

**FY22 Budget Performance Review**  
**650 - Oklahoma Department of Veterans Affairs**

Lead Administrator: Executive Director Joel Kintsel

Lead Financial Officer: Lisa White CFO

**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**

**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'21 Budgeted Department Funding By Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
0600001	Claremore Veterans Center	4,331,928	21,840,694	413,203			\$26,585,825
0600002	Ardmore Veterans Center	3,286,399	15,944,485	178,714			\$19,409,598
0600003	Clinton Veterans Center	2,729,210	13,636,236	150,714			\$16,516,160
0600004	Norman Veterans Center	4,176,761	23,088,169	270,714			\$27,535,644
0600005	Sulphur Veterans Center	2,451,326	12,412,171	125,714			\$14,989,211
0600006	Talihina Veterans Center	1,930,519	10,098,537	50,715			\$12,079,771
0600007	Lawton Veterans Center	3,091,748	17,765,196	318,215			\$21,175,159
1000001	Capital Lease						\$0
1100001	Central Office	3,916,070				54,827	\$3,970,897
1100002	ODVA Commission	17,000					\$17,000
2000001	Claims & Benefits	2,828,554					\$2,828,554
2000002	Veterans Services	582,955					\$582,955
2000017	Financial Assistance			170,000			\$170,000
3000001	State Approving Agency		505,093				\$505,093
8807001	Central Office IT	68,000					\$68,000
8807011	Information Technology	3,809,623					\$3,809,623
8807020	Claims & Benefits IT	96,300					\$96,300
8807030	State Approving Agency IT		7,350				\$7,350
8810706	Claremore Veterans Center IT		100,000	57,426			\$157,426
8820706	Ardmore Veterans Center IT		84,000	57,730			\$141,730
8830706	Clinton Veterans Center IT		92,000	62,784			\$154,784
8840706	Norman Veterans Center IT		74,000	66,150			\$140,150
8850706	Sulphur Veterans Center IT		101,500	41,240			\$142,740
8860706	Talihina Veterans Center IT		40,930	68,240			\$109,170
8870706	Lawton Veterans Center IT		75,250	60,338			\$135,588
<b>Total</b>		<b>\$33,316,393</b>	<b>\$115,865,611</b>	<b>\$2,091,897</b>	<b>\$0</b>	<b>\$54,827</b>	<b>\$151,328,728</b>

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'20 Carryover by Funding Source**

Carryover	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
	\$1,541,360	\$8,933,956	\$1,800	\$53,707	\$0	\$10,530,823
	\$2,000,000					\$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'20 and FY'21?**

**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?**

Resident Maintenance Fee will increase \$500 to a max monthly fee of \$4,425 on Jan. 1, 2021.

**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.

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**FY'22 Requested Funding By Department and Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
0600001	Claremore Veterans Center	\$4,331,928	\$21,840,694	\$413,203	\$0	\$26,585,825	0.00%
0600002	Ardmore Veterans Center	\$3,286,399	\$15,944,485	\$178,714	\$0	\$19,409,598	0.00%
0600003	Clinton Veterans Center	\$2,729,210	\$13,636,236	\$150,714	\$0	\$16,516,160	0.00%
0600004	Norman Veterans Center	\$4,176,761	\$23,088,169	\$270,714	\$0	\$27,535,644	0.00%
0600005	Sulphur Veterans Center	\$2,451,326	\$12,412,171	\$125,714	\$0	\$14,989,211	0.00%
0600006	Talihina Veterans Center	\$1,930,519	\$10,098,537	\$50,715	\$0	\$12,079,771	0.00%
0600007	Lawton Veterans Center	\$3,091,748	\$17,765,196	\$318,215	\$0	\$21,175,159	0.00%
1000001	Capital Lease	\$0	\$0	\$0	\$0	\$0	0.00%
1100001	Central Office	\$3,916,070	\$0	\$0	\$54,827	\$3,970,897	0.00%
1100002	ODVA Commission	\$17,000	\$0	\$0	\$0	\$17,000	0.00%
2000001	Claims & Benefits	\$2,828,554	\$0	\$0	\$0	\$2,828,554	0.00%
2000002	Veterans Services	\$582,955	\$0	\$0	\$0	\$582,955	0.00%
2000017	Financial Assistance	\$0	\$0	\$170,000	\$0	\$170,000	0.00%
3000001	State Approving Agency	\$0	\$505,093	\$0	\$0	\$505,093	0.00%
8807001	Central Office IT	\$68,000	\$0	\$0	\$0	\$68,000	0.00%
8807011	Information Technology	\$3,809,623	\$0	\$0	\$0	\$3,809,623	0.00%
8807020	Claims & Benefits IT	\$96,300	\$0	\$0	\$0	\$96,300	0.00%
8807030	State Approving Agency IT	\$0	\$7,350	\$0	\$0	\$7,350	0.00%
8810706	Claremore Veterans Center IT	\$0	\$100,000	\$57,426	\$0	\$157,426	0.00%
8820706	Ardmore Veterans Center IT	\$0	\$84,000	\$57,730	\$0	\$141,730	0.00%
8830706	Clinton Veterans Center IT	\$0	\$92,000	\$62,784	\$0	\$154,784	0.00%
8840706	Norman Veterans Center IT	\$0	\$74,000	\$66,150	\$0	\$140,150	0.00%
8850706	Sulphur Veterans Center IT	\$0	\$101,500	\$41,240	\$0	\$142,740	0.00%
8860706	Talihina Veterans Center IT	\$0	\$40,930	\$68,240	\$0	\$109,170	0.00%
8870706	Lawton Veterans Center IT	\$0	\$75,250	\$60,338	\$0	\$135,588	0.00%
<b>Total</b>		<b>\$33,316,393</b>	<b>\$115,865,611</b>	<b>\$2,091,897</b>	<b>\$54,827</b>	<b>\$151,328,728</b>	<b>0.00%</b>

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

**FY'22 Top Five Operational Appropriation Funding Requests**

Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:		
Request 2:		
Request 3:		
Request 4:		
Request 5:		
<b>Top Five Request Subtotal:</b>		<b>\$0</b>
<b>Total Increase above FY-21 Budget (including all requests)</b>		<b>\$ -</b>
Difference between Top Five requests and total requests:		\$0

**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 '22 as was received in FY '21? (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 '22?**

A reduction of \$636,338 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 '22?**

	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	No	
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		
Priority 2		
Priority 3		

**Federal Funds**

CFDA	Federal Program Name	Agency Dept. #	FY 21 budgeted	FY 20	FY 19	FY 18	FY 17
64.015	Veterans State Home Nursing Care	0600001 - 0600007	\$115,353,168	\$102,256,295	\$101,143,349	\$96,314,253	\$95,679,223
64.124	State Approving Agency	3000001	\$512,443	\$454,093	\$665,038	\$469,098	\$435,909
65.005	Construction State Homes	9100001	\$28,496,000	\$276,393	\$1,050,712	\$2,055,434	\$4,500,955
64.035	Veterans Transportation	9100001	\$0	\$40,445	\$13,415	\$0	\$0

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**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 82.6 % of the cost of care provided to veterans at the centers. The rest of the cost is borne by state appropriations of 15 % and the agency revolving fund from the patient maintenance collections of 2.8 %.

**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 receive quality care through the ODVA Centers regardless of their ability to pay. Through various agreements with the USDVA and federal law, pension, compensation and Aid and Attendance payments are made to veterans by the federal government that enables them to participate in the cost of their care without pauperizing their spouse who is left at home, thus allowing them to put money back into the economy of their local communities. Hence, ending all of the federal funded programs would result in closing all the veterans centers.

**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'21 Budgeted FTE**

Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
06	Nursing Care	174	1493	457	668	1216	66
11	Central Office	13	13	24	1	27	9
20	Claims & Benefits	9	35	6	17	23	1
30	State Approving Agency	2	2	3	0	4	1
<b>Total</b>		<b>198</b>	<b>1543</b>	<b>490</b>	<b>686</b>	<b>1270</b>	<b>77</b>

**FTE History**

Division #	Division Name	2021 Budgeted	2020	2019	2017	2012
06	Nursing Care	1950.0	1774.6	1765.0	1931.5	1800.7
11	Central Office	37.0	31.2	33.6	30.8	25.0
20	Claims & Benefits	41.0	41.9	46.1	39.2	25.8
30	State Approving Agency	5.0	4.8	4.1	5.2	4.0
<b>Total</b>		<b>2033.0</b>	<b>1852.5</b>	<b>1848.8</b>	<b>2006.7</b>	<b>1855.5</b>

**Performance Measure Review**

Program Name	FY 20	FY 19	FY 18	FY 17	FY 16
Measure I Nursing Care					
1 Direct Care Employee Turnover Rate	21.60%	22.60%	27.00%	38.97%	46.88%
2 Reduction of Employee Overtime		\$847,428	\$913,000	\$1,406,199	\$2,207,100
Measure II Claims & Benefits					
1 Increase Service Connected Compensation	<b>Not Available</b>		1.92 Billion	1.97 Billion	2.0 Billion
Measure III SAA					
1 Execute digital transformation by 50%			N/A	N/A	N/A
Measure IV Administration					
1 Increase Resident & Family Satisfaction Survey Ratings	N/A	85.80%	N/A	N/A	N/A

**Revolving Funds (200 Series Funds)**

	FY'18-20 Avg. Revenues	FY'18-20 Avg. Expenditures	June '20 Balance
<b>ODVA Revolving Fund - 220</b>			
<i>Used 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.</i>	\$22,820,203	\$21,530,274	\$11,382,962
			<b>Ending Encumbrances: 6,150</b>
<b>ODVA Trust Fund - 205</b>			
Retirement of bonds, State Match for construction Projects. Source is the transfer from ODVA Revolving Fund.	\$8,835,885	\$3,113,562	\$22,371,421
			<b>Outstanding Encumbrances: 5,854</b>