

VA Office of Inspector General

OFFICE OF AUDITS AND EVALUATIONS



# Veterans Benefits Administration

– Interim Report –

*Efforts to Effectively  
Obtain Service Treatment  
Records and Official Military  
Personnel Files*

May 15, 2014  
14-00657-144

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## EXECUTIVE SUMMARY

During our ongoing *Audit of VBA's Efforts to Effectively Obtain Service Treatment Records and Official Military Personnel Files*, we conducted a site visit at the regional office (RO) in St. Petersburg, FL. We conducted a tour of the RO and identified file storage and mail processing issues requiring attention and action by the Under Secretary for Benefits. RO employees shared information during interviews that supported our observations and the issues identified.

The RO has a large file room used to store claims folders, as well as service treatment records (STRs) and copies of official military personnel files (OMPFs) that have been combined with claims folders. We observed that the file room was overfilled with records. As a result, RO personnel have encountered difficulties locating files and in moving banks of files in the permanent shelving units due to the volume and weight of the files.

The intake processing center (IPC) within the RO receives incoming documents and files from the mailroom. We determined that mailroom personnel did not date stamp STR files and copies of OMPFs files at the time of receipt. Without this information, RO management cannot review and assess potential issues and delays with receiving and processing STR and OMPF requests. Once documents and files are delivered to the IPC, employees sort and prepare evidence mail, which includes STRs and copies of OMPFs. Claims processors use evidence mail to further develop and make decisions on veterans' disability claims. IPC employees reported that there was about a 3-week delay in sorting and processing evidence mail received from the mailroom.

We are conducting our audit of STRs and OMPFs in accordance with generally accepted government auditing standards (GAGAS). For this interim report, we did not follow all of the reporting standards because we determined these issues required attention before we would issue our audit report. Reporting, as an interim advisory, helps VBA take actions required to address the identified issues. We believe that the work performed provided sufficient evidence for our conclusion. The final report on our audit on STRs and OMPFs will address the GAGAS requirements related to reporting.

We made three recommendations to help ensure efficient file storage and mail processing at the RO. Reporting on these issues in a Management Advisory allowed VBA the opportunity to take timely corrective actions. The Under Secretary for Benefits concurred with our recommendations and provided suitable action plans. Based on actions taken, we consider two recommendations closed. We will follow up as required on the other recommendation and continue with our ongoing national audit.

A handwritten signature in black ink that reads "Linda A. Halliday".

LINDA A. HALLIDAY  
Assistant Inspector General  
for Audits and Evaluations

## OIG’s Management Advisory

### Department of Veterans Affairs

### Memorandum

**Date:** April 11, 2014

**From:** Assistant Inspector General for Audits and Evaluations (52)

**Subj:** Management Advisory—*Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records and Official Military Personnel Files*

**To:** Under Secretary for Benefits (20)

1. Our ongoing *Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records and Official Military Personnel Files*, which we are conducting in accordance with generally accepted government auditing standards, identified issues related to file storage and mail processing at the regional office (RO) located in St. Petersburg, FL. We are providing this Management Advisory for your attention and action to ensure VBA provides the RO with the support needed to address the issues.

2. During the week of March 3, 2014, we conducted a site visit at the RO located in St. Petersburg, FL. We toured the RO and identified file storage and mail processing issues. RO employees shared information during interviews that supported our observations and the issues identified.

3. **File Storage Issues:** The RO has a large file room used to store claims folders, as well as service treatment records (STRs) and copies of official military personnel files (OMPFs) that have been combined with claims folders.

a. We observed that the file room was overfilled with records. Due to the lack of space on permanent shelving units; files were stored on end caps, on shelves built around the perimeter of the room, and in loose boxes stored against the outside walls of the room. As a result, RO personnel have encountered difficulties locating files and in moving banks of files in the permanent shelving units due to the volume and weight of the files.

b. During our interviews, RO employees stated that lost and misfiled records in the file room were a major issue. We requested 10 hardcopy claims files for review, and 1 file was not available because it could not be located. The RO maintains a log of claims files that were “rebuilt”

Management Advisory—Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records  
and Official Military Personnel Files

because the originals were lost or misfiled. We obtained the log, which contained 27 rebuilt claims files since September 2013. RO management reported having a longer history of lost files, but said an employee inadvertently overwrote some records.

4. Mail Processing Issues: The intake processing center (IPC) receives incoming documents and files from the mailroom. Once these documents and files are delivered to the IPC, employees sort and prepare evidence mail, which includes STRs and copies of OMPFs. Claims processors use evidence mail to further develop and make decisions on veterans’ disability claims. IPC employees also prepare documents and files for shipping to a vendor that scans documents into the Veterans Benefits Management System. For documents and files that are not shipped, employees sort and place the evidence in mail bins for claims processors to obtain when needed for additional development on pending claims. RO management reported the IPC currently maintains 225 individual mail bins, containing about 12,375 pieces of evidence mail. This is evidence that should be associated with claims folders.

a. Mailroom personnel did not date stamp STR files and copies of OMPF files at the time of receipt. Without this information, RO management cannot review and assess potential issues and delays with receiving and processing STR and OMPF requests. This affected our ability to fully assess the local STR and OMPF request and receipt process, including areas where potential delays exist.

b. IPC employees reported that there is currently about a 3-week delay in sorting and processing evidence mail received from the mailroom. In December 2013, VBA reduced its time frames for federal record requests to 30 days (from 60 days) for initial requests and 15 days (from 30 days) for subsequent follow-up. Given the 3-week delay in the IPC, claims processors could potentially submit follow-up requests for documents that are pending in the IPC. This delay could also result in employees improperly denying claims because evidence mail needed to substantiate the claim had not been sorted and processed.

5. Recommendations: We recommend the Under Secretary for Benefits:

a. Identify and implement options to help alleviate the file storage issues at the regional office in St. Petersburg, FL.

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and Official Military Personnel Files

- b. Ensure mailroom personnel date stamp service treatment record files and copies of official military personnel files on the day they are received at the regional office in St. Petersburg, FL.
- c. Identify and implement options to improve timeliness of evidence mail processing at the regional office in St. Petersburg, FL.

6. Please provide your written comments to this Management Advisory by April 28, 2014. Your comments should provide an implementation plan and target completion dates for addressing the recommendations. If you have questions or wish to discuss the issues in this Management Advisory, please contact Nick Dahl, Director, Bedford Audit Operations Division.

  
LINDA A. HALLIDAY

## VA Under Secretary for Benefits Comments

### Department of Veterans Affairs

### Memorandum

**Date:** April 21, 2014

**From:** Under Secretary for Benefits (20)

**Subj:** OIG Management Advisory—Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records and Official Military Personnel Files – VAIQ 7466216

**To:** Assistant Inspector General for Audits and Evaluations (52)

1. Attached is VBA’s response to the OIG Management Advisory—Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records and Official Military Personnel Files
2. Questions may be referred to Christine Ras, Program Analyst, at 461-9057.



Allison A. Hickey

Attachment

**Attachment**

**Veterans Benefits Administration (VBA)  
Comments on OIG Management Advisory Memorandum  
Audit of VBA’s Efforts to Effectively Obtain Service Treatment Records and Official  
Military Personnel Files**

VBA concurs with OIG’s findings and provides the following comments in response to the recommendations in the OIG Management Advisory Memorandum:

Recommendation 1: We recommend the Under Secretary for Benefits identify and implement options to help alleviate the file storage issues at the regional office in St. Petersburg, FL.

VBA Response: Concur. The St. Petersburg Regional Office (RO) was given authority to retire 100,000 claims folders to the VBA Records Management Center (RMC) and hire 20 temporary file clerks to support this effort. The first shipment of 50,000 files will be sent to the RMC by July 3, 2014, and the remaining 50,000 files will arrive by August 1, 2014. This file relocation, along with the natural progression of files being shipped to the scanning vendor, will alleviate the file storage issues at the RO.

Target Completion Date: August 1, 2014

Recommendation 2: We recommend the Under Secretary for Benefits ensure mailroom personnel date stamp service treatment record files and copies of official military personnel files on the day they are received at the regional office in St. Petersburg, FL.

VBA Response: Concur. The St. Petersburg RO mailroom is now date stamping all incoming service treatment record files and copies of official military personnel files on the day they are received at the RO.

VBA requests closure of this recommendation.

Recommendation 3: We recommend the Under Secretary for Benefits identify and implement options to improve timeliness of evidence mail processing at the regional office in St. Petersburg, FL.

VBA Response: Concur. To address this issue, 10 employees were detailed to work evidence mail for approximately 2 weeks. This resulted in the RO timeliness of evidence mail being reduced from 21 days to 5 days. In addition, the Veterans Service Center permanently assigned 5 new Veterans Service Representatives to the Intake Processing Center (IPC) team to specifically work evidence mail. The RO also received authority to hire 5 additional Claims Assistants that will be on station by May 31, 2014, and assigned to the IPC to maintain timeliness of evidence mail processing.

VBA requests closure of this recommendation.

## **Appendix A Office of Inspector General Contact and Staff Acknowledgments**

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OIG Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
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Acknowledgments	Nick Dahl, Director Stephen Bracci C. Russell Lewis Jason Schuenemann Joseph Vivolo
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