

# Department of Veterans' Services

JLBC: Amy Upston  
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DESCRIPTION	FY 2006 ACTUAL	FY 2007 ESTIMATE	FY 2008 JLBC	FY 2009 JLBC
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	299.3	324.3	324.3	324.3
Personal Services	8,404,400	9,165,400	9,165,400	9,165,400
Employee Related Expenditures	2,929,800	3,484,200	3,517,700	3,517,700
Professional and Outside Services	243,200	261,300	253,600	253,600
Travel - In State	45,300	39,200	31,900	31,900
Travel - Out of State	10,200	7,000	7,000	7,000
Other Operating Expenditures	1,740,100	1,868,700	1,866,300	1,866,300
Food	421,900	437,600	437,600	437,600
Equipment	451,000	96,800	81,800	81,800
<b>OPERATING SUBTOTAL</b>	<b>14,245,900</b>	<b>15,360,200</b>	<b>15,361,300</b>	<b>15,361,300</b>
<b>SPECIAL LINE ITEMS</b>				
Northern Arizona Cemetery	0	182,700	0	0
Pearl Harbor Memorial	0	69,000	0	0
Southern Arizona Cemetery	141,400	272,100	272,100	272,100
Telemedicine Project	10,000	10,000	10,000	10,000
Veterans' Benefit Counseling	1,003,700	2,209,600	2,118,600	2,118,600
Veterans' Organizations Contracts	29,200	29,200	29,200	29,200
<b>AGENCY TOTAL</b>	<b>15,430,200</b>	<b>18,132,800</b>	<b>17,791,200</b>	<b>17,791,200</b>
<b>FUND SOURCES</b>				
General Fund	2,372,500	4,149,700	3,777,000	3,777,000
<u>Other Appropriated Funds</u>				
State Home for Veterans' Trust Fund	12,398,600	13,262,100	13,291,500	13,291,500
State Veterans' Conservatorship Fund	659,100	721,000	722,700	722,700
SUBTOTAL - Other Appropriated Funds	13,057,700	13,983,100	14,014,200	14,014,200
<b>SUBTOTAL - Appropriated Funds</b>	<b>15,430,200</b>	<b>18,132,800</b>	<b>17,791,200</b>	<b>17,791,200</b>
Other Non-Appropriated Funds	663,000	683,400	683,400	683,400
Federal Funds	375,200	415,000	415,000	415,000
<b>TOTAL - ALL SOURCES</b>	<b>16,468,400</b>	<b>19,231,200</b>	<b>18,889,600</b>	<b>18,889,600</b>

CHANGE IN FUNDING SUMMARY	FY 2007 to FY 2008 JLBC		FY 2007 to FY 2009 JLBC	
	\$ Change	% Change	\$ Change	% Change
General Fund	(372,700)	(9.0%)	(372,700)	(9.0%)
Other Appropriated Funds	31,100	0.2%	31,100	0.2%
Total Appropriated Funds	(341,600)	(1.9%)	(341,600)	(1.9%)
Non Appropriated Funds	0	0.0%	0	0.0%
Total - All Sources	(341,600)	(1.8%)	(341,600)	(1.8%)

**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, supervises and operates a 200-bed skilled nursing home for Arizona veterans in Phoenix, and operates the Southern Arizona Veterans' Memorial Cemetery.

PERFORMANCE MEASURES	FY 2004	FY 2005	FY 2006	FY 2008
	Actual	Actual	Actual	JLBC
<ul style="list-style-type: none"> <li>Department of Health Services quality rating of the Veterans' Home</li> </ul> <p>Comments: Beginning in FY 2006, the Department of Health Services began rating facilities A, B, C, or D. Previously, quality ratings were "excellent", "standard" or "substandard".</p>	Excellent	Excellent	B	A
<ul style="list-style-type: none"> <li>% of customers rating department's services as "good" or "excellent"</li> </ul>	98	99	99	98

## CHANGES FROM FY 2007

### **Operating Budget**

The JLBC includes \$15,361,300 and 274.3 FTE Positions for the operating budget in FY 2008 and FY 2009. These amounts consist of:

	<b>FY 2008</b>	<b>FY 2009</b>
General Fund	\$1,357,100	\$1,357,100
State Home for Veterans' Trust Fund	13,281,500	13,281,500
Veterans' Conservatorship Fund	722,700	722,700

These amounts would fund the following adjustments:

<b>Standard Changes</b>	<b>GF</b>	<b>(300)</b>	<b>(300)</b>
	<b>OF</b>	<b>31,100</b>	<b>31,100</b>

The JLBC includes an increase of \$30,800 in FY 2008 and FY 2009 for standard changes. These amounts consist of:

General Fund	(300)	(300)
State Home for Veterans' Trust Fund	29,400	29,400
State Veterans' Conservatorship Fund	1,700	1,700

### **One-Time AZNet**

<b>Appropriation</b>	<b>GF</b>	<b>(29,700)</b>	<b>(29,700)</b>
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The JLBC includes a decrease of \$(29,700) from the General Fund in FY 2008 and FY 2009 to reflect the one-time appropriation for AZNet telecommunications charges.

### **Special Line Items**

#### **Pearl Harbor Memorial**

The JLBC includes no funding for the Pearl Harbor Memorial line item in FY 2008 and FY 2009. These amounts would fund the following adjustments:

### **One-Time Funding for**

<b>Pearl Harbor Memorial</b>	<b>GF</b>	<b>(69,000)</b>	<b>(69,000)</b>
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The JLBC includes a decrease of \$(69,000) from the General Fund in FY 2008 and FY 2009 to reflect one-time funding for the Pearl Harbor Memorial. Laws 2006, Chapter 355 provided one-time monies for the Pearl

Harbor memorial and visitor center in Honolulu, Hawaii. Donations were collected from each state.

#### **Northern Arizona Cemetery**

The JLBC includes no funding for the Northern Arizona Cemetery line item in FY 2008 and FY 2009. These amounts would fund the following adjustments:

### **Eliminate One-Time**

<b>Funding</b>	<b>GF</b>	<b>(182,700)</b>	<b>(182,700)</b>
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The JLBC includes a decrease of \$(182,700) from the General Fund in FY 2008 and FY 2009 for the Northern Arizona Cemetery. The State Cemetery Fund was originally established to provide start-up monies for 3 new veteran cemeteries but the fund balance was depleted for operation of the Southern Arizona Cemetery (Laws 2003, Chapter 265).

Monies from this line item replenished funds for the Northern Arizona Cemetery. Funding allowed the department to begin the pre-construction phase of the Northern Arizona Veterans' Cemetery.

#### **Southern Arizona Cemetery**

The JLBC includes \$272,100 and 2 FTE Positions from the General Fund for the Southern Arizona Cemetery in FY 2008 and FY 2009. These amounts are unchanged from FY 2007.

The monies in this line item are used to partially offset the operating costs at the Southern Arizona Cemetery in Sierra Vista.

#### **Telemedicine Project**

The JLBC includes \$10,000 from the State Home for Veterans' Trust Fund for the Telemedicine Project in FY 2008 and FY 2009. These amounts are unchanged from FY 2007.

Monies in this line item are for equipment and other operating expenses for benefit counselors using the Telemedicine Network, a video-conferencing system both used by physicians to service rural areas and to provide counseling services to those same areas.

#### **Veterans' Benefit Counseling**

The JLBC includes \$2,118,600 and 48 FTE Positions from the General Fund for Veterans' Benefit Counselors in

FY 2008 and FY 2009. These amounts would fund the following adjustments:

**One-Time Equipment GF (91,000) (91,000)**

The JLBC includes a decrease of \$(91,000) from the General Fund in FY 2008 and FY 2009 to eliminate the one-time expenditure for start-up equipment added in FY 2007 for 21 new Veterans' Benefit Counselors and 4 Support Staff.

The monies in this line item are used to assist Arizona Veterans with questions about benefit eligibility, completion of benefit forms, and obtaining deserved benefits.

**Veterans' Organizations Contracts**

The JLBC includes \$29,200 from the General Fund for the Veterans' Organizations Contracts in FY 2008 and FY 2009. This amount is unchanged from FY 2007.

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

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**FORMAT** — Operating Lump Sum with Special Line Items by Agency

<b>SUMMARY OF FUNDS</b>	<b>FY 2006 Actual</b>	<b>FY 2007 Estimate</b>
<b>Federal Funds (VSA2000/A.R.S. § 35-142)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> U.S. Department of Veterans' Affairs grant.		
<b>Purpose of Fund:</b> For supervision and qualification of educational and training programs.		
<b>Funds Expended</b>	375,200	415,000
<b>Year-End Fund Balance</b>	0	0
<b>Southern Arizona Veterans' Cemetery Trust Fund (VSA2499/A.R.S. § 41-608.03)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Monies, grants, gifts, and contributions from any public or private source.		
<b>Purpose of Fund:</b> To manage and maintain the southern Arizona veterans' cemetery.		
<b>Funds Expended</b>	122,100	0
<b>Year-End Fund Balance</b>	6,400	97,400
<b>State Home for Veterans' Trust Fund (VSA2355/A.R.S. § 41-608.01)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Fees from residents of the Home and from special license plates fees for veterans, former prisoners of war, Purple Heart Medal recipients and Pearl Harbor survivors.		
<b>Purpose of Fund:</b> To operate and maintain state-operated nursing homes for Arizona veterans.		
<b>Funds Expended</b>	12,398,600	13,262,100
<b>Year-End Fund Balance</b>	355,900	290,800
<b>State Veterans' Cemetery Fund (VSA2481/A.R.S. § 41-608.02)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Includes a one-time \$500,000 appropriation from the General Fund and federal monies used as reimbursement for the construction of veterans' cemeteries.		
<b>Purpose of Fund:</b> To acquire property for and to establish state veterans' cemeteries.		
<b>Funds Expended</b>	10,000	0
<b>Year-End Fund Balance</b>	308,700	491,400
<b>State Veterans' Conservatorship Fund (VSA2077/A.R.S. § 14-5414.01)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Fees collected from veterans, or a veteran's surviving spouse, or minor child, or the incapacitated spouse of a protected veteran, for whom the agency serves as a conservator.		
<b>Purpose of Fund:</b> To operate the Fiduciary Division of the Department of Veterans' Services.		
<b>Funds Expended</b>	659,100	721,000
<b>Year-End Fund Balance</b>	18,000	0

SUMMARY OF FUNDS	FY 2006 Actual	FY 2007 Estimate
<b>Statewide Employee Recognition Gifts</b> (VSA2449/A.R.S. § 41-776)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Donations, gifts, or contributions from public or private sources.		
<b>Purpose of Fund:</b> For the conduct of employee recognition programs.		
<b>Funds Expended</b>	4,700	4,700
<b>Year-End Fund Balance</b>	2,600	2,900
<b>Veterans' Donation Fund</b> (VSA2441/A.R.S. § 41-608)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Donations from private individuals, corporations and organizations. Donations are made by designating a portion of one's tax refund, purchasing a license plate, or other means. Of the \$25 license plate fee, \$8 is for administrative costs deposited to the State Highway Fund and \$17 is deposited into the Veterans' Donation Fund.		
<b>Purpose of Fund:</b> To benefit veterans within the state of Arizona.		
<b>Funds Expended</b>	526,200	678,700
<b>Year-End Fund Balance</b>	504,800	735,100