

## Performance Evaluations

We identified the Veterans Home is not conducting employee performance evaluations at least annually. Information provided by the Veterans Home indicated numerous employees (over half) had not received a performance evaluation within the last year. One of the employees listed had not received a performance evaluation since 2013. In addition, our review of the most recent performance evaluation for ten employees identified certain review periods covered multiple years (two and three-year review periods).

The Veterans Home's Performance Management policy and North Dakota Administrative Code (NDAC) Section 4-07-10-04 require performance evaluations be conducted at least annually. While the Veterans Home has established a process to track performance evaluations, the noncompliance was not presented to an appropriate level of management to correct the problem.

In addition, compensation adjustments given to employees without annual performance evaluations could have been in noncompliance with the legislative intent of past session laws. According to the 2013 and 2015 Session Laws, compensation adjustments were to be based on documented performance.

### **Recommendation 4**

We recommend the Veterans Home ensure performance evaluations are conducted at least annually.

#### **Veterans Home Response:**

Agrees

The North Dakota Veterans Home agrees with the findings of the Performance Audit Team. Several evaluations were over the 365 day requirement which the Performance Audit Team identified. Some of their findings don't reflect the nature of our industry and how evals were completed at the Veterans Home. Many of the evals found out of compliance reflect seasonal and temporary employees. Some of the permanent FTE evaluations not done reflected on staff that were in a performance improvement plan. No employees suffered negative consequences from not receiving a timely eval. Department heads met with the CFO when and during the time raises were distributed to staff to ok performance and raises. The Veterans Home Supervisors have completed all the outdated evals by the end of 2017. The Veterans Home is now working with the state to get a standardized evaluation for the employees of our facility. Our goal is to have everything electronic and standardized for 2018. By going electronic we are hopeful that the alert process designed in the HR software will keep the supervisor current with evals. We have also implemented a check off sheet that is sent out by the facilities HR Director.

#### **State Auditor Concluding Comments:**

Legislation allowing for compensation adjustments for classified employees specifies the adjustments for each year of the biennium be "based on documented performance" not verbal approval. The Veterans Home's own policy states, "All classified and temporary employees who are employed at least six months are evaluated."



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## Mineral Royalty Income

At the beginning of the audit, the Veterans Home indicated to us they were unsure how to adequately monitor the accuracy and completeness of mineral royalty income related to a bequest made to the Veterans Home. The Veterans Home had established a process to ensure they at least received a royalty payment each month. However, this process would not detect erroneous or omitted payments. For example, the Veterans Home would not be able to detect if an oil company withheld payment on production from a new well. According to the Green Book, management should design control activities to achieve objectives and respond to risks.

As part of our audit, we decided to examine the accuracy and completeness of such income on behalf of the Veterans Home. With assistance from the Department of Trust Lands, we reviewed applicable lease agreements, division orders, and mineral royalty payment information. We also compared certain payment information (February 2012 to October 2017) to information reported by the Department of Mineral Resources Oil and Gas Division. Our audit identified the following concerns, which may not be all inclusive:

- An operator is withholding state gross production and oil extraction taxes from the Veterans Home's mineral royalty payments. North Dakota Administrative Code Section 81-09-02-15 exempts the State of North Dakota from these taxes. We estimate the Veterans Home is entitled to a tax refund of approximately \$17,000 plus the potential for interest as of the time of our review.
- An operator is withholding unallowable deductions from the Veterans Home's mineral royalty payment. A former operator also withheld similar deductions from the Veterans Home's mineral royalty payments. The deductions withheld from the Veterans Home's mineral royalty payments totaled approximately \$46,000. It is the Department of Trust Lands' stance that the royalty provisions in their lease agreements do not allow for deductions to be taken from gross production. The Veterans Home used the same lease agreement. We were unable to quantify lost income due to the fact this matter requires a legal resolution.
- An operator went an extended period without making mineral royalty payments to the Veterans Home on the oil and gas production from three wells. A subsequent operator made back payments to the Veterans Home on a portion of this oil and gas production. However, we were unable to account for approximately \$75,000 in mineral royalties from these three wells in our reconciliation of gross oil production reported by the Department of Mineral Resources Oil and Gas Division to the information provided by the Veterans Home. This matter also requires a legal resolution.

As a result of our audit, the Veterans Home is currently working with the Attorney General's Office to resolve these concerns and recoup unpaid mineral royalties to which they are entitled.

### **Recommendation 5**

We recommend the Veterans Home establish a process to periodically monitor the accuracy and completeness of mineral royalty income.

**Veterans Home Response:**  
Agrees

The North Dakota Veterans Home Governing Board and management of the North Dakota Veterans Home agrees with the recommendation found by the Performance Audit Team. We thank the Performance Audit Team for their findings of the mineral royalty income. Through their expertise and knowledge we hope to recover additional mineral royalty income that can be used to care for the residents of the Veterans Home. The Veterans Home is appreciative to the Performance Audit Team and willing to follow the recommendation to work with the Department of Trust Lands for monitoring income for mineral royalty income.

## Appendix A Statistical Data

### Veterans Home End of the Month Resident Census Data

Month	# of Basic Residents	Basic Capacity	# of Skilled Residents	Skilled Capacity
Nov-06	86	111	38	38
Dec-06	87	111	38	38
Jan-07	90	111	37	38
Feb-07	87	111	37	38
Mar-07	85	111	37	38
Apr-07	83	111	37	38
May-07	83	111	37	38
Jun-07	82	111	38	38
Jul-07	80	111	37	38
Aug-07	79	111	38	38
Sep-07	79	111	37	38
Oct-07	74	111	37	38
Nov-07	77	111	36	38
Dec-07	77	111	38	38
Jan-08	74	111	38	38
Feb-08	77	111	38	38
Mar-08	78	111	36	38
Apr-08	80	111	37	38
May-08	76	111	38	38
Jun-08	76	111	38	38
Jul-08	75	111	36	38
Aug-08	77	111	38	38
Sep-08	78	111	37	38
Oct-08	80	111	38	38
Nov-08	78	111	38	38
Dec-08	76	111	38	38
Jan-09	76	111	37	38
Feb-09	77	111	38	38
Mar-09	74	111	38	38
Apr-09	70	111	37	38
May-09	70	111	36	38
Jun-09	71	111	38	38
Jul-09	70	111	38	38
Aug-09	71	111	38	38
Sep-09	71	111	37	38
Oct-09	71	111	36	38
Nov-09	71	111	38	38
Dec-09	68	111	38	38
Jan-10	69	111	36	38
Feb-10	67	111	38	38
Mar-10	66	111	38	38
Apr-10	64	111	38	38
May-10	68	111	37	38
Jun-10	69	111	37	38
Jul-10	67	111	38	38
Aug-10	65	111	38	38
Sep-10	65	111	37	38
Oct-10	65	111	38	38
Nov-10	64	111	38	38
Dec-10	65	111	38	38
Jan-11	63	111	37	38
Feb-11	62	111	38	38
Mar-11	62	111	36	38

## Appendix A Statistical Data

Apr-11	61	111	36	38
May-11	60	111	36	38
Jun-11	60	98	38	52
Jul-11	61	98	41	52
Aug-11	65	98	43	52
Sep-11	66	98	44	52
Oct-11	72	98	46	52
Nov-11	74	98	46	52
Dec-11	77	98	48	52
Jan-12	78	98	46	52
Feb-12	78	98	47	52
Mar-12	81	98	46	52
Apr-12	77	98	52	52
May-12	77	98	51	52
Jun-12	80	98	49	52
Jul-12	80	98	50	52
Aug-12	81	98	47	52
Sep-12	78	98	52	52
Oct-12	80	98	52	52
Nov-12	82	98	47	52
Dec-12	81	98	50	52
Jan-13	84	98	50	52
Feb-13	86	98	50	52
Mar-13	85	98	52	52
Apr-13	82	98	51	52
May-13	80	98	51	52
Jun-13	81	98	51	52
Jul-13	79	98	52	52
Aug-13	78	98	52	52
Sep-13	78	98	52	52
Oct-13	78	98	52	52
Nov-13	78	98	51	52
Dec-13	79	98	52	52
Jan-14	79	98	52	52
Feb-14	79	98	52	52
Mar-14	79	98	52	52
Apr-14	82	98	50	52
May-14	83	98	50	52
Jun-14	84	98	51	52
Jul-14	86	98	51	52
Aug-14	84	98	51	52
Sep-14	83	98	52	52
Oct-14	81	98	52	52
Nov-14	82	98	52	52
Dec-14	85	98	52	52
Jan-15	85	98	52	52
Feb-15	87	98	51	52
Mar-15	85	98	52	52
Apr-15	85	98	50	52
May-15	84	98	52	52
Jun-15	81	98	52	52
Jul-15	79	98	52	52
Aug-15	77	98	52	52
Sep-15	79	98	51	52
Oct-15	82	98	52	52
Nov-15	88	98	51	52
Dec-15	88	98	52	52
Jan-16	87	98	52	52

## Appendix A Statistical Data

Feb-16	85	98	51	52
Mar-16	84	98	50	52
Apr-16	80	98	52	52
May-16	78	98	52	52
Jun-16	78	98	52	52
Jul-16	77	98	52	52
Aug-16	77	98	52	52
Sep-16	79	98	52	52
Oct-16	76	98	51	52
Nov-16	76	98	52	52
Dec-16	74	98	51	52
Jan-17	71	98	49	52
Feb-17	73	98	50	52
Mar-17	70	98	51	52
Apr-17	68	98	51	52
May-17	64	98	52	52
Jun-17	61	98	52	52
Jul-17	61	98	52	52
Aug-17	66	98	51	52
Sep-17	69	98	51	52
Oct-17	67	98	51	52

## Appendix A Statistical Data

### Veterans Home Admissions by County

Admissions by County 100-mile radius of Lisbon, ND		Admissions by County Other	
County	Total	County	Total
Barnes	7	Bottineau	1
Cass	11	Burleigh	2
Dickey	1	Emmons	1
Foster	2	Hettinger	1
Grand Forks	4	McHenry	3
Lamoure	3	McLean	1
Logan	1	Morton	2
Nelson	1	Pierce	1
Ransom	13	Renville	1
Richland	5	Wells	1
Sargent	1		
Steele	1		
Stutsman	2		
Total	52		14

## Appendix A Statistical Data

### VetPop2016 Data

The Veterans Population Projection Model 2016 (VetPop2016) provides the latest official Veteran population projection from the Department of Veterans Affairs (VA). VetPop2016, is an actuarial projection model, developed by the office of Predictive Analytics and Actuary (PAA) to estimate and project the Veteran population from Federal Fiscal Year (FFY) 2015 to FFY2045. The best available Veteran data as of September 30, 2015 was used as the base population. We filtered the VetPop2016 Data by state and age group to identify the projected Veteran population for North Dakota, age 65 plus.

Source: Office of Predictive Analytics and Actuary. (2017). *Veteran Projections Model 2016* [9L\_VetPop2016\_County]. Available from [https://www.va.gov/vetdata/Veteran\\_Population.asp](https://www.va.gov/vetdata/Veteran_Population.asp)

North Dakota Veterans Home

# Governing Board

Strategic Planning Meeting

Tuesday, August 03, 2017



## **Governing Board Members:**

Connie Ebach, Vice Chairman

Cathy Keogh

Steve Frojen

Dean Overby

Gary Skarphol, Chairman

Greg Stemen

Curt Twete

Mark B. Johnson, Administrator

## **Mission Statement**

Caring for America's Heroes

## **Vision Statement**

Our vision is to create a home for the veterans of North Dakota.

## **Value Statement**

We at the North Dakota Veterans Home hold these values to be fundamental:

### **(RESPECT)**

**R**espect: We respect each person as a member of the veteran's home.

**E**xcellence: We are committed to high standards of service which provides compassionate and affordable care to our households.

**S**afety: We are dedicated to creating a safe living and work environment.

**P**eople: We strive to create a positive community.

**E**fficiency: We strive to be loyal stewards of our stake holder's commitments.

**C**ommunication: We promote open communication that fosters partnership.

**T**rust: We strive to build trusting relationships.

## **Strategic Plan**

- 1 **Improve Census:**
  - A. PBS Special
  - B. Documentary-North Dakota Veterans Home
  - C. Reach out to County Veteran Service Officers
  - D. Educating Service Groups
    - 1) Brochures, educating, volunteers, residents, staff
    - 2) Promote workshop/studio and other services.
  - E. Design a Marketing Plan
    - 1) Funding for plan and promo videos of the home.
- 2 **Governing Board:**
  - A. Quarterly Governing Board meetings or as needed
  - B. Review survey results
  - C. Review strategic plan annually
  - D. Review measureable goals for Board annually
- 3 **Short Term Goals:**
  - A. Implementation of workshop/studio
    - 1) Policies
    - 2) Education
      - a) Residents
      - b) Staff
  - B. Design of Memorial Garden
  - C. Campus Master Plan
- 4 **Long Term Goals:**
  - A. Administrator's Residence
  - B. Walkway Bridge
  - C. Grounds Development
    - 1) Irrigation Phase