

**State of Washington
 Status of Audit Resolution
 December 2017**

Department of Veterans' Affairs

Agency 305

| Audit Report | Finding Number | Finding and Corrective Action Plan | |
|---------------------|-----------------------|---|--|
| 1019447 | 2016-001 | Finding: | The Department lacked adequate internal controls over the issuance of gift cards to veterans, increasing the risk of misuse, abuse and theft of public funds. |
| | | Corrective Action: | <p>The Department concurs with the finding.</p> <p>To address the auditors' recommendations, the Department:</p> <ul style="list-style-type: none"> • Updated the recently implemented Gift Card Purchasing Policy to include documenting unique identifier numbers for all gift cards. • Maintained a gift card master log to track the issuance of gift cards. • Obtained signed memorandums from clients acknowledging receipt of gift cards and the intended use. • Provided case managers additional training on the processes. <p>The Department's Gift Card Purchasing Policy has been updated to reflect current practices and expectations. The Department will educate clients to ensure that they understand the updated requirements. Case managers will ensure clients are informed of the intended use of the gift card when issued, and sign the memorandum acknowledging receipt of the gift card and agreeing to use it only for the intended purposes.</p> |
| | | Completion Date: | September 2017, subject to audit follow-up |
| | | Agency Contact: | <p>Mike Kashmar Chief Financial Officer PO Box 41150 Olympia, WA 98504-1150 (360) 725-2171 Mikek@dva.wa.gov</p> |