

FY21 Budget Performance Review

ODVA - 650

Lead Administrator: Joel Kintsel

Lead Financial Officer: Lisa White

Agency Mission

The Oklahoma Department of Veterans Affairs strives to provide the highest quality support and care available anywhere in the nation to Oklahoma veterans and their families residing in the State of Oklahoma.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Division 06 Nursing Care

The agency provides a home for eligible Veterans who can no longer be cared for in their own homes. The clients are provided with long-term nursing care.

Division 11 Central Administration

The Central Administrative program for the agency provides administration, direction, and planning assistance to the seven long term care facilities and five Claims & Benefits division offices and field staff operated by the Department. It sets standards, policies and procedures, and goals for programs and monitors programs to ensure the required standards are met. The Administrative program consists of the following programs/functions: Administrative Services, Affirmative Action, Human Resources and Fiscal Services. This program also provides administrative support for the office of the Executive Director as well as the Veterans Commission.

Division 20 Claims & Benefits

This program provides assistance to veterans relative to obtaining benefits from state and federal agencies. Benefits include compensation, pension, medical benefits and education. This program also provides intermediary financial assistance to eligible veterans that are temporarily unable to obtain basic necessities.

Division 30 State Approving Agency

The purpose of this program is the approval of education and training establishments for veterans training in the State of Oklahoma and approving veterans for On-the-job-training and apprenticeship programs.

FY'20 Budgeted Department Funding By Source

| Dept. # | Department Name | Appropriations | Federal | Revolving | Local ¹ | Other ² | Total |
|--------------|------------------------------|---------------------|----------------------|--------------------|--------------------|--------------------|----------------------|
| 0600001 | Claremore Veterans Center | 4,279,211 | 21,680,009 | 1,409,087 | | | \$27,368,307 |
| 0600002 | Ardmore Veterans Center | 3,212,037 | 14,734,635 | 762,355 | | | \$18,709,027 |
| 0600003 | Clinton Veterans Center | 2,745,547 | 12,626,656 | 662,070 | | | \$16,034,273 |
| 0600004 | Norman Veterans Center | 4,260,461 | 21,749,056 | 990,586 | | | \$27,000,103 |
| 0600005 | Sulphur Veterans Center | 2,514,931 | 11,368,044 | 600,469 | | | \$14,483,444 |
| 0600006 | Talihina Veterans Center | 2,304,549 | 11,317,834 | 620,949 | | | \$14,243,332 |
| 0600007 | Lawton Veterans Center | 3,010,016 | 16,959,466 | 855,529 | | | \$20,825,011 |
| 1000001 | Capital Lease | 73,542 | | | | | \$73,542 |
| 1100001 | Central Office | 6,698,511 | | | | 38,945 | \$6,737,456 |
| 1100002 | ODVA Commission | 17,000 | | | | | \$17,000 |
| 2000001 | Claims & Benefits | 2,922,775 | | | | | \$2,922,775 |
| 2000002 | Veterans Services | 340,240 | | | | | \$340,240 |
| 2000017 | Financial Assistance | | | 170,000 | | | \$170,000 |
| 3000001 | State Approving Agency | | 586,170 | | | | \$586,170 |
| 8807001 | Central Office IT | 68,000 | | | | | \$68,000 |
| 8807011 | Information Technology | 2,801,073 | | | | | \$2,801,073 |
| 8807020 | Claims & Benefits IT | 68,500 | | | | | \$68,500 |
| 8807030 | State Approving Agency IT | | 6,950 | | | | \$6,950 |
| 8810706 | Claremore Veterans Center IT | | 97,388 | 65,000 | | | \$162,388 |
| 8820706 | Ardmore Veterans Center IT | | 102,000 | 60,000 | | | \$162,000 |
| 8830706 | Clinton Veterans Center IT | | 53,300 | 65,000 | | | \$118,300 |
| 8840706 | Norman Veterans Center IT | | 62,100 | 70,000 | | | \$132,100 |
| 8850706 | Sulphur Veterans Center IT | | 72,050 | 38,000 | | | \$110,050 |
| 8860706 | Talihina Veterans Center IT | | 26,000 | 80,000 | | | \$106,000 |
| 8870706 | Lawton Veterans Center IT | | 83,100 | 65,000 | | | \$148,100 |
| Total | | \$35,316,393 | \$111,524,758 | \$6,514,045 | \$0 | \$38,945 | \$153,394,141 |

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department:

Buffalo Soldiers & Indigent Burial Tax revenue

FY'19 Carryover by Funding Source

| Carryover | Appropriations | Federal | Revolving | Local ¹ | Other ² | Total |
|-----------|----------------|-------------|-------------|--------------------|--------------------|--------------|
| | \$11,507 | \$9,700,000 | \$1,800,000 | \$0 | \$0 | \$11,511,507 |
| | \$0 | | | | | \$0 |

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

What changes did the agency make between FY'19 and FY'20?

1.) Are there any services no longer provided because of budget cuts?

No services have been discontinued

2.) What services are provided at a higher cost to the user?

No increases in any fees.

3.) What services are still provided but with a slower response rate?

None.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

None.

FY21 Budget Performance Review

ODVA - 650

Lead Administrator: Joel Kintsel

Lead Financial Officer: Lisa White

FY'21 Requested Funding By Department and Source

| Dept. # | Department Name | Appropriations | Federal | Revolving | Other ¹ | Total | % Change |
|--------------|------------------------------|---------------------|----------------------|--------------------|--------------------|----------------------|--------------|
| 0600001 | Claremore Veterans Center | \$4,279,211 | \$21,680,009 | \$1,409,087 | \$0 | \$27,368,307 | 0.00% |
| 0600002 | Ardmore Veterans Center | \$3,212,037 | \$14,734,635 | \$762,355 | \$0 | \$18,709,027 | 0.00% |
| 0600003 | Clinton Veterans Center | \$2,745,547 | \$12,626,656 | \$662,070 | \$0 | \$16,034,273 | 0.00% |
| 0600004 | Norman Veteans Center | \$4,260,461 | \$21,749,056 | \$990,586 | \$0 | \$27,000,103 | 0.00% |
| 0600005 | Sulphur Veterans Center | \$2,514,931 | \$11,368,044 | \$600,469 | \$0 | \$14,483,444 | 0.00% |
| 0600006 | Talihina Veterans Center | \$2,304,549 | \$11,317,834 | \$620,949 | \$0 | \$14,243,332 | 0.00% |
| 0600007 | Lawton Veterans Center | \$3,010,016 | \$16,959,466 | \$855,529 | \$0 | \$20,825,011 | 0.00% |
| 1000001 | Capital Lease | \$0 | \$0 | \$0 | \$0 | \$0 | -100.00% |
| 1100001 | Central Office | \$6,710,018 | \$0 | \$0 | \$38,945 | \$6,748,963 | 0.17% |
| 1100002 | ODVA Commission | \$17,000 | \$0 | \$0 | \$0 | \$17,000 | 0.00% |
| 2000001 | Claims & Benefits | \$2,922,775 | \$0 | \$0 | \$0 | \$2,922,775 | 0.00% |
| 2000002 | Veterans Services | \$340,240 | \$0 | \$0 | \$0 | \$340,240 | 0.00% |
| 2000017 | Financial Assistance | \$0 | \$0 | \$170,000 | \$0 | \$170,000 | 0.00% |
| 3000001 | State Approving Agency | \$0 | \$586,170 | \$0 | \$0 | \$586,170 | 0.00% |
| 8807001 | Central Office IT | \$68,000 | \$0 | \$0 | \$0 | \$68,000 | 0.00% |
| 8807011 | Information Technology | \$3,590,318 | \$0 | \$0 | \$0 | \$3,590,318 | 28.18% |
| 8807020 | Claims & Benefits IT | \$68,500 | \$0 | \$0 | \$0 | \$68,500 | 0.00% |
| 8807030 | State Approving Agency IT | \$0 | \$6,950 | \$0 | \$0 | \$6,950 | 0.00% |
| 8810706 | Claremore Veterans Center IT | \$0 | \$97,388 | \$65,000 | \$0 | \$162,388 | 0.00% |
| 8820706 | Ardmore Veterans Center IT | \$0 | \$102,000 | \$60,000 | \$0 | \$162,000 | 0.00% |
| 8830706 | Clinton Veterans Center IT | \$0 | \$53,300 | \$65,000 | \$0 | \$118,300 | 0.00% |
| 8840706 | Norman Veteans Center IT | \$0 | \$62,100 | \$70,000 | \$0 | \$132,100 | 0.00% |
| 8850706 | Sulphur Veterans Center IT | \$0 | \$72,050 | \$38,000 | \$0 | \$110,050 | 0.00% |
| 8860706 | Talihina Veterans Center IT | \$0 | \$26,000 | \$80,000 | \$0 | \$106,000 | 0.00% |
| 8870706 | Lawton Veterans Center IT | \$0 | \$83,100 | \$65,000 | \$0 | \$148,100 | 0.00% |
| Total | | \$36,043,603 | \$111,524,758 | \$6,514,045 | \$38,945 | \$154,121,351 | 0.47% |

1. Please describe source(s) and % of total of "Other" funding for each department:

1100001 Pass through funds for Indegent Veterans Burial & Buffalo Soldiers License Plate

FY'21 Top Five Operational Appropriation Funding Requests

| Request by Priority | Request Description | Appropriation Request Amount (\$) |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------|
| Request 1: | OMES IS estimated increase | \$789,245 |
| Request 2: | Retention of the \$2 million bond appropriation from FY'20 - for use in operations | \$2,000,000 |
| Request 3: | Removal of one time appropriations for center construction | -\$2,000,000 |
| Request 4: | Requesting FY20 authorized rollover as new Appropriations | \$11,507 |
| Request 5: | Redction of the fnal payment of Ardmore Bond | -\$73,542 |
| Top Five Request Subtotal: | | \$727,210 |
| Total Increase above FY-20 Budget (including all requests) | | \$ 727,210 |
| Difference between Top Five requests and total requests: | | |

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

None

How would the agency be affected by receiving the same appropriation for FY '21 as was received in FY '20? (Flat/ 0% change)

It will reduce our ability to fund much needed capital and maintenance projects on our aging buildings.

How would the agency handle a 2% appropriation reduction in FY '21?

A reduction of \$666,558 will have a negative impact on the agency. Any appropriation reduction will have an adverse impact on the cost of care which has direct impact on federal revenue generated by the agency. This reduction would also impact the capital improvement projects that require 35% state match.

Is the agency seeking any fee increases for FY '21?

| | Fee Increase Request (\$) | Statutory change required? (Yes/No) |
|------------|---------------------------|-------------------------------------|
| None | | |
| Increase 1 | | |
| Increase 2 | | |
| Increase 3 | | |

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

| Description of request in order of priority | Appropriated Amount (\$) | Submitted to LRCPC? (Yes/No) |
|---------------------------------------------|--------------------------|------------------------------|
| Priority 1 None | | |
| Priority 2 | | |
| Priority 3 | | |

Federal Funds

| CFDA | Federal Program Name | Agency Dept. # | FY 20 budgeted | FY 19 | FY 18 | FY 17 | FY 16 |
|--------|----------------------------------|--------------------|----------------|-------------|------------|------------|------------|
| 64.015 | Veterans State Home Nursing Care | 0600001 - "0600007 | 101,231,785 | 101,622,821 | 96,314,253 | 95,679,223 | 96,286,152 |
| 64.124 | State Approving Agency | 3000001 | 593,120 | 555,134 | 469,098 | 435,909 | 357,832 |
| 65.005 | Construction State Homes | 9100001 | 91,000,000 | 947,506 | 2,055,434 | 4,500,955 | 4,857,382 |
| 64.035 | Veterans Transportation | 9100001 | 0 | 0 | 0 | 0 | 0 |

FY21 Budget Performance Review

ODVA - 650

Lead Administrator: Joel Kintsel

Lead Financial Officer: Lisa White

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

State Veterans Home (SVH) Per Diem program standards and operational procedures are found in Title 38 of the US code of Federal Regulations.

VA per diem for nursing home care is paid for any Veteran who is eligible for such care in VA facility (38 U.S.C. S.S. 17.41).

VA is also required to make higher nursing home per diem payments for certain Veterans with service-connected disabilities. (38 CFR SS 51.41)

Hence, 100% of the federal revenue received by the agency is mandated by the federal government for the operation of all seven veterans centers.

2.) Are any of those funds inadequate to pay for the federal mandate?

Yes. The federal revenue covers only 79.5 % of the cost of care provided to veterans at the centers. The rest of the cost is borne by state appropriations of 16 % and the agency revolving fund from the patient maintenance collections of 4.5 %.

3.) What would the consequences be of ending all of the federal funded programs for your agency?

The mission of ODVA is to ensure all Oklahoma veterans and their families receive all benefits to which they may be entitled and to provide excellent health services and long-term skilled care in a residential environment to all qualified veterans residing in the state. Legislative action many years ago established a system of payment for services that enables all honorably discharged veterans to

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

In addition to the above response: Funding for ODVA construction projects, in general, is shared between the state and federal government. The USDVA pays 65% of the cost of construction or renovation once the project is put on the federally approved construction priority list.

5.) Has the agency requested any additional federal earmarks or increases?

No

FY'20 Budgeted FTE

| Division # | Division Name | Supervisors | Classified | Unclassified | \$0 - \$35 K | \$35 K - \$70 K | \$70 K - \$\$\$ |
|--------------|------------------------|-------------|-------------|--------------|--------------|-----------------|-----------------|
| 06 | Nursing Care | 223 | 1501 | 451 | 1093 | 794 | 65 |
| 11 | Central Office | 12 | 15 | 30 | 0 | 36 | 9 |
| 20 | Claims & Benefits | 7 | 36 | 10 | 2 | 43 | 1 |
| 30 | State Approving Agency | 1 | 2 | 3 | 0 | 5 | |
| Total | | 243 | 1554 | 494 | 1095 | 878 | 75 |

FTE History

| Division # | Division Name | 2020 Budgeted | 2019 | 2018 | 2016 | 2011 |
|--------------|------------------------|---------------|---------------|---------------|---------------|---------------|
| 06 | Nursing Care | 1952.0 | 1765.0 | 1982.0 | 2028.7 | 1821.0 |
| 11 | Central Office | 45.0 | 33.6 | 32.0 | 32.7 | 26.3 |
| 20 | Claims & Benefits | 46.0 | 46.1 | 45.0 | 30.3 | 25.6 |
| 30 | State Approving Agency | 5.0 | 4.1 | 4.0 | 4.6 | 4.0 |
| Total | | 2048.0 | 1848.8 | 2063.0 | 2096.4 | 1876.9 |

Performance Measure Review

| Program Name | FY 19 | FY 18 | FY 17 | FY 16 | FY 15 |
|----------------------------------------------------------|---------------|--------------|--------------|-------------|-------------|
| Measure I Nursing Care | | | | | |
| 1 Direct Care Employee Turnover Rate | 22.60% | 27.00% | 38.97% | 46.88% | 39.33% |
| 2 Reduction of Employee Overtime | 847428 | \$913,000 | \$1,406,199 | \$2,207,100 | \$1,913,288 |
| Measure II Claims & Benefits | | | | | |
| 1 Increase Service Connected Compensation | Not Available | 1.92 Billion | 1.97 Billion | 2.0 Billion | 1.8 Billion |
| Measure III SAA | | | | | |
| 1 Execute digital transformation by 50% | Base % | N/A | N/A | N/A | N/A |
| Measure IV Administration | | | | | |
| 1 Increase Resident & Family Satisfaction Survey Ratings | 85.80% | N/A | N/A | N/A | N/A |

Revolving Funds (200 Series Funds)

| Please provide fund number, fund name, description, and revenue source | FY'17-19 Avg. Revenues | FY'17-19 Avg. Expenditures | June '19 Balance |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|-------------------------------------|
| ODVA Revolving Fund 220 | | | |
| To pay the general operating expenses of the Veterans Centers, including the payment of salaries and wages of officials and employees, to pay for the employee safety programs and incentive awards provided for in Section 63.10a of this title, and to remodel, repair, construct, build additions, modernize, or add improvements of domiciliary or hospital buildings necessary for the care of veterans. | \$24,813,266 | \$23,514,155 | \$8,303,920 |
| | | | Ending Encumbrances 5,305,087 |
| ODVA Trust Fund - 205 | | | |
| Retirement of bonds, State Match for construction Projects. Source is the transfer from ODVA Revolving Fund. | \$6,095,349 | \$2,191,850 | \$17,342,255 |
| | | | Outstanding Encumbrances 15,568,939 |