

Representative Jerome Zeringue
Chairman



Representative Francis Thompson
Vice Chairman

Fiscal Year 2023 Executive Budget Review Department of Veterans Affairs

House Committee on Appropriations
House Fiscal Division

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All data and figures were obtained from the governor's Fiscal Year 2022-2023 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2022 Regular Session, unless otherwise noted.

<https://www.doa.la.gov/doa/opb/budget-documents/>

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BUDGET RECOMMENDATION FY 23

Total Recommended = \$87,111,751

Means of Financing

SGF \$13,982,883
16.1%

IAT \$2,481,161
2.8%

FSGR \$14,239,174
16.3%

SD \$115,528
<1%

FED \$56,293,005
64.6%

Expenditure Categories

Personnel Services \$60,372,830
69.3%

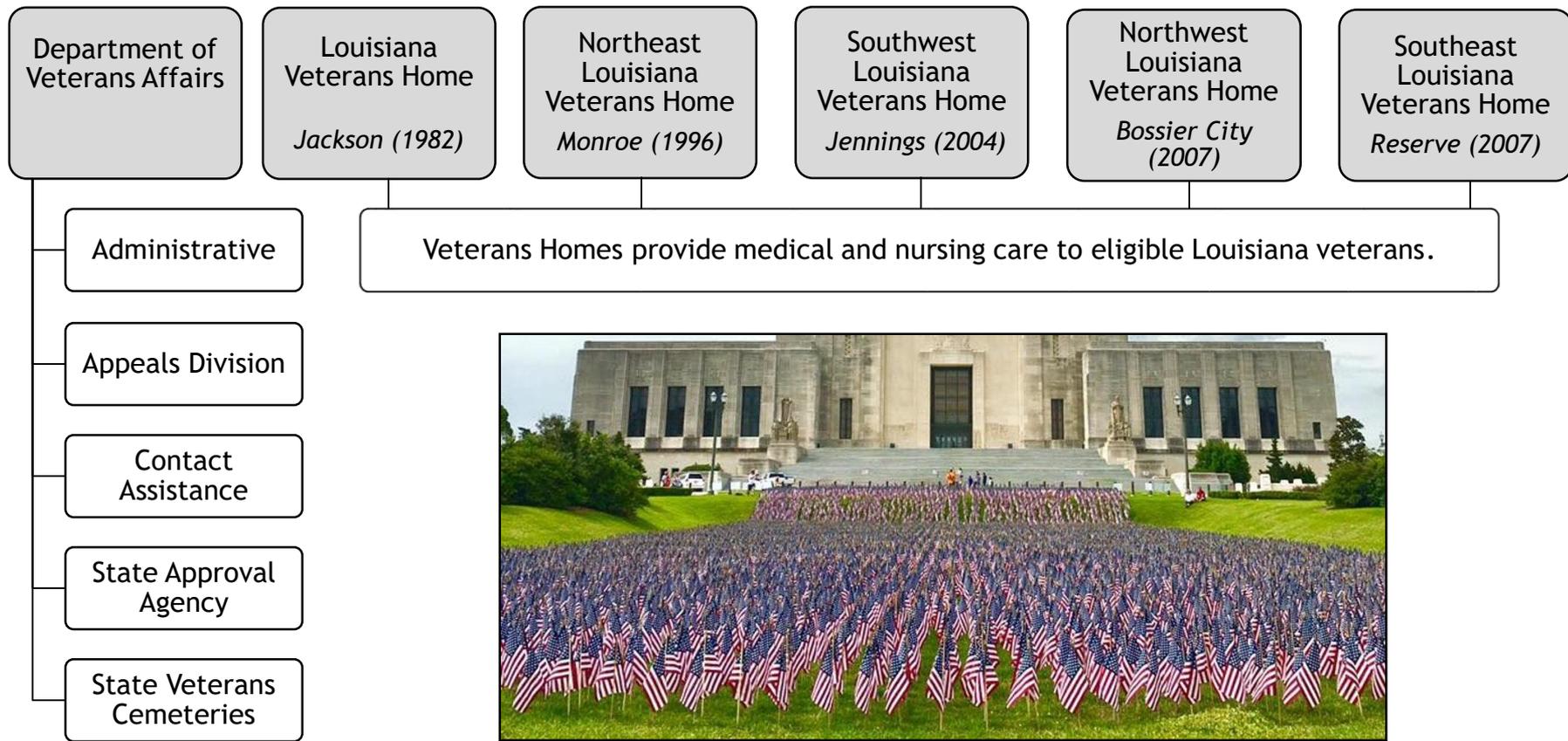
Operating Expenses \$11,493,948
13.2%

Professional Services \$3,472,156
4.0%

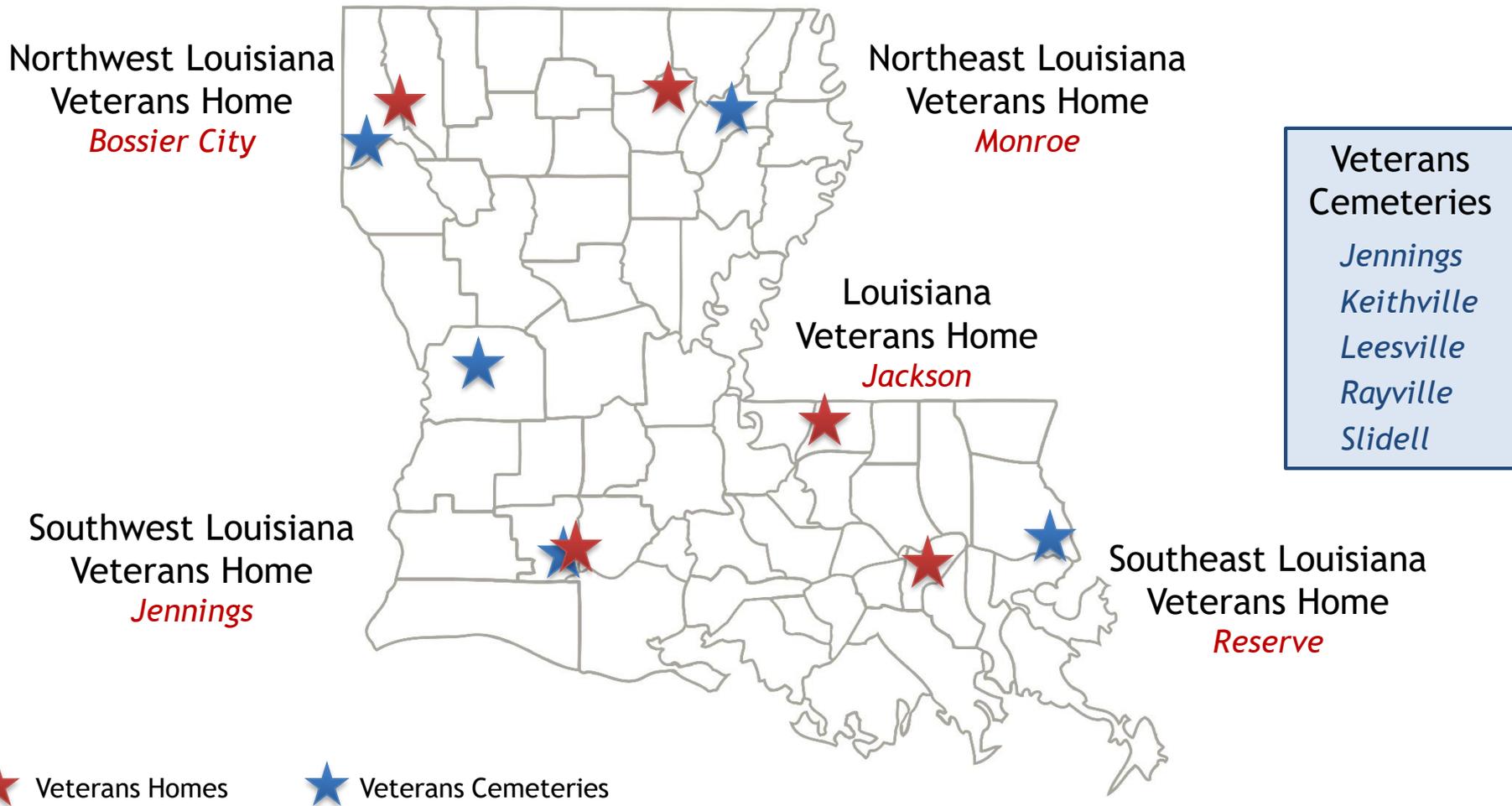
Other Charges \$10,704,778
12.3%

Acquisitions & Repairs \$1,068,039
1.2%

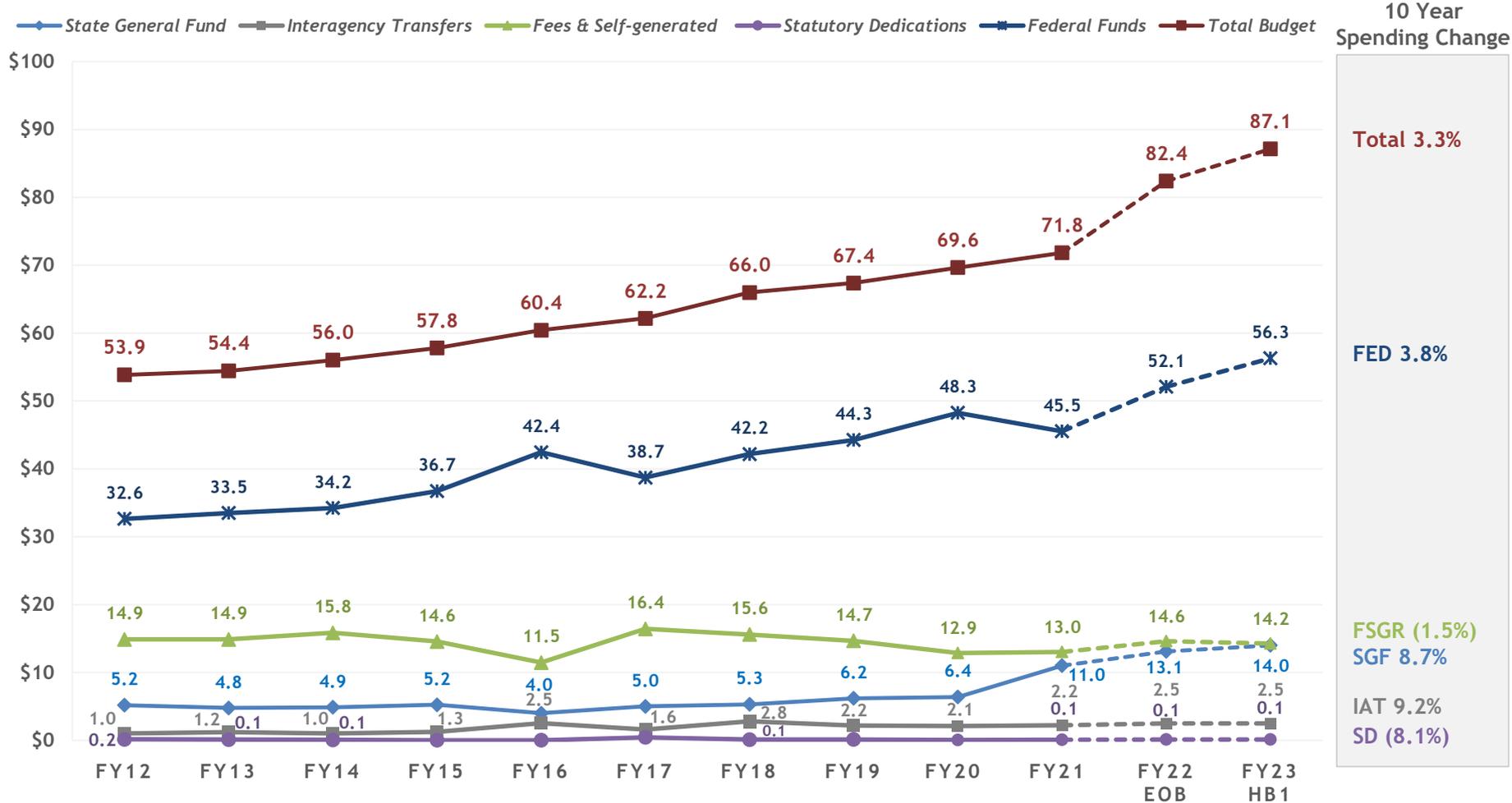
DEPARTMENT ORGANIZATION



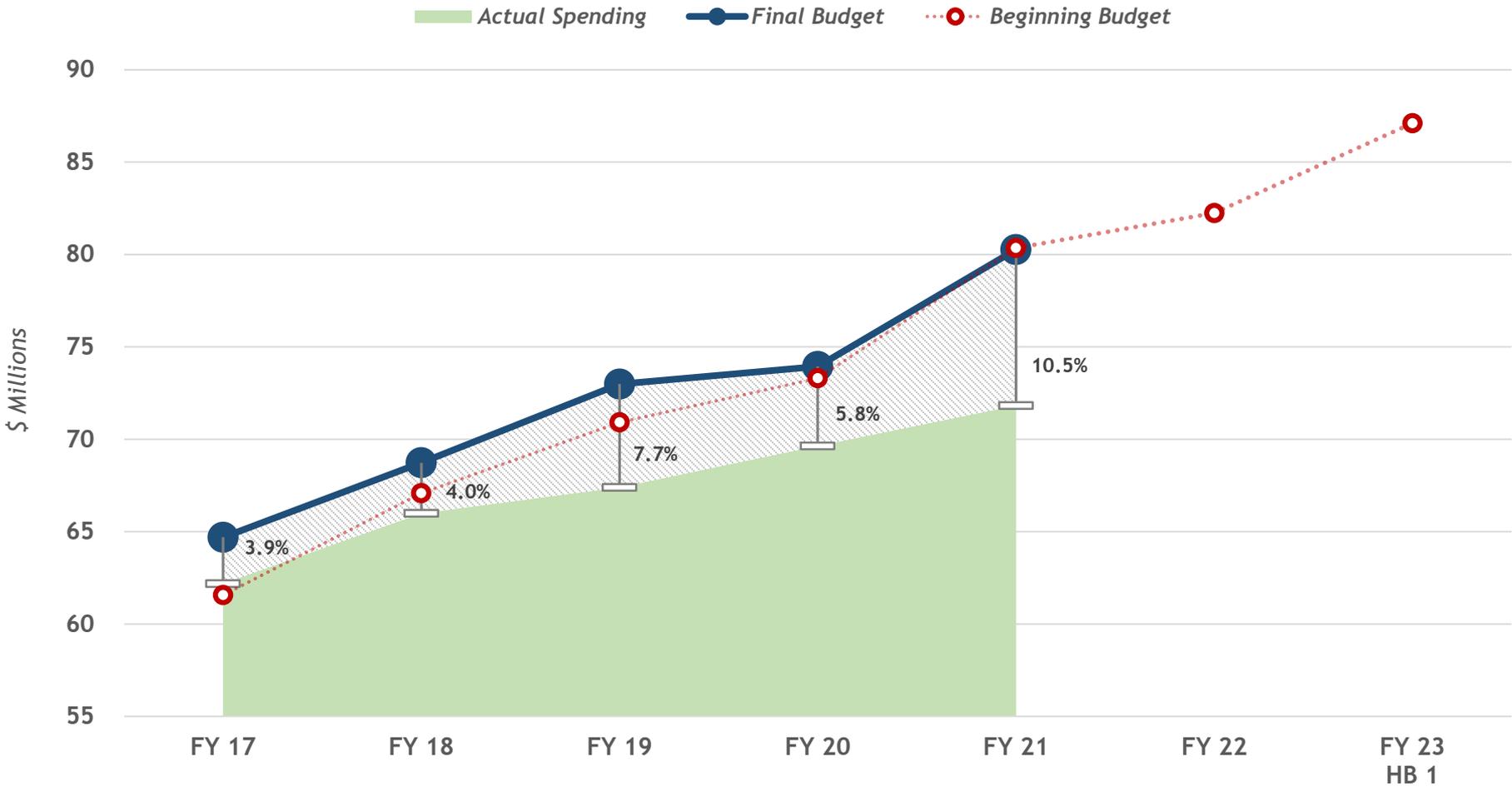
VETERANS HOMES AND CEMETERY LOCATIONS



HISTORICAL SPENDING



HISTORICAL BUDGET



PRIOR YEAR ACTUALS FY 21

Means of Finance	Final Budget <i>(w/o FY22 carryfwd)</i>	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 11,697,685	\$ 10,980,679	\$ 717,006	6.1%	8.6%
Interagency Transfers	2,448,947	2,221,202	227,745	9.3%	2.7%
Self-generated	14,824,177	13,017,780	1,806,397	12.2%	21.7%
Statutory Dedications	115,528	71,655	43,873	38.0%	0.5%
Federal	51,051,857	45,523,368	5,528,489	10.8%	66.4%
FY21 Total	\$ 80,138,194	\$ 71,814,684	\$ 8,323,510	10.4%	100.0%

<i>Historical Total Unspent Budget Authority</i>	Final Budget	Amount Spent	Unspent Authority	Unspent %	
	FY20 Total	\$ 73,867,544	\$ 69,631,958	\$ 4,235,586	5.7%
	FY19 Total	72,920,268	67,386,133	5,534,135	7.6%
	FY18 Total	68,544,654	65,985,506	2,559,148	3.7%
	3 Year Avg.	\$ 71,777,489	\$ 67,667,866	\$ 4,109,623	5.7%

PRIOR YEAR ACTUALS FY 21

Were projected revenues collected?

	Final Budget <i>(w/o FY22 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 11,697,685	\$ 10,980,679	\$ (717,006)
IAT	2,448,947	2,067,449	(381,498)
FSGR	14,824,177	11,348,917	(3,475,260)
SD	115,528	71,655	(43,873)
FED	51,051,857	51,715,277	663,420
Total	\$ 80,138,194	\$ 76,183,977	\$ (3,954,217)

The department collected \$4 M less than the FY 21 budget. The majority of excess budget authority over collections was in fees and self-generated revenues and state general fund. The self-generated revenues were less primarily due to lower than anticipated collections in the veterans homes. The state general fund reverted back to the state at fiscal year end and contributed to the FY 21 surplus.

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 10,980,679	\$ 10,980,679	\$ 0
IAT	2,067,449	2,221,202	153,753
FSGR	11,348,917	13,017,780	1,668,863
SD	71,655	71,655	0
FED	51,715,277	45,523,368	(6,191,909)
Total	\$ 76,183,977	\$ 71,814,684	\$ (4,369,293)

The department collected \$6.2 M more than was spent in federal funds. The higher collection amount is attributed to receiving CARES Act funds and a one-time federal VA emergency payment to each veterans home. The department spent \$1.7 M more than was collected in fees and self-generated revenues by utilizing unspent prior year collections that are authorized to be retained by the department and carried into subsequent years.

EXISTING OPERATING BUDGET FY 22

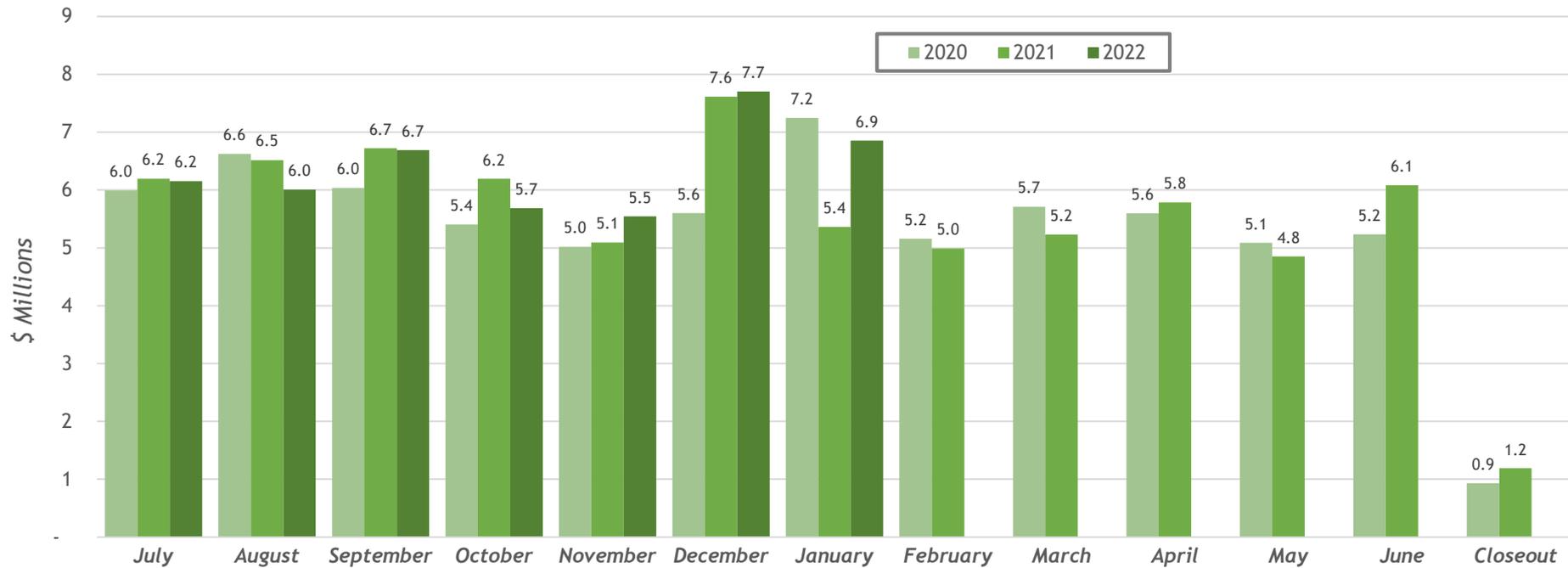
The FY 2021-22 Existing Operating Budget (EOB) was frozen on December 1, 2021. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 12,974,118	\$ 132,484	\$ 13,106,602
Interagency Transfers	2,479,430	0	2,479,430
Self-generated Revenue	14,599,929	0	14,599,929
Statutory Dedications	115,528	0	115,528
Federal	52,080,597	0	52,080,597
Total	\$ 82,249,602	\$ 132,484	\$ 82,382,086

Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No Change	\$132,484 SGF carried over from FY 21 related to: <ul style="list-style-type: none"> Contact Assistance Program vehicles State Veterans Cemetery Program equipment and irrigation system repairs 	No Change	No Change	No Change

MONTHLY SPENDING TREND



FYTD 2020	5,994,146	12,615,088	18,649,661	24,051,410	29,070,325	34,672,675	41,919,716	47,076,317	52,783,753	58,379,810	63,466,955	68,699,166	69,631,956
FYTD 2021	6,194,609	12,711,833	19,432,411	25,625,006	30,719,296	38,331,553	43,692,629	48,681,914	53,911,639	59,696,033	64,545,536	70,626,133	71,814,683
\$ Change PY	200,464	96,745	782,750	1,573,596	1,648,971	3,658,879	1,772,913	1,605,597	1,127,886	1,316,223	1,078,581	1,926,968	2,182,726
% Change PY	3.3%	0.8%	4.2%	6.5%	5.7%	10.6%	4.2%	3.4%	2.1%	2.3%	1.7%	2.8%	3.1%
FYTD 2022	6,153,292	12,159,753	18,851,103	24,536,730	30,080,556	37,782,336	44,634,634						
\$ Change PY	(41,317)	(552,080)	(581,308)	(1,088,276)	(638,740)	(549,218)	942,005						
% Change PY	(0.7%)	(4.3%)	(3.0%)	(4.2%)	(2.1%)	(1.4%)	2.2%						

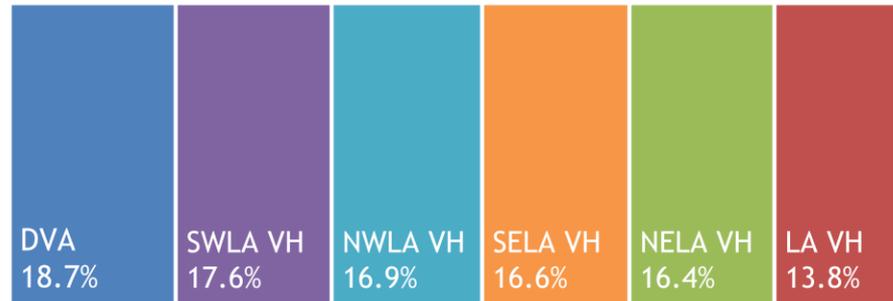
FUNDING RECOMMENDATION FY 23

Total Funding = \$87,111,751

Means of Finance		
State General Fund	\$	13,982,883
Interagency Transfers		2,481,161
Fees & Self-generated		14,239,174
Statutory Dedications		115,528
Federal Funds		56,293,005
Total	\$	87,111,751



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Dept. of Veterans Affairs	\$	16,315,313	120
Louisiana Veterans Home		12,020,612	122
Northeast La Veterans Home		14,248,578	149
Southwest La Veterans Home		15,304,263	153
Northwest La Veterans Home		14,753,899	150
Southeast La Veterans Home		14,469,086	151
Total	\$	87,111,751	845



SOURCES OF FUNDING

State General Fund \$14.0 M	Interagency Transfers \$2.5 M	Self-generated Revenue \$14.2 M	Statutory Dedications \$115,528	Federal Funds \$56.3 M
<p>The chief operating fund of the State recognized by the Revenue Estimating Conference from various taxes, licenses, fees, and other revenue sources except for those identified as other means of financing</p>	<ul style="list-style-type: none"> Funds come from the various Veterans Homes into the main agency for support services Small portion of these funds are each home's contribution for an internal auditor position that services all the homes 	<ul style="list-style-type: none"> In the Veterans Homes, funds are derived from the residents' ability to pay for part of their care and from employees and visitors purchasing meal tickets In the Contact Assistance Program, funds are derived from each parish's contribution towards providing a veterans service office 	<p>Louisiana Military Family Assistance Fund</p> <p>Collects donations of businesses and citizens throughout Louisiana, including via an individual or a corporate state income tax check-off</p>	<ul style="list-style-type: none"> In the Veterans Homes, funds are derived from the U.S. Dept. of Veterans Affairs for patient care and Medicare eligible residents cost reimbursements In Veterans Affairs, funds come from the U.S. Dept. of Veterans Affairs for reimbursement of various services and expenses

FUNDING COMPARISON

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 10,980,679	\$ 13,106,602	\$ 13,982,883	\$ 876,281	6.7%	\$ 3,002,204	27.3%
IAT	2,221,202	2,479,430	2,481,161	1,731	0.1%	259,959	11.7%
FSGR	13,017,780	14,599,929	14,239,174	(360,755)	(2.5%)	1,221,394	9.4%
Stat Ded	71,655	115,528	115,528	0	0.0%	43,873	61.2%
Federal	45,523,368	52,080,597	56,293,005	4,212,408	8.1%	10,769,637	23.7%
Total	\$ 71,814,684	\$ 82,382,086	\$ 87,111,751	\$ 4,729,665	5.7%	\$ 15,297,067	21.3%

Significant funding changes compared to the FY 22 Existing Operating Budget

State General Fund

\$876,281 net increase associated with expenditure changes in standard statewide adjustments and other various budget changes for acquisitions, operating expenses, and additional positions.

Fees & Self-generated

(\$360,755) decrease from net adjustments driven by replacing FSGR with federal funds due to an increase in reimbursement for nursing care for veterans housed at northeast and northwest Louisiana veterans homes.

- (\$260,000) Northeast La Veterans Home
- (\$211,212) Northwest La Veterans Home

Federal Funds

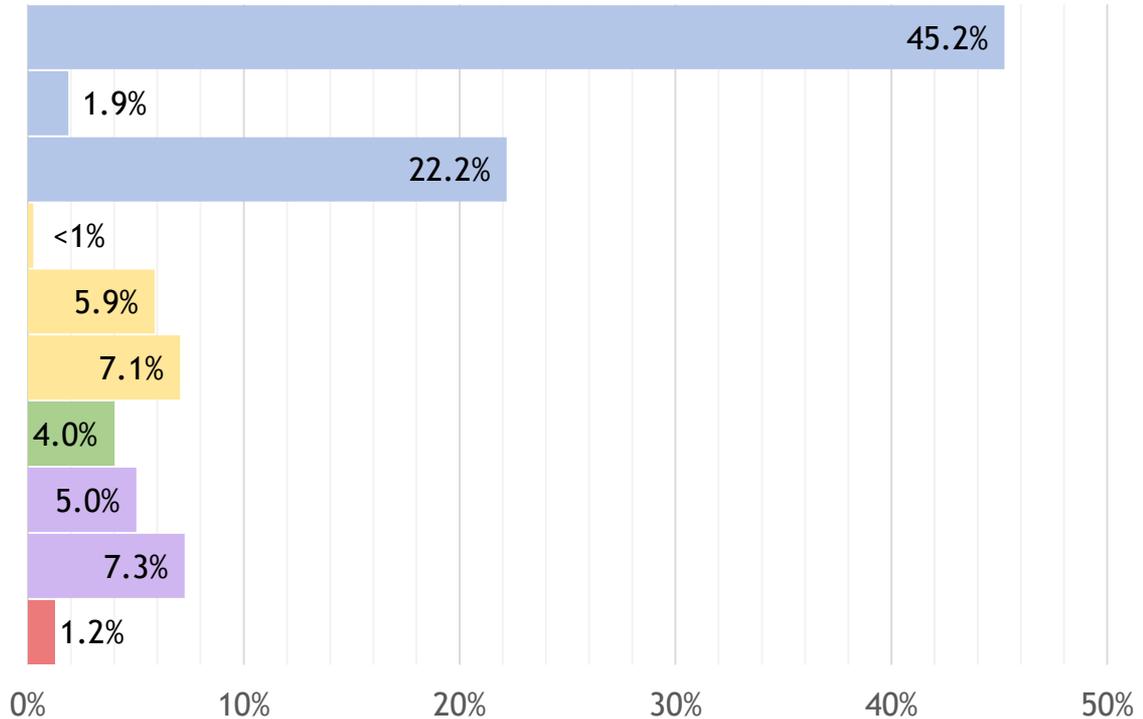
\$4.2 M net increase, similarly to SGF and FSGR, related to expenditure changes in standard statewide adjustments & replacing FSGR with federal funds for reimbursement of nursing care at two veterans homes.

- \$260,000 Northeast La Veterans Home
- \$211,212 Northwest La Veterans Home

EXPENDITURE RECOMMENDATION FY 23

Total Budget = \$87,111,751

Expenditure Category		
Salaries	\$	39,411,858
Other Compensation		1,640,595
Related Benefits		19,320,377
Travel		223,003
Operating Services		5,123,244
Supplies		6,147,701
Professional Services		3,472,156
Other Charges		4,375,179
Interagency Transfers		6,329,599
Acquisitions/Repairs		1,068,039
Total	\$	87,111,751



EXPENDITURE HISTORY

Fiscal Year: **Actual Expenditures** 2017 2018 2019 2020 2021 **Budgeted Amount** 2022 EOB 2023 HB1



5 Year Average Spending per Expenditure Category

\$6.4 M : 9.5%	\$48.1 M : 71.3%	\$3.3 M : 4.9%	\$8.9 M : 13.2%	\$754,000 : 1.1%
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EXPENDITURE COMPARISON

Expenditure Category	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 34,397,317	\$ 36,423,514	\$ 39,411,858	\$ 2,988,344	8.2%	\$ 5,014,541	14.6%
Other Compensation	1,017,662	1,475,905	1,640,595	164,690	11.2%	622,933	61.2%
Related Benefits	15,676,344	17,626,586	19,320,377	1,693,791	9.6%	3,644,033	23.2%
Travel	94,989	215,503	223,003	7,500	3.5%	128,014	134.8%
Operating Services	3,369,701	5,287,244	5,123,244	(164,000)	(3.1%)	1,753,543	52.0%
Supplies	5,386,144	6,142,226	6,147,701	5,475	0.1%	761,557	14.1%
Professional Services	2,996,326	3,472,156	3,472,156	0	0.0%	475,830	15.9%
Other Charges	3,019,406	4,725,179	4,375,179	(350,000)	(7.4%)	1,355,773	44.9%
Interagency Transfers	5,612,361	6,142,687	6,329,599	186,912	3.0%	717,238	12.8%
Acquisitions/Repairs	244,434	871,086	1,068,039	196,953	22.6%	823,605	336.9%
Total	\$ 71,814,684	\$ 82,382,086	\$ 87,111,751	\$ 4,729,665	5.7%	\$ 15,297,067	21.3%

SIGNIFICANT EXPENDITURE CHANGES FY 23

Compared to the FY 22 Existing Operating Budget

Personnel Services	Operating Expenses	Other Charges/IAT Expend.	Acquisitions/Repairs
<p>\$4.8 M net increased due to:</p> <ul style="list-style-type: none"> • \$2.0 M for the 27th payroll in FY 23 • \$1.7 M added to cover the base need for related benefits, retirement contribution rate changes, and group insurance rate changes for active and retired employees • \$977,320 added for classified and unclassified staff pay increases • \$151,743 for 1 position, 2 job appointments, and 1 part-time WAE position across three veterans cemeteries • \$124,281 for 2 positions at the Rapides Parish and Beauregard Parish veterans services offices 	<p>(\$151,025) net reduction primarily driven by:</p> <ul style="list-style-type: none"> • Removal of (\$300,000) in one-time legislative line item funding • \$31,000 to print additional copies of the department's Veterans Services Guide Book • \$5,475 provides for adobe sign for enterprise software used by veteran assistance counselors and administrative assistants 	<p>(\$163,088) net reduction caused by:</p> <ul style="list-style-type: none"> • Removal of (\$250,000) in one-time legislative line item funding • \$94,212 for changes to standard statewide service needs • \$85,200 for IT equipment upgrades and leases through OTS at La Veterans Home and Northeast La Veterans Home 	<p>\$196,953 net increase from:</p> <ul style="list-style-type: none"> • \$1 M to provide for vehicles, equipment, and major repairs at the veterans homes and cemeteries • Removal of (\$671,154) associated with vehicles, equipment, and major repairs at the veterans homes and cemeteries funded in the current year • Removal of (\$132,484) in expenses in the current year's budget carried over from FY 21 used for vehicles, equipment, and major repairs at the veterans cemeteries

OTHER CHARGES/INTERAGENCY TRANSFERS

Other Charges

Amount	Description
\$ 3,850,000	Louisiana National Guard Disability Claims
305,437	LaVetCorps
115,528	Military Family Assistance Program
54,214	Louisiana Veterans Honor Medals
50,000	Burials for indigent veterans
\$ 4,375,179	Total Other Charges

Interagency Transfers

Amount	Description
\$ 2,611,497	Transfers within the department for services
1,729,822	Office of Risk Management (ORM)
1,162,319	Office of Technology Services (OTS)
228,725	Rent in state-owned buildings
209,548	Civil Services Fees
152,176	Legislative Auditor Fees
96,391	Office of State Procurement (OSP)
42,262	Uniform Payroll System (UPS)
96,859	Various other IAT expenditures
\$ 6,329,599	Total Interagency Transfers

DISCRETIONARY EXPENSES FY 23

**Total Budget
\$87.1 Million**

State General Fund
\$14.0 Million

Interagency
Transfers
\$2.5 Million

Self-generated
Revenue
\$14.2 Million

Statutory
Dedications
\$115,528

Federal Funds
\$56.3 Million

Non-discretionary
\$2.4 Million

Discretionary
\$11.6 Million

Retirement UAL Payments
\$1.8 Million

Rent in state-owned buildings
\$228,725

Retirees Group Insurance
\$222,211

Legislative Auditor Fees
\$152,176

Dept. of Veterans Affairs
\$9.8 Million

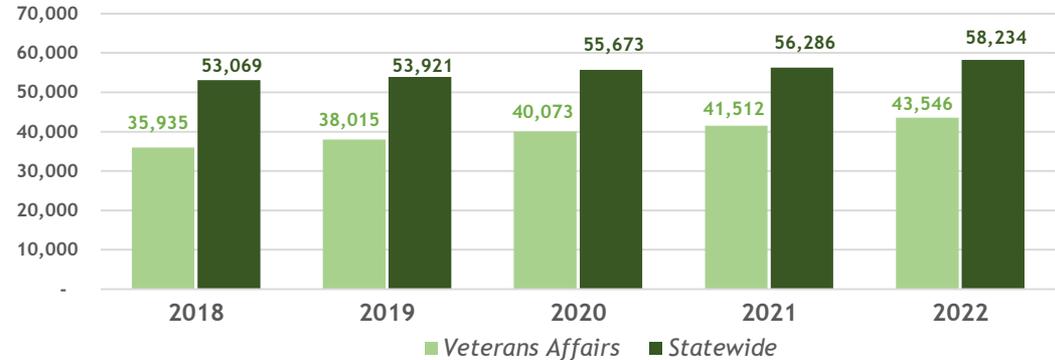
Louisiana Veterans Home
\$1.8 Million

PERSONNEL INFORMATION

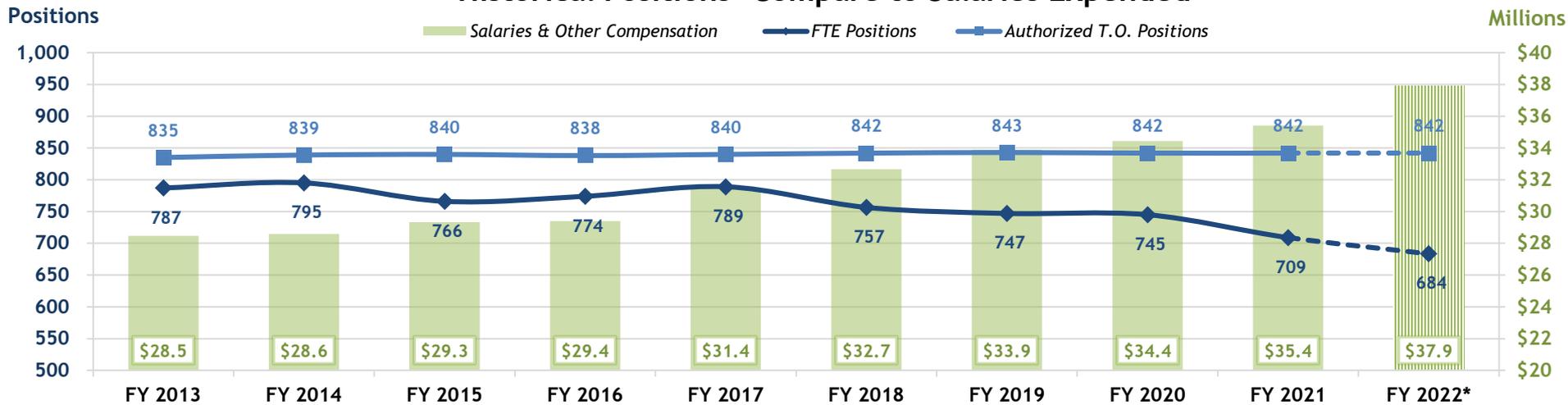
FY 2023 Recommended Positions

845	Total Authorized T.O. Positions (839 Classified, 6 Unclassified)
0	Authorized Other Charges Positions
3	Non-T.O. FTE Positions
151	Vacant Positions (January 3, 2022)

Historical Average Salary



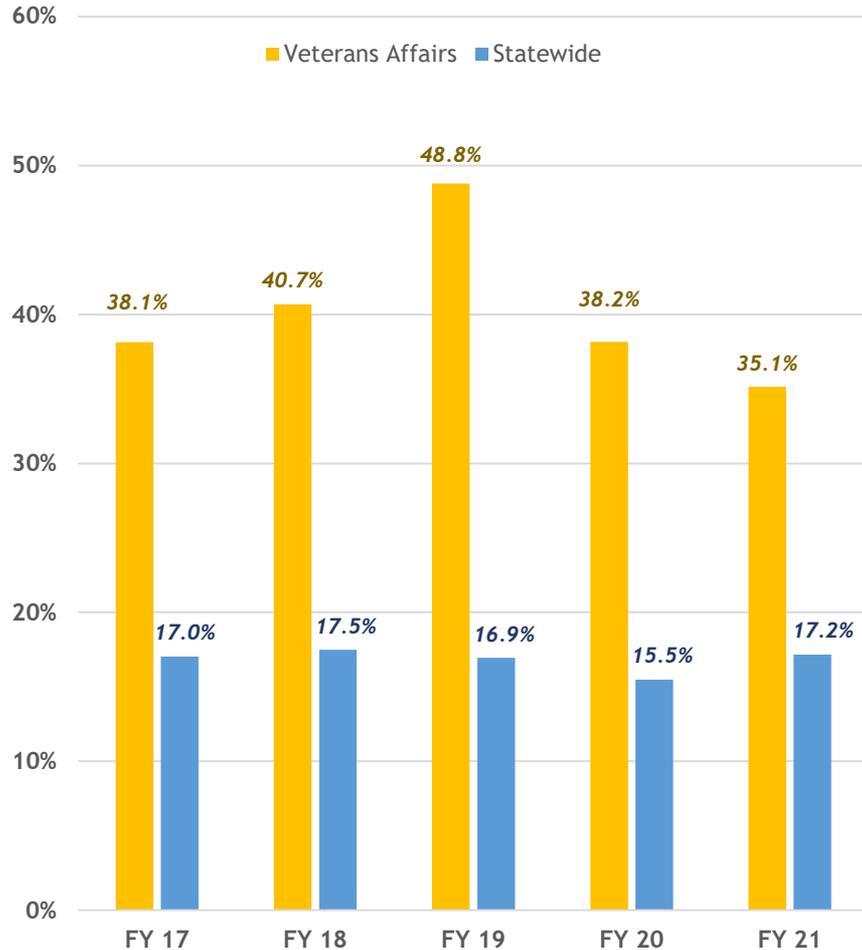
Historical Positions¹ Compare to Salaries Expended



¹ FTE Source: Dept. of Civil Service Weekly Report on State Employment

* Existing Operating Budget on 12/1/21

TURNOVER HISTORY

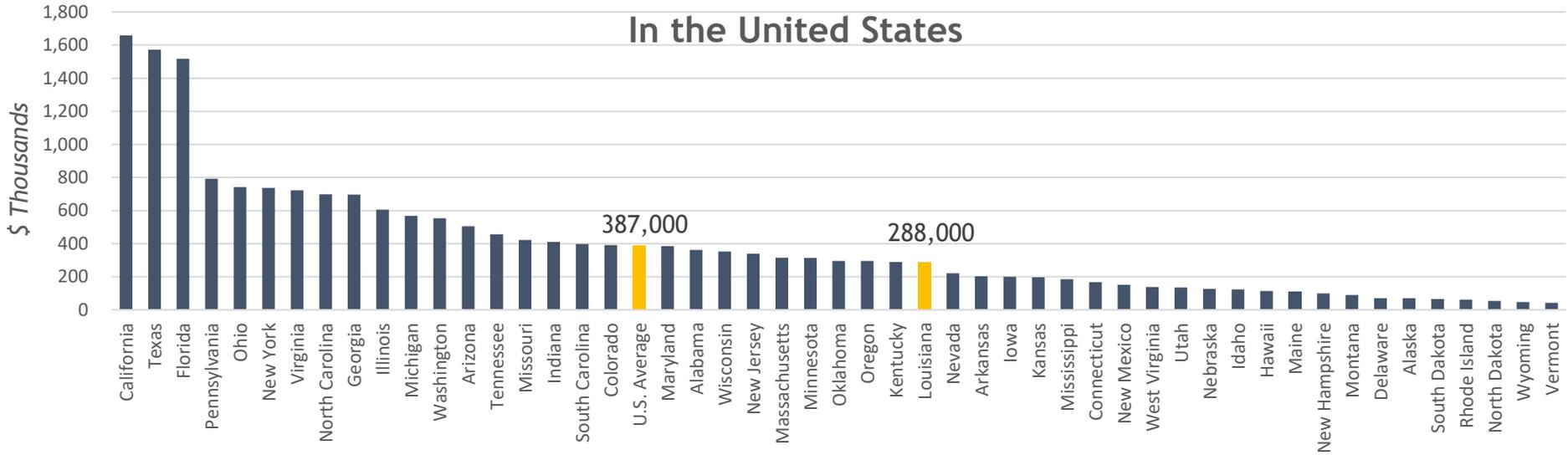


Top Positions Vacated FY 2021

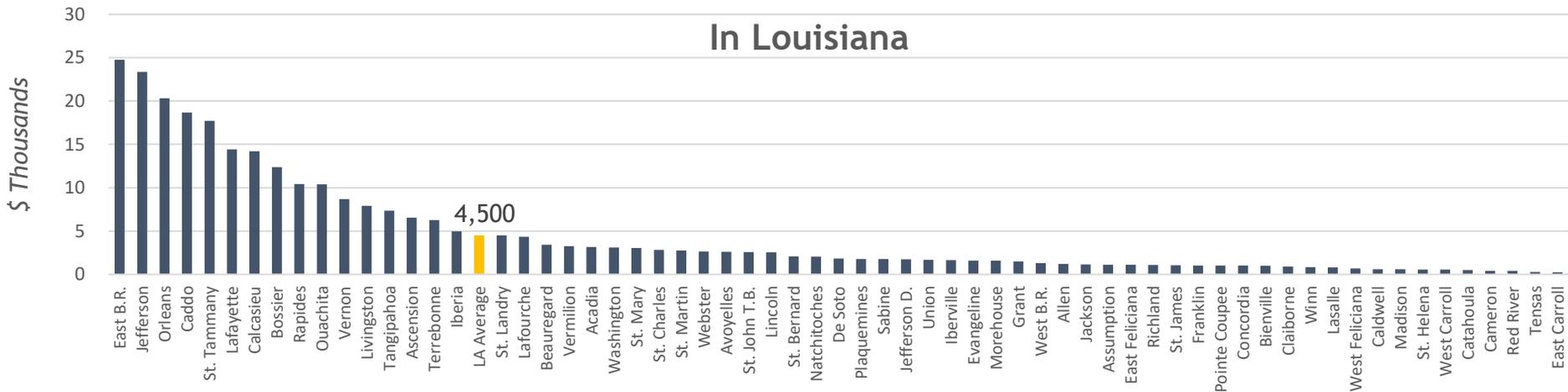
Position	Number of Employees	Separations	Turnover Rate
Nursing Assistant 2	140	97	69.3%
Custodian 2	40	19	47.5%
Practical Nurse - Licensed 3	96	16	16.7%
Food Service Specialist 3	33	14	42.4%
Maintenance Repairer 2	14	6	42.9%

ESTIMATED NUMBER OF VETERANS

In the United States



In Louisiana



Source: Data from the National Center for Veterans Analysis and Statistics, Office of Enterprise Integration, U.S. Department of Veterans Affairs

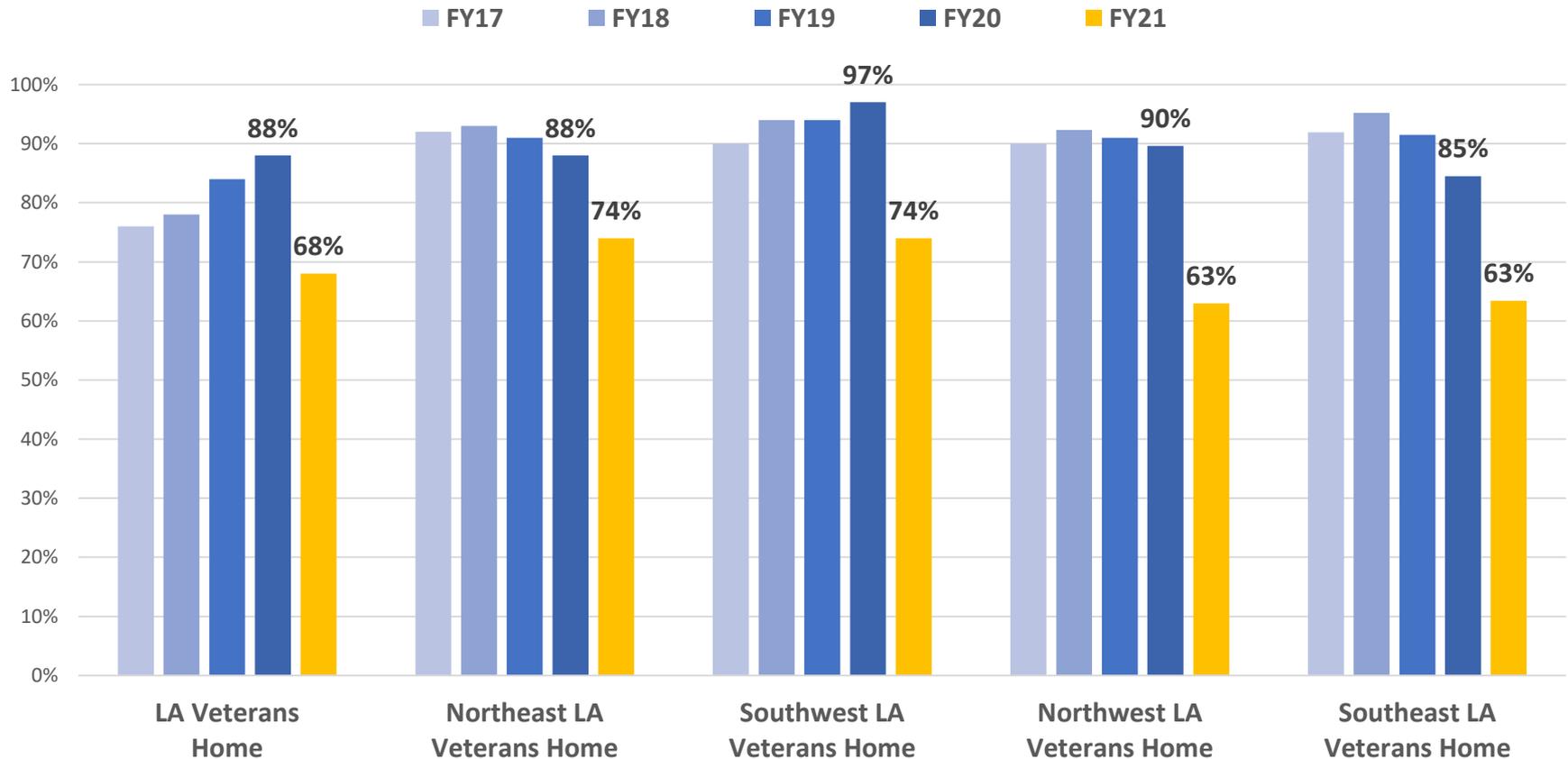
VETERANS HOME AVERAGE COST

Five-year historical averages of the five state run veterans homes

Averages	FY17	FY18	FY19	FY20	FY21
Daily Census	136	138	135	131	103
Occupancy Rate	88%	91%	90%	89%	68%
Cost per Patient per Day	\$219	\$224	\$234	\$251	\$313
Cost per Patient per Year	\$79,935	\$81,760	\$85,410	\$91,615	\$114,245

VETERANS HOMES OCCUPANCY RATES

How has the COVID-19 pandemic affected Louisiana veterans homes occupancy rates?



Source: Office of Planning and Budget - Budget Supporting Documents and Louisiana Performance Accountability System (LaPAS)

DEPARTMENT CONTACTS



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DEPARTMENT OVERVIEW



Mission: *To provide comprehensive care and quality service to Louisiana's Veterans, and their families, with regard to health care, education, disability benefits, long-term care, and burial honors*

Administration

Office of the Secretary

Handles the management for the activities, performance, and overall operation for the Department of Veterans Affairs

- **Military Family Assistance Fund** - addresses financial hardships veterans, Louisiana National Guardsmen, and Reservists and their dependents may encounter by paying for a variety of items for those who qualify, such as food, housing, medical expenses, auto repair, and more

Human Resources

Maintains all personnel records, regulates position classification, pay administration, hiring and firing, and employee relations for the department

Accounting and Purchasing

Plans, prepares, and executes annual department operating budgets, and is responsible for requesting funds. It also maintains and controls financial records of receipts and disbursements

Training and Information

Provides specialized classroom and field training to all newly appointed Veterans Assistance Counselors

DEPARTMENT OVERVIEW

Appeals Division

- Represents veterans and/or their dependents on claims for benefits to which they are entitled before rating boards of the U.S. Department of Veterans Affairs and its Board of Vet Appeals
- Represents and advocates for veterans before all agencies administering programs that affect veterans

Contact Assistance

- Parish offices with veterans assistance counselors help process and develop claims to determine a veteran's eligibility for benefits
- Assists veterans and their families with various problems such as medical services, compensation, pension programs, education, home loans, employment, insurance, and additional benefits when a patient is in a nursing home

State Approval Agency

- Approves, supervises, and provides technical assistance to the institutions and training establishments for veterans
- Makes supervisory visits to all active schools, institutions of higher learning, non-college degree programs, job training programs and flight schools to ensure that the approved institutions are maintaining the approval criteria as approved and as set out in the Operation Plan and the Veterans Administration contract
- Conducts inspection visits on new schools seeking approval, and additional visits at the request of Veterans Affairs



DEPARTMENT OVERVIEW



Veterans Cemeteries

- The department constructs, operates, and maintains veterans cemeteries throughout Louisiana
- Available for eligible veterans, their spouses, and dependent children (at no charge for veteran burials)

Veterans Homes

- Provides nursing care to eligible veterans in five veteran nursing homes
- Provides a variety of services including long-and short-term care, rehabilitative therapies, Alzheimer's care, skilled nursing, and centralized pharmacy services