

D55P00
Department of Veterans Affairs

Operating Budget Data

(\$ in Thousands)

	<u>FY 16</u> <u>Actual</u>	<u>FY 17</u> <u>Working</u>	<u>FY 18</u> <u>Allowance</u>	<u>FY 17-18</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$8,786	\$7,751	\$8,284	\$533	6.9%
Adjustments	0	0	-14	-14	
Adjusted General Fund	\$8,786	\$7,751	\$8,270	\$519	6.7%
Special Fund	808	1,522	3,758	2,237	147.0%
Adjustments	0	0	-2	-2	
Adjusted Special Fund	\$808	\$1,522	\$3,756	\$2,235	146.8%
Federal Fund	16,261	18,279	16,738	-1,540	-8.4%
Adjustments	0	0	-2	-2	
Adjusted Federal Fund	\$16,261	\$18,279	\$16,736	-\$1,543	-8.4%
Adjusted Grand Total	\$25,855	\$27,552	\$28,762	\$1,211	4.4%

Note: Includes targeted reversions, deficiencies, and contingent reductions.

- After adjusting for a contingent reduction in pension costs, the fiscal 2018 allowance increases by \$1.2 million, or 4.4%, compared to the fiscal 2017 working appropriation.
- Anticipated changes to the management contract for the Charlotte Hall Veterans Home (CHVH) drive changes in general, special, and federal funds.

Note: Numbers may not sum to total due to rounding.

For further information contact: Jared S. Sussman

Phone: (410) 946-5530

Personnel Data

	<u>FY 16</u> <u>Actual</u>	<u>FY 17</u> <u>Working</u>	<u>FY 18</u> <u>Allowance</u>	<u>FY 17-18</u> <u>Change</u>
Regular Positions	79.00	83.00	83.00	0.00
Contractual FTEs	<u>3.84</u>	<u>3.84</u>	<u>5.50</u>	<u>1.66</u>
Total Personnel	82.84	86.84	88.50	1.66

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	5.82	7.01%
Positions and Percentage Vacant as of 1/1/17	7.00	8.43%

- The agency is budgeted with a turnover rate of 7.01%, which assumes an average of 5.82 positions vacant throughout the fiscal year. As of January 2017, the Department of Veterans Affairs (MDVA) had 7.0 vacant positions.
- The allowance adds 1.66 full-time equivalent (FTE) contractual positions. The Cemeteries Program adds 1.5 FTEs for weekend and holiday work. The remaining 0.16 FTEs are the result of a change in how the department accounts for holiday pay.

Analysis in Brief

Major Trends

Service to Maryland’s Veterans: The MDVA Service Program provides information, guidance, and assistance to veterans in obtaining federal, State, and local benefits. The State’s veterans population has been gradually decreasing over the past several years though the number of benefits claims filed has grown. Claims filed decreased in the most recent year due to personnel issues.

Charlotte Hall Veterans Home: CHVH is a State-operated long-term health care facility for veterans located in St. Mary’s County. The home’s performance generally exceeds the State average for long-term care facilities for comparable measures.

Issues

Delayed Reimbursements for Cemetery Burials: MDVA has experienced delays in reimbursements for cemetery burials due to insufficient timeliness of requests.

Recommended Actions

	<u>Funds</u>
1. Reduce general funds for the Maryland Environmental Service Cost Allocation. Federal funds are available to backfill this reduction.	\$ 150,000
2. Disallow federal funds for Western Maryland veterans home feasibility study.	
Total Reductions	\$ 150,000

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D55P00
Department of Veterans Affairs

Operating Budget Analysis

Program Description

The Maryland Department of Veterans Affairs (MDVA) provides a variety of administrative, outreach, and support services to the State's veterans and their families, dependents, and survivors. The department also manages veterans' cemeteries, maintains three veterans' war memorials in cooperation with local jurisdictions, and operates and manages the Charlotte Hall Veterans Home (CHVH) in St. Mary's County. The department's goals are to:

- aid veterans in the preparation of claims for benefits to which they are entitled, such as service-connected disability compensation, educational assistance, home loans, death benefits, and medical care;
- operate and maintain the five veterans' cemeteries to provide interment for eligible Maryland veterans and their dependents;
- provide upkeep and maintenance for Maryland's war memorials;
- operate the State's veterans' home at CHVH for Maryland veterans who are unable to take care of themselves due to disability or advanced age, or who are in need of nursing home care; and
- coordinate outreach and advocacy efforts to inform veterans, their dependents, and their survivors of their benefits and entitlements by law.

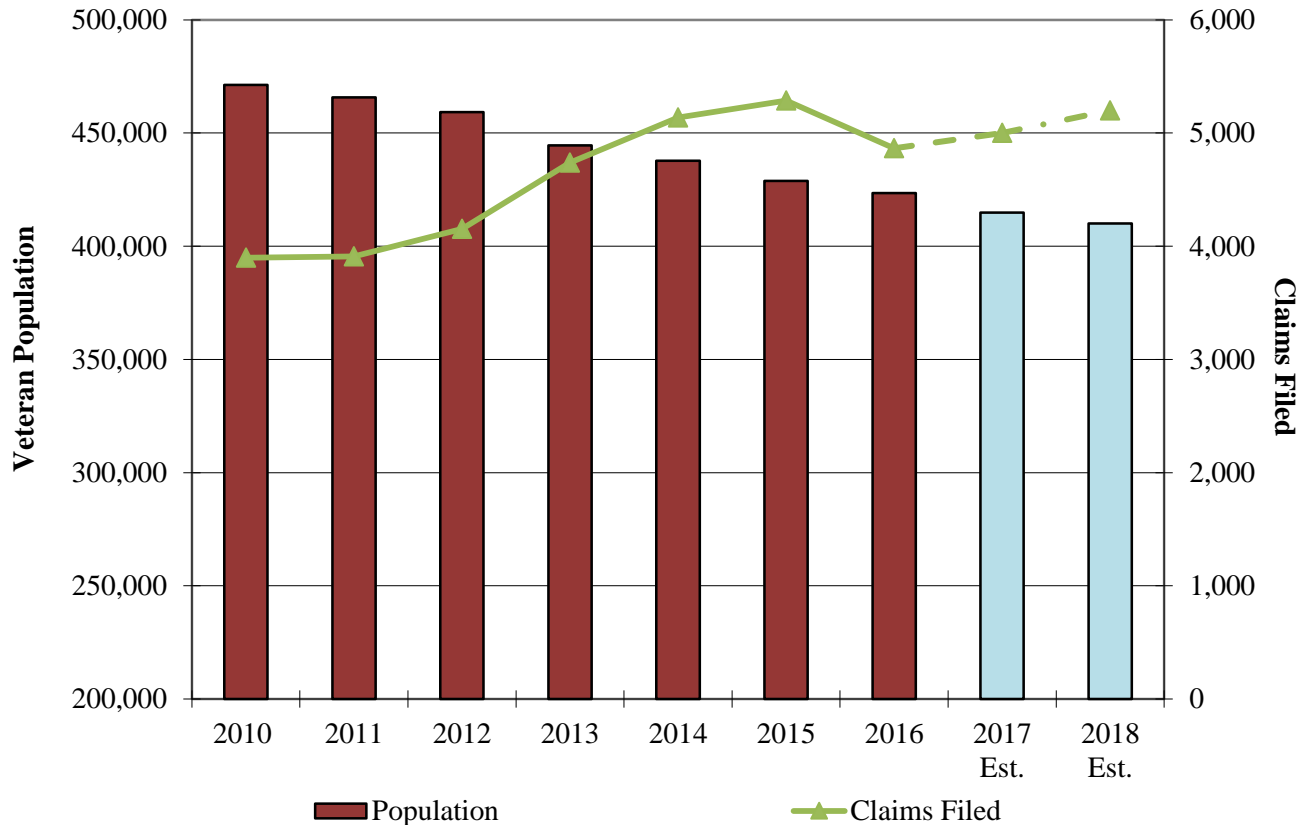
Performance Analysis: Managing for Results

The Managing for Results (MFR) submission for MDVA tracks performance measures for all aspects of the department's mission. Below are measures for two of the most important functions: service to Maryland's veterans and the well-being of residents at CHVH.

1. Service to Maryland's Veterans

The MDVA Service Program provides information, guidance, and assistance to veterans, their dependents, and their survivors in applying for and obtaining federal, State, and local benefits and entitlements granted by law. These benefits include disability compensation, pension, death benefits, educational assistance, home loans, and medical care. As shown in **Exhibit 1**, Maryland's veteran population has declined steadily since the peak reached after the return of those who served in Operation Enduring Freedom and Operation Iraqi Freedom. Maryland's veteran population numbered 423,470 in fiscal 2016, and declines are expected to continue in the future.

**Exhibit 1
Maryland Veteran Population and Claims Filed
Fiscal 2010-2018 Est.**



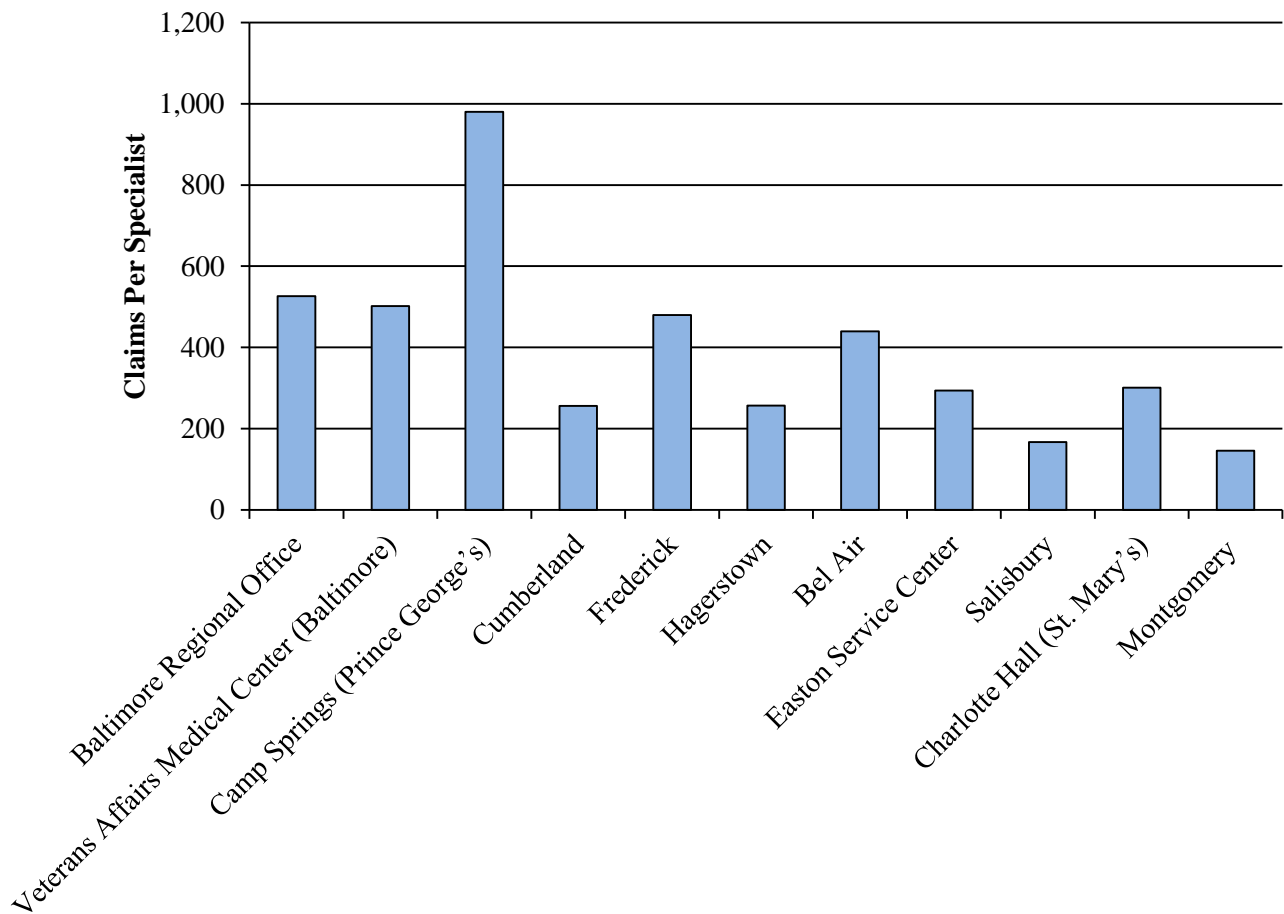
Source: Maryland Department of Veterans Affairs

The number of claims filed by veterans or on their behalf decreased in fiscal 2016, the first time in recent history. Specifically, claims filed decreased by 8% in fiscal 2016 compared to fiscal 2015. MDVA attributes the decrease to personnel issues, specifically the departure of experienced staff and a higher number of illnesses. It is likely that the impact will affect the number of claims filed in fiscal 2017.

MDVA benefits claims specialists aid Maryland veterans in filing claims to the U.S. Department of Veterans Affairs (VA) by reviewing information and ensuring that required documentation is included with the claim. Lack of documentation is one of the leading reasons why a claim is denied by the federal government. Specialists also have contact with veterans via email, phone, and in-person interviews.

Exhibit 2 shows the workload of benefits specialists at each of the MDVA local service centers. The exhibit shows the number of claims filed per benefits specialist at each location in fiscal 2016. In terms of claims filed, it ranges from 146 per specialist at the Montgomery County service center to 980 at Camp Springs in Prince George’s County, the highest number of claims per specialist. However, a second specialist has since been hired at Camp Springs which should alleviate the workload in fiscal 2017. The Baltimore Regional Office filed the highest number of claims overall (1,052) and is the only office with more than one specialist in fiscal 2016.

Exhibit 2
Claims and Contacts Per Veterans Benefit Specialist
Fiscal 2016



Source: Maryland Department of Veterans Affairs

2. Charlotte Hall Veterans Home

CHVH, which opened in 1985, is a State-operated long-term health care facility located on 126 acres in St. Mary's County. Clinical care and health care management at CHVH is provided by a private contractor but overseen by the director and other MDVA staff. CHVH currently has 454 beds designated for assisted living and skilled nursing long-term care for Maryland veterans and eligible spouses who are unable to care for themselves due to age or disability. The home provides shelter, sustenance, medical care, and the social services necessary to maintain residents' quality of life. While CHVH is open to both men and women, the majority of residents are male.

The agency's goal for the home is to have indicators of resident quality of life exceed those of the State's average for long-term care facilities. In the 2016 legislative session, the Department of Legislative Services (DLS) presented two measures: (1) rate of pressure ulcers for residents who are deemed at a high risk of developing one; and (2) the percent of residents immunized against influenza. Following concern that the measures reported are not sufficient for an adequate assessment of CHVH's performance, narrative was included in the 2016 *Joint Chairmen's Report (JCR)* requesting that MDVA consider additional measures in future MFR submissions.

MDVA did not include any additional measures in the fiscal 2018 MFR submission. MDVA indicated, accurately, that it already reports more measures than what was included in previous DLS analyses' and that the measures reported are industry standards.

Exhibit 3 includes all of the measures reported by MDVA. In three measures, the rate of pressure ulcers for residents who are deemed at high risk for developing one, the percent of residents immunized against influenza, and the prevalence of daily physical restraints CHVH outperforms the State average. However, CHVH has a higher percent of residents given antipsychotic medication and residents with behavioral symptoms affecting others. This is attributed to the predominantly male population with military service and probable related trauma served by CHVH, which does not allow for a perfect comparison to other nursing homes.

Exhibit 3
Quality of Life Indicators
Fiscal 2013-2016

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
High-risk Patients with Pressure Ulcers				
Charlotte Hall	5.9%	5.2%	4.7%	5.8%
State Average	7.7%	7.7%	7.8%	7.8%
Residents Given Influenza Vaccination				
Charlotte Hall	90.0%	100.0%	98.0%	98.0%
State Average	73.0%	93.0%	89.0%	91.0%
Residents Given Antipsychotic Medication				
Charlotte Hall	27.5%	24.2%	25.6%	27.7%
State Average	16.9%	15.5%	14.3%	16.0%
Prevalence of Daily Physical Restraints				
Charlotte Hall	0.0%	0.0%	0.0%	0.0%
State Average	1.6%	0.9%	6.0%	0.5%
Residents with Behavioral Symptoms Affecting Others				
Charlotte Hall	48.9%	47.5%	43.3%	43.3%
State Average	17.4%	19.5%	19.4%	18.9%

Source: Maryland Department of Veterans Affairs

Fiscal 2017 Actions

Section 20 Position Abolitions

Section 20 of the fiscal 2017 budget bill included an across-the-board position reduction accompanied by an across-the-board reduction of \$20 million in general funds and \$5 million in special funds. In some cases, including MDVA, when the position reduction was allocated, the funding reduction did not match the actual cost of abolished positions.

One regular position was abolished, representing 1 full-time equivalent position (FTE) from the Executive Direction program. The fiscal 2017 salary for this position is \$58,736 in general funds. There was an accompanying reduction in general funds of \$25,000. MDVA indicates that the

remainder was used to cover the unplanned expense of a temporary employee during a period of several weeks when a permanent employee was on medical leave.

Proposed Budget

As shown in **Exhibit 4**, after adjusting for a contingent reduction in pension costs, the fiscal 2018 allowance increases by \$1.2 million, or 4.4%, compared to the fiscal 2017 working appropriation. Anticipated changes to the management contract for CHVH drive changes in general, special, and federal funds.

Exhibit 4
Proposed Budget
Department of Veterans Affairs
(\$ in Thousands)

How Much It Grows:	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Total</u>
Fiscal 2016 Actual	\$8,786	\$808	\$16,261	\$25,855
Fiscal 2017 Working Appropriation	7,751	1,522	18,279	27,552
Fiscal 2018 Allowance	<u>8,270</u>	<u>3,756</u>	<u>16,736</u>	<u>28,762</u>
Fiscal 2017-2018 Amount Change	\$519	\$2,235	-\$1,543	\$1,211
Fiscal 2017-2018 Percent Change	6.7%	146.8%	-8.4%	4.4%

Where It Goes:

Personnel Expenses

Salary adjustments for Cemeteries Program personnel.....	\$181
Employee and retiree health insurance	63
Reclassifications.....	10
Social Security contributions	1
Turnover adjustments.....	-6
Retirement contributions (including contingent reduction)	-10
Regular earnings	-33
Workers' compensation premium assessment	-62

Where It Goes:

Veterans Home Program

Bed Lease Fund expenditures (special funds to offset federal fund pass through)...	2,327
General fund payment of the Maryland Environmental Services (MES) cost allocation and energy conservation loan repayment	529
Feasibility study of Western Maryland veterans home	150
Generator fund revenues dedicated to MES charges	-100
Federal fund pass through to management contractor	-1,520

Cemeteries Program

1.2 FTEs contractual employees for weekend and holiday staffing.....	55
Purchase of two site dumpers in fiscal 2017	-120
Motor vehicle and fuel costs based on recent actual expenditures	-160

Other Changes

Travel	-18
Memorials and monuments	-32
Other	-44

Total **\$1,211**

FTE: full-time equivalent

Note: Numbers may not sum to total due to rounding.

Across-the-board Reductions

The fiscal 2018 budget bill includes a \$54.5 million (all funds) across-the-board contingent reduction for a supplemental pension payment. Annual payments are mandated for fiscal 2017 through 2020 if the Unassigned General Fund balance exceeds a certain amount at the close of the fiscal year. This agency’s share of these reductions is \$14,214 in general funds, \$1,986 in special funds, and \$2,268 in federal funds. This action is tied to a provision in the Budget Reconciliation and Financing Act of 2017.

Personnel

Personnel costs in the allowance increase by \$145,331 compared to the fiscal 2017 working appropriation. This increase is driven by budgeted salary adjustments for cemetery employees totaling \$181,307. The average tenure of cemetery caretakers, which comprise 40% of the cemetery workforce, is eight years, yet the average annual salary is \$29,315. The department intends to use the funds to increase all cemetery worker salaries by 2 grades and cemetery management by 1 grade.

The allowance adds 1.66 FTE contractual positions. MDVA plans to add 3 part-time employees, totaling 1.5 FTE contractual positions, to the Cemeteries Program for weekend and holiday work. Although burials take place on weekdays, the cemeteries are open every day of the year. Currently, burial employees staff the cemetery on weekends and holidays. The additional positions will provide relief to burial employees and allow the cemeteries to increase capacity on weekdays.

The remaining 0.16 FTEs are the result of a change in how the department accounts for holiday pay. In fiscal 2017, a full-time contractual employee was counted as 0.96 to recognize that contractual employees do not receive holiday pay. In the fiscal 2018 allowance, MDVA stopped making that distinction.

Charlotte Hall Veterans Home Funding Model

Currently, MDVA receives a per diem reimbursement in federal funds from the VA for each veteran that is in the care of CHVH. MDVA subsequently pays the contractor that manages the home, and retains additional federal funds for later use. The additional federal funds are used for expenditures related to CHVH. MDVA has found this funding model unpredictable in terms of the amount of the federal fund reimbursement year to year. For instance, veterans can be reclassified by VA, which can significantly change the reimbursement amount.

In order to improve the ability to predict revenues, MDVA planned to change the funding model in fiscal 2017. Specifically, the federal fund reimbursement would be sent to the contractor in its entirety. The contractor would pay a bed lease of \$18 per bed per diem or \$2,982,780 for a year. The result of the funding change is that MDVA would receive a reliable source of revenue through bed-lease payments.

The new special fund, established by Chapter 317 of 2016, may only be used to support the salaries and benefits of departmental staff of CHVH, improvements at CHVH, and any other operating expenses, as permitted by the State budget. Any interest earnings in the bed-lease fund are credited to the General Fund of the State. After all approved expenses are paid, if the remaining fund balance at the end of the fiscal year is greater than 10% of the total budget for CHVH in that fiscal year, any amount of the remaining balance in excess of 10% of the total budget must revert to the General Fund.

The fiscal 2017 working appropriation and the fiscal 2018 allowance reflect the new funding model. The fiscal 2017 working appropriation allocates \$654,731 in revenue from the bed-lease fund to objects across the CHVH program, representing the expectation that the new funding model would be implemented for a portion of fiscal 2017. The fiscal 2018 allowance allocates \$2,982,780 in revenue from the bed-lease fund to objects across the CHVH program, which represents a full year of bed-lease payments.

However, award of a management contract that would use the bed-lease funding model has been delayed because a bidder filed an appeal with the Maryland Board of Contract Appeals. On December 21, 2016, the Board of Public Works approved a modification to the existing 'pre bed-lease fund' management contract that extends the contract to December 31, 2017, in order to ensure that there

is no interruption of services at CHVH while the appeal process is underway. The modification allows MDVA to terminate the contract at any time.

Due to delays with procurement, it is unlikely that the bed-lease fund will be utilized at any point in fiscal 2017 and it is unknown whether the fund will be utilized at the start of fiscal 2018. The fiscal 2018 allowance assumes additional expenditures due to the new funding model. If it is delayed, it is possible that some expenditures will be deferred into future years.

The fiscal 2017 working appropriation assumes bed-lease fund revenue to cover expenses for personnel, building and road maintenance, information technology, and various contractual expenses. The fiscal 2018 allowance assumes bed-lease fund revenue to cover those same expenses as well as a portion of operation expenses not covered by the management contract. **The department should provide an explanation of plans to cover expenses related to bed-lease fund revenue in fiscal 2017 and 2018.**

Feasibility Study of Western Maryland Veterans Home

The allowance includes \$150,000 in federal funds for the department to conduct a feasibility study of a possible veterans home in Western Maryland. MDVA has already reviewed the feasibility of a Western Maryland veterans home as requested in narrative in the 2015 JCR. MDVA considered veteran population size and cost when determining the feasibility of a new veterans home in Western Maryland. The department noted that the Charlotte Hall Veterans Home and the potential Baltimore County home, with funding included in the *Capital Improvement Program* beginning in fiscal 2020, are a significant distance from Western Maryland. Despite the distance from any current or future home, MDVA noted that the small veteran population size in Western Maryland (10% of all Maryland's veterans) and the State's current budget situation make the project unfeasible. The department specifically cited the growing demands of debt service costs and the Administration's desire to control capital spending. The report discussed the possibility of a public-private partnership to cover the State's portion of the costs, but noted that VA has a strong preference to work directly with the State and concluded that this option was not viable.

Due to MDVA's stance that a Western Maryland veterans home is not feasible, DLS recommends that the \$150,000 in federal funds intended for a feasibility study be used to offset general fund increases in Maryland Environmental Services (MES) cost allocation resulting in a \$150,000 general fund reduction.

Generator Special Fund

The fiscal 2017 working appropriation assumes \$100,000 in revenue to the Generator special fund intended to partially cover the cost of MES charges. This revenue was assumed due to participation in an energy demand response program in which CHVH used emergency generators to power the facility, in turn, reducing demand on the power grid. MDVA indicates that over \$200,000 in revenue resulted from participation in the program in a three-year period. In March 2016, MDVA

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learned that participation in the program was cost prohibitive due to required after-market emissions controls for the emergency generators and no funding is assumed in the fiscal 2018 budget.

Issues

1. Delayed Reimbursements for Cemetery Burials

In February 2016, the Office of Legislative Audits (OLA) released its closeout audit report for fiscal 2015. In the audit, OLA identified agencies with large unprovided for payables and other major issues. OLA identified two major findings. Of particular interest is the finding that MDVA had not been reimbursed for burials in fiscal 2014 (\$830,000) and in fiscal 2015 (\$1.57 million). MDVA has indicated that VA reimbursed \$2.3 million between January and December 2016. As of December 2016, reimbursements were made covering all burials through July 2015.

In December 2016, OLA released a fiscal compliance audit for MDVA. The audit covered the period December 8, 2012, to March 6, 2016. The audit included six findings, of which three were repeated from the previous audit. More information on the audit is available in **Appendix 2**.

Finding 3 of the fiscal compliance audit provides further detail on reimbursements from VA, specifically the issue that MDVA had not requested reimbursements in a timely manner. OLA tested 20 monthly requests during the period from July 2014 through February 2016, finding that 14 requests were submitted 37 to 169 days later than they could have been. Of the remaining 6 requests, OLA could not determine the timeliness of 2 because documentation did not include dates.

OLA made 2 recommendations to MDVA:

- submit requests in a timely manner (such as, within 30 days of the month of the burial) to VA; and
- continue to work with VA to obtain payment for the outstanding allowance requests.

MDVA should provide the monthly request dates for all months from March through December and provide an update on remaining outstanding requests detailing whether MDVA is making an effort to submit requests in a timely manner.

Recommended Actions

	<u>Amount Reduction</u>
1. Reduce general funds for the Maryland Environmental Service cost allocation. The general fund reduction can be offset by using federal funds that are included in the fiscal 2018 allowance for a Western Maryland veterans home feasibility study that is unnecessary.	\$ 150,000 GF

2. Add the following language to the federal fund appropriation:

Provided that no portion of this appropriation made for the purpose of the Veterans Home Program may be expended for a feasibility study of a Western Maryland veterans home.

Explanation: \$150,000 of this appropriation is intended for a feasibility study of a Western Maryland veterans home, which the Department of Veterans Affairs has already deemed unfeasible. The funds intended for this purpose can be used to offset the general fund costs of Maryland Environmental Service charges.

Total General Fund Reductions	\$ 150,000
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Appendix 1
Current and Prior Year Budgets
Maryland Department of Veterans Affairs
(\$ in Thousands)

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Reimb.</u> <u>Fund</u>	<u>Total</u>
Fiscal 2016					
Legislative Appropriation	\$7,747	\$833	\$15,644	\$0	\$24,225
Deficiency Appropriation	1,096	0	0	0	1,096
Budget Amendments	67	1	876	0	944
Reversions and Cancellations	-124	-26	-259	0	-410
Actual Expenditures	\$8,786	\$808	\$16,261	\$0	\$25,855
Fiscal 2017					
Legislative Appropriation	\$7,684	\$1,519	\$18,262	\$0	\$27,465
Cost Containment	0	0	0	0	0
Budget Amendments	67	2	17	0	87
Working Appropriation	\$7,751	\$1,522	\$18,279	\$0	\$27,552

Note: Does not include targeted reversions, deficiencies, and contingent reductions. Numbers may not sum to total due to rounding.

Fiscal 2016

The fiscal 2016 legislative appropriation for the Maryland Department of Veteran Affairs (MDVA) increased by \$1,629,875 million. This includes two deficiency appropriations totaling \$1,095,784 in general funds. One deficiency appropriation, totaling \$1,068,340, was intended to address prior year shortfalls from unsubstantiated federal fund revenues. The second deficiency appropriation of \$57,144 was intended to support the Energy Performance Contract.

The MDVA budget increased by \$943,807 through budget amendments. The appropriation increased by \$75,000 (\$66,000 in general funds, \$1,000 in special funds, and \$8,000 in federal funds) to restore a 2% cut to employee salaries. MDVA realigned the fiscal 2016 2% across-the-board cost containment across all of their programs, including pay-as-you-go, which resulted in a general fund decrease of \$1,626. An amendment that recalculated the reimbursements that MDVA receives from the federal government for veteran interment and also increased funds for the raising and realignment of headstones at Cheltenham Veterans Cemetery added \$767,746 in federal funds. A closeout amendment increased the federal fund appropriation by \$100,000 to account for reimbursements at Charlotte Hall Veterans Home (CHVH). An amendment to realign telecommunications expenditures across State agencies increased the general fund appropriation by \$2,687.

MDVA reverted \$124,277 in general funds that were intended for 1 vacant executive level position (\$86,471), payment to Baltimore for the War Memorial Building (\$31,393), and administrative costs (\$6,413). MDVA canceled \$4,805 in special funds and \$249,869 in federal funds that were originally intended for operation of the veteran Cemeteries Program. An additional \$21,678 in special funds and \$9,089 in federal funds were canceled that were originally intended for CHVH.

Fiscal 2017

To date, MDVA's fiscal 2017 budget has increased by \$87,018 (\$67,472 in general funds, \$2,391 in special funds, and \$17,155 in federal funds) through an amendment that allocates centrally budgeted salary increments across State agencies.

**Appendix 2
Audit Findings**

Audit Period for Last Audit:	December 8, 2012– March 6, 2016
Issue Date:	December 2016
Number of Findings:	6
Number of Repeat Findings:	3
% of Repeat Findings:	50%
Rating: (if applicable)	n/a

Finding 1: The Department of Veterans Affairs (MDVA) did not use certain funds as intended and improperly retained funds totaling \$126,000 at the end of fiscal 2015 that should have been reverted to the State’s General Fund.

Finding 2: **Unsupported federal fund revenue transactions totaling \$1 million were recorded to offset deficit balances as of June 30, 2015.**

Finding 3: MDVA did not request federal fund allowances for veterans’ burials in a timely manner, and has experienced significant delays in obtaining these reimbursements from the U.S. Department of Veterans Affairs.

Finding 4: **MDVA did not always use the appropriate payment method for disbursement transactions and did not always document that goods or services were received prior to payment.**

Finding 5: MDVA did not reduce payments to the vendor operating the Charlotte Hall Veterans Home, as permitted by the contract, when required staffing was not provided.

Finding 6: **MDVA did not record collections upon receipt and independent deposit verifications were either not performed or were performed by individuals who processed or had access to the related collections.**

*Bold denotes item repeated in full or part from preceding audit report.

**Appendix 3
Object/Fund Difference Report
Department of Veterans Affairs**

<u>Object/Fund</u>	<u>FY 16 Actual</u>	<u>FY 17 Working Appropriation</u>	<u>FY 18 Allowance</u>	<u>FY 17 - FY 18 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	79.00	83.00	83.00	0.00	0%
02 Contractual	3.84	3.84	5.50	1.66	43.2%
Total Positions	82.84	86.84	88.50	1.66	1.9%
Objects					
01 Salaries and Wages	\$ 4,858,545	\$ 5,402,522	\$ 5,566,321	\$ 163,799	3.0%
02 Technical and Spec. Fees	95,920	111,785	181,512	69,727	62.4%
03 Communication	95,673	83,757	101,007	17,250	20.6%
04 Travel	34,206	56,417	38,588	-17,829	-31.6%
06 Fuel and Utilities	609,678	669,525	638,300	-31,225	-4.7%
07 Motor Vehicles	289,541	357,889	134,308	-223,581	-62.5%
08 Contractual Services	18,233,384	20,219,667	20,983,690	764,023	3.8%
09 Supplies and Materials	266,098	279,306	352,504	73,198	26.2%
10 Equipment – Replacement	58,530	83,975	202,064	118,089	140.6%
11 Equipment – Additional	38	13,432	4,000	-9,432	-70.2%
12 Grants, Subsidies, and Contributions	1,253,250	200,000	180,000	-20,000	-10.0%
13 Fixed Charges	59,703	68,742	64,784	-3,958	-5.8%
14 Land and Structures	0	4,867	333,799	328,932	6758.4%
Total Objects	\$ 25,854,566	\$ 27,551,884	\$ 28,780,877	\$ 1,228,993	4.5%
Funds					
01 General Fund	\$ 8,785,793	\$ 7,751,180	\$ 8,284,066	\$ 532,886	6.9%
03 Special Fund	807,617	1,521,870	3,758,391	2,236,521	147.0%
05 Federal Fund	16,261,156	18,278,834	16,738,420	-1,540,414	-8.4%
Total Funds	\$ 25,854,566	\$ 27,551,884	\$ 28,780,877	\$ 1,228,993	4.5%

Note: Does not include targeted reversions, deficiencies, and contingent reductions.

**Appendix 4
Fiscal Summary
Department of Veterans Affairs**

<u>Program/Unit</u>	<u>FY 16 Actual</u>	<u>FY 17 Wrk Approp</u>	<u>FY 18 Allowance</u>	<u>Change</u>	<u>FY 17 - FY 18 % Change</u>
01 Service Program	\$ 1,186,345	\$ 1,546,186	\$ 1,557,833	\$ 11,647	0.8%
02 Cemetery Program	4,555,713	4,107,805	4,169,358	61,553	1.5%
03 Memorials and Monuments Program	380,299	439,522	407,082	-32,440	-7.4%
05 Veterans Home Program	17,667,268	20,193,773	21,569,444	1,375,671	6.8%
08 Executive Direction	1,853,581	1,056,063	861,741	-194,322	-18.4%
11 Outreach and Advocacy	211,360	208,535	215,419	6,884	3.3%
Total Expenditures	\$ 25,854,566	\$ 27,551,884	\$ 28,780,877	\$ 1,228,993	4.5%
General Fund	\$ 8,785,793	\$ 7,751,180	\$ 8,284,066	\$ 532,886	6.9%
Special Fund	807,617	1,521,870	3,758,391	2,236,521	147.0%
Federal Fund	16,261,156	18,278,834	16,738,420	-1,540,414	-8.4%
Total Appropriations	\$ 25,854,566	\$ 27,551,884	\$ 28,780,877	\$ 1,228,993	4.5%

Note: Does not include targeted reversions, deficiencies, and contingent reductions.