

Director: Patrick Chorpensing

JLBC Analyst: Bethany Nicholas

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	302.3	302.3	299.3 ^{1/}
Personal Services	8,465,300	8,408,000	8,868,000
Employee Related Expenditures	2,083,300	2,715,500	2,883,700
Professional and Outside Services	746,700	226,000	231,000
Travel - In State	51,000	52,600	53,200
Travel - Out of State	8,000	2,400	2,400
Other Operating Expenditures	1,095,600	1,753,700	1,935,500
Food	372,300	389,000	469,000
Equipment	111,100	23,000	25,400
OPERATING SUBTOTAL	12,933,300	13,570,200	14,468,200
SPECIAL LINE ITEMS			
Southern Arizona Cemetery	319,100	311,700	129,000
Telemedicine Project	0	0	10,000
Veterans' Organizations Contracts	29,200	29,200	29,200
AGENCY TOTAL	13,281,600	13,911,100	14,636,400^{2/}

FUND SOURCES			
General Fund	2,332,600	2,172,000	2,231,900
<u>Other Appropriated Funds</u>			
State Home for Veterans' Trust Fund	10,279,200	10,991,200	11,778,700
State Veterans' Cemetery Fund	214,200	182,700	0
State Veterans' Conservatorship Fund	455,600	565,200	625,800
SUBTOTAL - Other Appropriated Funds	10,949,000	11,739,100	12,404,500
SUBTOTAL - Appropriated Funds	13,281,600	13,911,100	14,636,400
<u>Other Non-Appropriated Funds</u>			
Other Non-Appropriated Funds	2,946,800	322,100	480,700
Federal Funds	317,800	336,500	355,200
TOTAL - ALL SOURCES	16,546,200	14,569,700	15,472,300

AGENCY DESCRIPTION — The agency assists veterans in developing and filing claims for federal entitlements, acts as a guardian or conservator for incapacitated veterans or their families and supervises and operates a 200-bed skilled nursing home for Arizona veterans in Phoenix.

PERFORMANCE MEASURES	FY 2003 Appropriation	FY 2003 Actual	FY 2004 Appropriation	FY 2005 Appropriation
• Department of Health Services quality rating of the Veterans' Home ("excellent", "standard" or "substandard")	Excellent	Excellent	Excellent	Excellent
• % of customers rating department's services as "good" or "excellent"	95	98	95	95
• Social worker to client ratio	1:45	1:42	1:50	1:50
• % of agency staff turnover	45	26	NA	25
• Administration as a % of total cost	13	6.9	17	8

^{1/} Includes 6 FTE Positions funded from Special Line Items in FY 2005.

^{2/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The budget provides \$14,468,200 for the operating budget in FY 2005. This amount consists of \$2,073,700 from the General Fund, \$11,768,700 from the State Home for Veterans' Trust Fund, and \$625,800 from the State Veterans' Conservatorship Fund. These amounts include an increase for statewide salary and other adjustments. These salary adjustments include \$2,000 for each Nurse FTE Position. *(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

Lease Costs

The budget includes \$800 from the State Veterans' Conservatorship Fund for increased lease costs.

Fiduciary Program Personnel

The budget includes a Veterans' Conservatorship Fund increase of \$42,700 and 1 FTE Position for new Fiduciary personnel. The new position will improve the staff-to-client ratio from 1:57 to 1:48 in accordance with the Arizona Supreme Court's Private Fiduciary Certification Training Manual recommendations. The approved amount includes \$1,600 for one-time equipment.

Phoenix Veterans' Home

The budget includes a State Home for Veterans' Trust Fund increase of \$318,700. This amount includes funding for increased salaries for nursing support staff, increased costs of medical supplies and physician-prescribed diets, and increased maintenance costs at the Arizona State Veteran's Home.

Southern Arizona Home Planning

The budget includes a State Home for Veterans' Trust Fund increase of \$40,500. This amount includes pre-construction costs for a Southern Arizona Veteran's Home, to be located adjacent to the V.A. Medical Center in Tucson.

Special Line Items

Southern Arizona Cemetery

The budget provides \$129,000 from the General Fund for the Southern Arizona Cemetery in FY 2005.

Veterans' Cemetery Operations

The budget includes a decrease of \$(182,700) from the Veterans' Cemetery Fund to reflect a change in funding sources for operation of the Southern Arizona Cemetery in Sierra Vista. In FY 2004 the Southern Arizona Cemetery received \$129,000 from the General Fund and \$182,700 from the appropriated Veterans' Cemetery Fund. These latter monies were intended as start-up dollars for a new cemetery. In FY 2005, the General Fund will remain the same. But a non-appropriated fund, the Southern Arizona Veterans' Cemetery Fund, was intended to defray the costs of operating the Sierra Vista cemetery. As a result, the budget shifts \$182,700 from the appropriated Veterans'

Cemetery Fund to the non-appropriated Southern Arizona Veterans' Memorial Cemetery Fund.

In addition, the budget shifts 4 FTE Positions from the General Fund to the Southern Arizona Veterans' Memorial Cemetery Fund. After the shift, this line item funds 2 FTE Positions from the General Fund in addition to the 4 non-appropriated FTE Positions.

Telemedicine Project

The budget provides \$10,000 from the State Home for Veterans' Trust Fund for the Telemedicine Project in FY 2005. This amount includes equipment and other operating expenses for benefits counselors using the Telemedicine Network, a video-conferencing system used by physicians to service rural areas, to provide counseling services the same rural areas.

Veterans' Organizations Contracts

The budget provides \$29,200 from the General Fund for Veterans' Organizations Contracts in FY 2005. This amount is unchanged from FY 2004.

Monies in this line item are for contracts with veterans' organizations to compensate them for processing 3rd party claims on behalf of veterans that the department does not currently serve.

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