

## Arizona Department of Veterans' Services (Department) Arizona Veterans' Service Advisory Commission (Commission)

Department and Commission met some statutory objectives and purposes, such as providing benefits counseling assistance to veterans and policy advice to the Governor, but Department did not comply with several Veterans' Donations Fund grant award and monitoring requirements or use Gold Star Family revenues to maintain the Enduring Freedom Memorial and the Commission did not comply with some conflict-of-interest and open meeting law requirements

### Audit purpose

To determine whether the Department provided benefits counseling assistance to veterans; complied with statutory, State, and Department Veterans' Donations Fund grants-management requirements; used Gold Star Family revenues to maintain the Enduring Freedom Memorial as required by statute; and provide responses to the statutory sunset factors for the Department and Commission.

### Key findings

- Department responsibilities include assisting veterans, military service members, and their families and dependents to obtain federal and State earned benefits and maintaining and operating State veterans' homes and memorial cemeteries throughout Arizona. The 9-member Commission is responsible for providing policy advice on veterans' issues to the Governor and Department.
- During fiscal year 2021, Department veteran benefits counselors assisted an average of nearly 40,000 beneficiaries receive an average total of approximately \$56.6 million in VA compensation and pension benefits each month.
- The Department took action to advocate, coordinate, and facilitate State-wide efforts to prevent veteran suicide and end veteran homelessness.
- The Department did not comply with several statutory and other requirements for awarding and monitoring 2 random samples consisting of a total of 20 Veterans' Donations Fund grants we reviewed. By not complying with these requirements, the Department cannot ensure that grant monies it awarded were used as required by statute.
- The Department had not used more than \$43,000 in Gold Star Family specialty license plate revenues to maintain the Enduring Freedom Memorial, as required by statute.
- The Department did not monitor its contract with the Arizona American Legion to ensure it received \$45,000 in payments for services the Department provided during fiscal year 2019.
- The Commission had not complied with various conflict-of-interest statutory requirements and recommended practices and some provisions of the State's open meeting laws.

### Key recommendations

The Department should:

- Comply with Veterans' Donations Fund grants-management statutory and other requirements.
- Spend Gold Star Family license plate revenues as required by statute to maintain the Enduring Freedom Memorial.
- Collect the \$45,000 owed from the Arizona American Legion, review and determine the ongoing need for this contract, and if continued, develop and implement contract monitoring procedures.

The Commission should develop and implement policies and procedures to comply with conflict-of-interest statutory requirements and recommended practices and all open meeting laws.