

MINUTES OF THE HOUSE VETERANS, MILITARY AND HOMELAND SECURITY COMMITTEE

The meeting was called to order by Chairman Don Myers at 1:30 p.m, on January 20, 2009, in Room 711 of the Docking State Office Building.

All members were present except:

Representative Delia Garcia- excused
Representative Raj Goyle- excused
Representative Lee Tapanelli - excused
Representative Clay Aurand - excused

Committee staff present:

Barbara Lewerenz, Administrative Assistant
Corey Carnahan, Kansas Legislative Research Department
Chris Courtwright, Kansas Legislative Research Department
Art Griggs, Office of the Revisor of Statutes
Scott Wells, Office of the Revisor of Statutes

Conferees appearing before the committee:

Scott Wells, Office of the Revisor of Statutes
Dylan Dear, Kansas Legislative Research Department
Wayne Bollig, Director of Veterans' Services, Kansas Commission on Veterans' Affairs

Others attending:

See attached list.

Moved by Representative Seiwert and seconded by Representative Crow for approval of Minutes of the House Committee on Veterans, Military and Homeland Security held January 15, 2009. Motion Carried.

The Chairman called for bill introductions.

Vice Chairman Goico requested introduction of two bills. The first is to clean up a bill that amends language regarding eligibility requirements relative to the Veterans' Claims Assistance Program. The second bill pertains to the membership of the Veterans' Claims Assistance Advisory Board. Representative Goico moved the introduction, seconded by Representative Wolf. Motion accepted by Chairman

Chairman Myers requested clarification on the need to extend the authorization allowing hunting and fishing licenses, at no charge, for disabled veterans that was effective January 1, 2009. Conferee, Wayne Bollig, reported that over 300 licenses had been issued so far this year.

Chairman Myers introduced Conferee Scott Wells who presented an overview of 2008 Enacted Legislation by The House Veterans, Military and Homeland Security Committee. The legislation included an amendment to define the term veteran and veterans preference rights; designation of a security liaison for each agency within the capitol complex; benefits for employees of the state of Kansas who are called to active duty; clarification that hunting and fishing licenses provided disabled veterans is for the 2009 calendar year only; the deferral of property taxes for deployed full-time military personnel; license plates for veteran owed vehicles; power of attorney issues associated with the Kansas Commission on Veterans' Affairs; and the distribution of funds from the sale of an instant lottery scratch-off game designed to benefit veterans.

Chairman Myers introduced Conferee Dylan Dear, who reviewed a budget draft of the Kansas Commission on Veterans' Affairs. (Attachment 1). The agency estimates current year expenditures to be 4.2 percent above the amount approved by the 2008 Legislature. The Governor recommends no more than a 2 percent increase. Conferee Wayne Bollig commented that a reduction in funding veterans' programs impacts services to veterans as well as the economy of the state.

The next meeting is on January 22, 2009. Conferees are Barbara Hinton, Legislative Post Auditor, and Lisa Hoopes, Senior Audit Supervisor from the Office of the Legislative Division of Post Audit.

Meeting Adjourned: 2:15 p.m.

KANSAS COMMISSION ON VETERANS' AFFAIRS

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| Expenditure | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
|-------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
| Operating Expenditures: | | | | | |
| State General Fund | \$ 8,938,275 | \$ 9,504,192 | \$ 9,227,492 | \$ 11,208,600 | \$ 8,956,372 |
| Other Funds | 10,557,084 | 12,333,005 | 12,161,505 | 12,867,864 | 12,126,308 |
| TOTAL | \$ 19,495,359 | \$ 21,837,197 | \$ 21,388,997 | \$ 24,076,464 | \$ 21,082,680 |
| Capital Improvements: | | | | | |
| State General Fund | \$ 17,089 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Other Funds | 9,242,664 | 1,573,757 | 1,573,757 | 1,179,784 | 1,179,784 |
| TOTAL | \$ 9,259,753 | \$ 1,573,757 | \$ 1,573,757 | \$ 1,179,784 | \$ 1,179,784 |
| GRAND TOTAL | \$ 28,755,112 | \$ 23,410,954 | \$ 22,962,754 | \$ 25,256,248 | \$ 22,262,464 |

Percentage Change:

Operating Expenditures:

| | | | | | |
|--------------------|-------|------|------|-------|--------|
| State General Fund | 10.9% | 6.3% | 3.2% | 17.9% | (2.9)% |
| All Funds | 10.6 | 12.0 | 9.7 | 10.3 | (1.4) |

| | | | | | |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| FTE Positions | 556.8 | 524.8 | 495.0 | 533.8 | 486.0 |
| Non-FTE Perm. Uncl. Pos. | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 |
| TOTAL | 556.8 | 532.8 | 503.0 | 541.8 | 494.0 |

AGENCY OVERVIEW

The mission of the Kansas Commission on Veterans' Affairs is to serve Kansas veterans and their families, relatives, and dependents with dignity and compassion and to be their principal advocate in ensuring that they receive information, advice, direction, medical care, benefits, social support, and lasting memorials in recognition of their service to Kansas and to the nation. Services provided by the agency include long-term nursing care and assisted living care to eligible veterans, completion and maintenance of four state veterans' cemeteries, and coordination with federal agencies to provide financial assistance to Kansas veterans' for health care and disability income. The agency serves veterans through fifteen field offices, six service organization offices, and the central office located in Topeka. Additional services are provided through service grants to veterans' service organizations. Nursing and assisted living care is provided through the Kansas Soldiers' Home in Fort Dodge and the Kansas Veterans' Home in Winfield.

MAJOR ISSUES FROM PRIOR YEARS

The **2002 Legislature** added 3.0 FTE positions to staff the State Veterans' Cemeteries program.

The **2003 Legislature** added \$440,000 from the State General Fund for FY 2004 to be used to fund direct care staff for Halsey Hall at the Kansas Soldiers' Home in Fort Dodge. The State General Fund financing was made available by a transfer of \$240,000 from the Kansas Lottery and \$200,000 from the Racing and Gaming Commission.

The **2003 Legislature** added \$250,000 from the State General Fund for **FY 2004** and \$250,000 from the State General Fund for **FY 2005** from the proceeds of the Kansas Lottery Veterans Benefit Game. The proceeds from sales are split with one-half going to the National Guard Scholarship Fund, which is distributed by the Board of Regents, and one-half going to increase the capacity or fill empty beds at the Kansas Veterans' Home in Winfield and the Kansas Soldiers' Home in Fort Dodge. *For FY 2008 and FY 2009, the Governor recommends \$480,000 each year to the two homes total.*

In the **Fall of 2003**, the agency was the recipient of two federal grants for capital improvements projects at the Kansas Soldiers' Home and the Kansas Veterans' Home. The grants require a 35 percent match from state funds. The federal portion of the grant awarded to the Soldiers' Home totaled \$1,140,750 and it was used to complete the following projects:

- Air conditioning of Halsey, Grant, Nimitz, and Eisenhower Halls;
- Energy efficient lighting fixtures were added in Grant, Nimitz, and Eisenhower Halls;
- A new roof for Halsey Hall;
- Security system enhancements for Halsey, Grant, and Lincoln Halls; and
- Automatic door openers for Halsey, Grant, Nimitz, and Eisenhower Halls.

The federal portion of the grant awarded to the Veterans' Home totaled \$2,561,376 and was used to complete the following projects:

- Replacement of the HVAC systems in Donlon and Bleckley Halls and the power plant;
- Window replacement for Triplett and Funston Halls;
- Carpet replacement in Timmerman Hall;
- Hydrotherapy repairs;
- Roof replacements for Timmerman and Bleckley Halls and for the cottages;
- Severe weather shelter and connecting corridor between Timmerman and Triplett Halls;
- Tuck-point and seal for Bleckley, Funston, and Triplett Halls; and
- Repairs on Cottages A and B.

The **2002 Legislature** appropriated \$587,825 from the State Institutions Building Fund for both **FY 2004** and **FY 2005** to be used as matching funds for the federal grants. The **2004 Legislature** approved an additional \$181,771 from the State Institutions Building Fund to provide sufficient funding to meet the state's 35 percent match obligation.

The **2004 Legislature** added \$1.3 million from the State General Fund for the Kansas Veterans' Home and the Kansas Soldiers' Home for FY 2004 and FY 2005 to address funding concerns at both homes.

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Kansas Commission on Veterans' Affairs

In **May of 2004**, the federal Department of Veterans' Affairs took over the operation of Community Based Outpatient Clinic at Fort Dodge.

The **2005 Legislature** added \$205,000 for FY 2005 and \$391,000 for FY 2006 from the State General Fund for operating expenditures at the Kansas Soldiers' Home, including \$41,000 in FY 2006 for vehicle purchases. Additionally, the 2005 Legislature added \$344,501 for FY 2006 from the State General Fund for direct care staff salary upgrades at the Kansas Soldiers' Home and the Kansas Veterans' Home.

The **2006 Legislature** added \$71,310 from the State General Fund in FY 2007 to fund two additional veterans service representatives for positions which were previously vacant. The Legislature also added \$48,478 from the State General Fund in FY 2007 to allow for the reclassification of veterans service representatives.

The **2006 Legislature** passed House Sub. for SB 396 which directed the Kansas Commission on Veterans' Affairs to establish and administer a Veterans' Claim Assistance Program to be implemented through annual grant agreements with veterans service organizations. The program was to be established and operations to commence on or before August 1, 2006. The grants are subject to appropriation by the Legislature. Additionally, the 2006 Legislature added \$500,000 from the State General Fund in FY 2007 to fund the grant program for veterans service organizations established in 2006 House Substitute for SB 396.

The **2007 Legislature** included \$500,000 from the State General Fund for the FY 2008 budget for the continuation of the Veterans' Claim Assistance Program established by the 2006 Legislature.

The **2007 Legislature** added, from the State General Fund, \$32,988 to replace one tractor, \$53,012 to fund salaries and wages for an additional ten resident workers, and \$18,800 for one mini-van to transport Soldiers' Home residents.

The **2007 Legislature** added \$34,620 from the State General Fund for one nine-passenger mini-van with a wheelchair lift to transport Veterans' Home residents.

In the **Fall of 2007**, Department of Aging found several deficiencies at the Kansas Soldiers' Home. To correct several items, a Department of Administration taskforce was commissioned to consult the Home. Several additional enhancements have been requested in response to the taskforce.

The **2008 Legislature** added \$240,000, including \$40,000 from the State General Fund in FY 2008 to fill the Emporia Veteran Service Representative position and pay for consulting fees related to deficiencies found at the Kansas Soldiers' Home in Fort Dodge. The legislature as added \$658,173, including \$408,173 from the State General Fund in FY 2009 for operating expenses for a new Cemetery at Fort Riley, salary and wage increases at the Kansas Veteran's Home in Winfield, replacement of 10 electric beds, replacement of a 12-passenger wheelchair left van and to shift 24.0 FTE positions to unclassified positions. The shift in staffing was an attempt to resolve issues related to insufficient nursing staff at the Kansas Soldier's Home.

BUDGET SUMMARY AND KEY POINTS

FY 2009 – Current Year. The **agency** estimates current year expenditures of \$21,837,197, an increase of \$874,141 for all funds, or 4.2 percent, above the amount approved by the 2008 Legislature. The estimate includes supplemental requests of \$411,241. Without the supplemental requests, the agency's estimate is \$21,425,956, an increase of \$462,900, or 2.2 percent, above the

2009 approved amount. The estimate includes \$9,504,192 from the State General Fund, a increase of \$32,735, or 0.3 percent, above the approved amount.

The **Governor** recommends current year operating expenditures of \$21,388,997, an increase of \$425,941, or 2.0 percent, above the amount approved by the 2008 legislature. The recommendation is \$448,200 below the agency requested amount.

The **Governor** recommends FY 2009 State General Fund expenditures of \$9,227,492, a decrease of \$243,965, or 0.3 percent, below the FY 2009 approved amount. The State General Fund recommendation is \$271,120, or 2.9 percent, below the agency's current year estimate. The majority of the decrease is attributable to recommendations against the supplemental packages proposed by the agency.

FY 2010 – Budget Year. The **agency** requests FY 2010 operating expenditures of \$24,076,464, an increase of \$2,239,267, or 10.3 percent, above the FY 2009 revised estimate. The request includes \$11,208,600 from the State General Fund, an increase of \$1,704,408, or 17.9 percent, above the FY 2009 revised estimate. The majority of the increase is attributed to enhancements totaling \$2,036,361. Without the enhancements, the request totals \$22,040,103, an increase of \$202,906, or 0.9 percent, above the agency's FY 2009 revised estimate.

The **Governor** recommends FY 2010 operating expenditures of \$21,082,680, a decrease of \$306,317, or 1.4 percent, below the Governor's FY 2009 recommendation. The recommendation is a decrease of \$2,993,784, or 12.4 percent below the agency's FY 2010 request. The Governor recommended FY 2010 State General Fund expenditures of \$8,955,372, a decrease of \$271,120, or 2.1 percent, below the Governors FY 2009 recommendation.

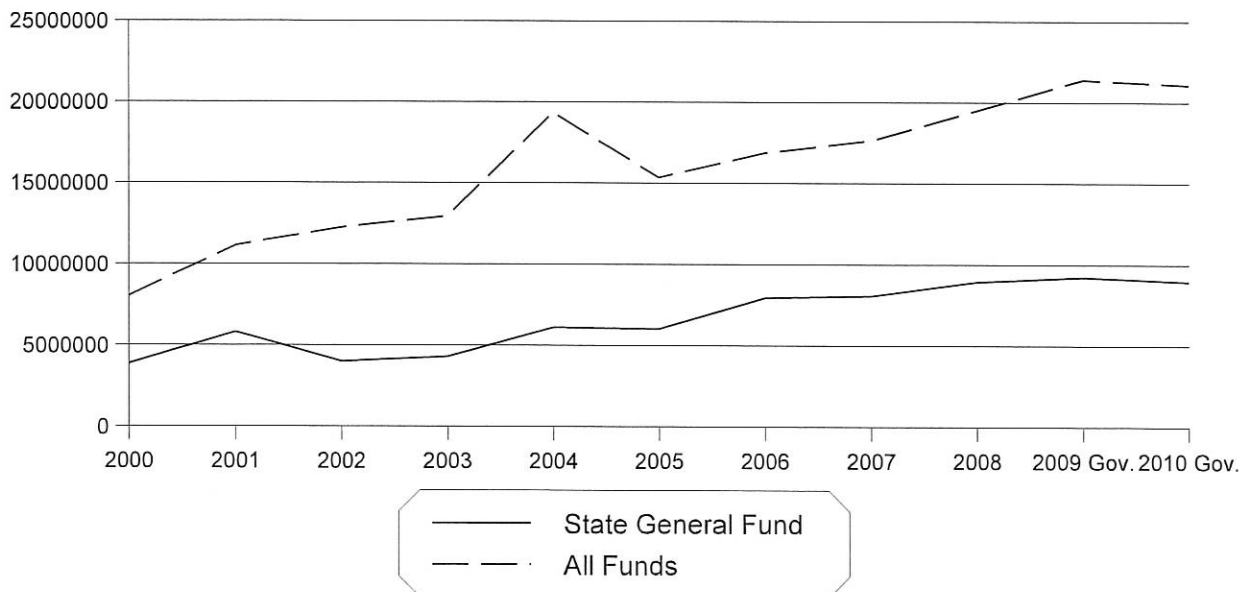
BUDGET TRENDS

OPERATING EXPENDITURES FY 2000–FY 2009

| Fiscal Year | SGF | % Change | All Funds | % Change | FTE |
|------------------------------------|--------------|----------|--------------|----------|-------|
| 2000 | \$ 3,857,164 | 15.0% | \$ 8,042,814 | 17.2% | 336.8 |
| 2001 | 5,794,945 | 50.2 | 11,130,083 | 38.4 | 463.3 |
| 2002 | 3,998,054 | (31.0) | 12,234,526 | 9.9 | 558.8 |
| 2003 | 4,289,931 | 7.3 | 12,943,566 | 5.8 | 558.8 |
| 2004 | 6,101,473 | 42.2 | 19,353,420 | 49.5 | 557.8 |
| 2005 | 6,006,862 | (1.6) | 15,347,805 | (20.7) | 557.8 |
| 2006 | 7,933,871 | 32.1 | 16,881,784 | 10.0 | 557.8 |
| 2007 | 8,059,706 | 1.6 | 17,632,272 | 4.4 | 556.8 |
| 2008 | 8,938,275 | 10.9 | 19,495,359 | 10.6 | 556.8 |
| 2009 Gov. Rec | 9,227,492 | 3.2 | 21,388,997 | 9.7 | 495.0 |
| 2010 Gov. Rec | 8,956,372 | (2.9) | 21,082,680 | (1.4) | 486.0 |
| Ten-Year Change Dollars/Percent | \$ 3,161,427 | 54.6% | \$ 9,952,597 | 89.4% | 22.7 |

- **FY 2001:** The FY 2001 budget included the first full year of operating expenditures for the Kansas Veterans' Home in Winfield.
- **FY 2004:** The agency misclassified \$4.2 million in capital improvement expenditures as capital outlay expenditures.
- **FY 2006:** The FY 2007 budget included the first year of service grants to Veterans' Claim Assistance Program, which totaled \$500,000 from the State General Fund.

OPERATING EXPENDITURES FY 2000–FY 2009



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Summary of Operating Budget FY 2008-FY 2010

| | Actual FY 2008 | Agency Request | | | | Governor's Recommendation | | | |
|--|----------------------|----------------------|----------------------|--------------------------------|---------------------------------|---------------------------|----------------------|--------------------------------|---------------------------------|
| | | Estimate FY 2009 | Request FY 2010 | Dollar Change from FY 09 | Percent Change from FY 09 | Rec. FY 2009 | Rec. FY 2010 | Dollar Change from FY 09 | Percent Change from FY 09 |
| By Program: | | | | | | | | | |
| Kansas Soldier's Home | \$ 7,582,326 | \$ 8,533,000 | \$ 9,074,754 | \$ 541,754 | 6.3% | \$ 8,326,891 | \$ 8,414,040 | \$ 87,149 | 1.0% |
| Kansas Veterans' Home | 8,993,931 | 10,006,982 | 10,766,687 | 759,705 | 7.6 | 9,813,634 | 9,504,722 | (308,912) | (3.1) |
| Administration | 481,411 | 537,146 | 560,935 | 23,789 | 4.4 | 521,298 | 491,774 | (29,524) | (5.7) |
| KS Statewide Cemetery | 588,695 | 751,537 | 830,540 | 79,003 | 10.5 | 744,197 | 778,093 | 33,896 | 4.6 |
| Veterans' Service Prog | 1,848,880 | 2,000,728 | 2,843,548 | 842,820 | 42.1 | 1,982,977 | 1,894,051 | (88,926) | (4.5) |
| PG Whip | 116 | 7,804 | 0 | (7,804) | (100.0) | 0 | 0 | 0 | 0.0 |
| TOTAL | \$ 19,495,359 | \$ 21,837,197 | \$ 24,076,464 | \$ 2,239,267 | 10.3% | \$ 21,388,997 | \$ 21,082,680 | \$ (306,317) | |
| By Major Object of Expenditure: | | | | | | | | | |
| Salaries and Wages | \$ 14,181,040 | \$ 15,910,189 | \$ 17,639,163 | \$ 1,728,974 | 10.9% | \$ 15,759,820 | \$ 15,879,789 | \$ 119,969 | 0.8% |
| Contractual Services | 2,986,906 | 3,218,951 | 3,413,313 | 194,362 | 6.0 | 3,077,370 | 2,804,510 | (272,860) | (8.9) |
| Commodities | 2,127,859 | 2,391,370 | 2,331,721 | (59,649) | (2.5) | 2,280,620 | 2,272,996 | (7,624) | (0.3) |
| Capital Outlay | 199,290 | 313,687 | 689,267 | 375,580 | 119.7 | 268,187 | 122,385 | (145,802) | (54.4) |
| Subtotal - Operations | \$ 19,495,095 | \$ 21,834,197 | \$ 24,073,464 | \$ 2,239,267 | 10.3% | \$ 21,385,997 | \$ 21,079,680 | \$ (306,317) | (1.4)% |
| Aid to Local Units | 0 | 0 | 0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| Other Assistance | 264 | 3,000 | 3,000 | 0 | 0.0 | 3,000 | 3,000 | 0 | 0.0 |
| TOTAL | \$ 19,495,359 | \$ 21,837,197 | \$ 24,076,464 | \$ 2,239,267 | 10.3% | \$ 21,388,997 | \$ 21,082,680 | \$ (306,317) | (1.4)% |
| Financing: | | | | | | | | | |
| State General Fund | \$ 8,938,275 | \$ 9,504,192 | \$ 11,208,600 | \$ 1,704,408 | 17.9% | \$ 9,227,492 | \$ 8,956,372 | \$ (271,120) | (2.9)% |
| KVH Fee Fund | 3,275,817 | 3,212,007 | 3,366,441 | 154,434 | 4.8 | 3,212,007 | 3,263,395 | 51,388 | 1.6 |
| KSH Fee Fund | 2,004,885 | 2,334,151 | 2,355,014 | 20,863 | 0.9 | 2,290,401 | 2,202,053 | (88,348) | (3.9) |
| KVH Federal Fund | 2,510,417 | 3,172,704 | 3,084,041 | (88,663) | (2.8) | 3,172,704 | 2,980,996 | (191,708) | (6.0) |
| KSH Federal Fund | 2,629,365 | 3,197,744 | 3,628,584 | 430,840 | 13.5 | 3,153,994 | 3,397,689 | 243,695 | 7.7 |
| All Other Funds | 136,600 | 416,399 | 433,784 | 17,385 | 4.2 | 332,399 | 282,175 | (50,224) | (15.1) |
| TOTAL | \$ 19,495,359 | \$ 21,837,197 | \$ 24,076,464 | \$ 2,239,267 | 10.3% | \$ 21,388,997 | \$ 21,082,680 | \$ (306,317) | (1.4)% |

BUDGET OVERVIEW

A. FY 2009 – Current Year

| CHANGE FROM APPROVED BUDGET | | | | | |
|-----------------------------|---------------------------------|-------------------------------|-----------------------------------|-----------------------------|-------------------------------------|
| | Approved 2008 Legislature | Agency Estimate FY 2009 | Agency Change from Approved | Governor Rec. FY 2009 | Governor Change from Approved |
| State General Fund | \$ 9,471,457 | \$ 9,504,192 | \$ 32,735 | \$ 9,227,492 | \$ (243,965) |
| All Other Funds | 11,491,599 | 12,333,005 | 841,406 | 12,161,505 | 669,906 |
| TOTAL | \$ 20,963,056 | \$ 21,837,197 | \$ 874,141 | \$ 21,388,997 | \$ 425,941 |
| FTE Positions | 560.8 | 524.8 | (36.1) | 495.0 | (65.8) |

The **agency** estimates current year expenditures of \$21,837,197, an increase of \$874,141 for all funds, or 4.2 percent, above the amount approved by the 2008 Legislature. The estimate includes supplemental requests of \$411,241. Without the supplemental requests, the agency's estimate is \$21,425,956, an increase of \$462,900, or 2.2 percent, above the FY 2009 approved amount. The estimate includes \$9,504,192 from the State General Fund, an increase of \$32,735, or 0.3 percent, above the approved amount. **Major Changes:**

Salaries and Wages - The agency requests \$15,910,189 for salaries and wages in FY 2009, an increase of \$78,827, or 0.5 percent, above the FY 2009 approved amount.

Contractual Services - The agency requests \$3,218,951 for contractual services in FY 2009, an increase of \$427,427, or 15.3 percent, above the FY 2009 approved amount.

Commodities - The agency requests \$2,391,370 for commodities in FY 2009, an increase of \$266,148, or 12.5 percent, above the FY 2009 approved amount.

Capital Outlay - The agency requests \$313,687 for capital outlay in FY 2009, an increase of \$313,687, or 48.0 percent, above the FY 2009 approved amount.

The **Governor** recommends current year operating expenditures of \$21,388,997, an increase of \$425,941, or 2.0 percent, above the amount approved by the 2008 legislature. The recommendation is \$448,200 below the agency requested amount.

The Governor recommends FY 2009 State General Fund expenditures of \$9,227,492, a decrease of \$243,965, or 0.3 percent, below the FY 2009 approved amount. The State General Fund recommendation is \$271,120, or 2.9 percent, below the agency's FY 2009 estimate. The majority of the decrease is attributable to recommendations against the supplemental packages proposed by the agency.

Supplemental Request Detail

| FY 2009 Supplemental Requests | | | | | | |
|--|-------------------|-------------------|------------|---------------------------|-------------|------------|
| Enhancement | Agency Request | | | Governor's Recommendation | | |
| | SGF | All Funds | FTE | SGF | All Funds | FTE |
| KSH- Software and Hardware for Medicare Conversion | \$ 0 | \$ 50,000 | 0.0 | \$ 0 | \$ 0 | 0.0 |
| KSH - Physician Full Year | 0 | 87,500 | 0.8 | 0 | 0 | 0.0 |
| KSH - Employee for Medicare Conversion | 0 | 19,488 | 1.0 | 0 | 0 | 0.0 |
| KSH - Contract Therapy Services | 0 | 8,000 | 0.0 | 0 | 0 | 0.0 |
| KSH - Counselor | 0 | 25,012 | 1.0 | 0 | 0 | 0.0 |
| KSH - Mattresses and Handles Therapy Equipment | 9,500 | 9,500 | 0.0 | 0 | 0 | 0.0 |
| KVH - VA Pharmacy Contract Increase | 53,000 | 53,000 | 0.0 | 0 | 0 | 0.0 |
| KVH - Aramark Food Service Contract Increase | 108,921 | 108,921 | 0.0 | 0 | 0 | 0.0 |
| TOTAL | \$ 171,421 | \$ 411,421 | 0.0 | \$ 0 | \$ 0 | 0.0 |

The **agency** requests supplemental funding totaling \$411,241, including \$171,421 from the State General Fund.

- The **agency** requests \$50,000 from the Special Revenue Funds for the Kansas Soldier's Home. The funds would purchase new software and hardware to for medicare billing.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$87,500 and a 0.8 FTE position from the Special Revenue Funds for the Kansas Soldier's Home. The funds would retain a physician full-year, however this amount represents 6 months of wages and salaries for the position. The agency states that this position is necessary for the medicare conversion.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$19,488 and a 1.0 FTE position from the Special Revenue Funds for the Kansas Soldier's Home. The funds would retain an employee to assist in setting up the medicare billing system; however, this amount represents 6 months of salaries and wages for this postion. The agency states that this position is necessary for the medicare conversion.

The **Governor** does not recommend this supplemental funding.

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Kansas Commission on Veterans' Affairs

- The **agency** requests \$8,000 from the Special Revenue Funds for the Kansas Soldiers's Home. The funds would retain contract therapeutic services related to the medicare conversion.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$25,012 and a 1.0 FTE position from the Special Revenue Funds for the Kansas Soldiers's Home. The funds would retain a substance abuse counselor; however, this amount represents 6 months of salaries and wages for the position.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$9,500 from the State General Fund for the Kansas Soldiers' Home. The request would fund the purchase of new mattresses and handles for beds in the facility.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$50,000 from the Special Revenue Funds for the Kansas Veterans' Home. The request would fund the purchase of new therapy equipment the agency states is necessary for the medicare conversion.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$53,000 from the State General Fund for the Kansas Soldiers' Home. The request would fund an anticipated increase the VA pharmacy contract.

The **Governor** does not recommend this supplemental funding.

- The **agency** requests \$53,000 from the State General Fund for the Kansas Soldiers' Home. The request would fund an anticipated increase in the Aramark Food Service contract.

The **Governor** does not recommend this supplemental funding.

Kansas Savings Incentive Program (KSIP) Expenditures

The agency does not participate in the Kansas Savings Incentive Program.

B. FY 2010 – Budget Year

| FY 2010 OPERATING BUDGET SUMMARY | | | |
|---|----------------------|------------------------------|-----------------------|
| | Agency Request | Governor's Recommendation | Difference |
| Total Request/Recommendation | \$ 24,076,464 | \$ 21,082,680 | \$ (2,993,784) |
| Change from FY 2008: | | | |
| Dollar Change: | | | |
| State General Fund | \$ 1,704,408 | \$ (271,120) | |
| All Other Funds | 534,859 | (35,197) | |
| TOTAL | \$ 2,239,267 | \$ (306,317) | |
| Percent Change: | | | |
| State General Fund | 17.9% | (2.9)% | |
| All Other Funds | 4.3 | (0.3) | |
| TOTAL | 10.3% | (1.4)% | |
| Change in FTE Positions | 9.0 | (9.0) | |

The **agency** requests FY 2010 operating expenditures of \$24,076,464, an increase of \$2,239,267, or 10.3 percent, above the FY 2009 revised estimate. The request includes \$11,208,600 from the State General Fund, an increase of \$1,704,408, or 17.9 percent, above the FY 2009 revised estimate. The majority of the increase is attributed to enhancements totaling \$2,036,361. Without the enhancements, the request totals \$22,040,103, an increase of \$202,906, or 0.9 percent, above the agency's FY 2009 revised estimate. **Major Changes:**

Salaries and Wages - The agency requests \$17,639,163 for salaries and wages in FY 2010, an increase of \$1,728,974, or 10.9 percent, above the FY 2009 revised agency estimate.

Contractual Services - The agency requests \$3,413,313 for contractual services in FY 2010, an increase of \$194,362, or 6.0 percent, above the FY 2009 revised agency estimate.

Commodities - The agency requests \$2,331,267 for commodities in FY 2010, a decrease of \$59,649, or 2.5 percent, below the FY 2009 revised agency estimate.

Capital Outlay - The agency requests \$689,267 for capital outlay in FY 2010, an increase of \$375,580, or 119.7 percent above the FY 2009 revised agency estimate.

The **Governor** recommends FY 2010 operating expenditures of \$21,082,680, a decrease of \$306,317, or 1.4 percent, below the Governor's FY 2009 recommendation. The recommendation is a decrease of \$2,993,784, or 12.4 percent below the agency's FY 2010 request. The decrease

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Kansas Commission on Veterans' Affairs

is attributable to a recommendation against the enhancement packages and reductions in salaries and wages stemming from the freeze Kansas Public Employee Retirement System (KPERS) and Group Health Contributions. The Governor recommended FY 2010 State General Fund expenditures of \$8,9556,372, a decrease of \$271,120, or 2.1 percent, below the Governors FY 2009 recommendation.

| FY 2010 ENHANCEMENTS | | | | | | | |
|---|---------------------|---------------------|------------|---------------------------|-------------|---------------|--|
| Enhancement | Agency Request | | | Governor's Recommendation | | | |
| | SGF | All Funds | FTE | SGF | All Funds | FTE | |
| KSH - Salaries and Wages - Decreased Shrinkage | \$ 10,565 | \$ 10,565 | 0.0 | \$ 0 | \$ 0 | 0.0 | |
| Veteran's Service Program - VCAP Grant & COLA | 38,702 | 38,702 | 0.0 | 0 | 0 | 0.0 | |
| Veterans' Service Program - Enhanced Program | 370,239 | 370,239 | 0.0 | 0 | 0 | 0.0 | |
| Veteran's Service Program - Rent and Travel Costs | 49,507 | 49,507 | 0.0 | 0 | 0 | 0.0 | |
| Veteran's Service Program - Enhanced Delivery | 358,330 | 358,330 | 8.0 | 0 | 0 | 0.0 | |
| KSH - Multi-Passenger Van | 47,000 | 47,000 | 0.0 | 0 | 0 | 0.0 | |
| KSH - Physician Full Year | 0 | 175,000 | 0.8 | 0 | 0 | 0.0 | |
| KSH - Counselor | 0 | 49,994 | 1.0 | 0 | 0 | 0.0 | |
| KSH - Pharmacy Contract Increase | 0 | 58,500 | 0.0 | 0 | 0 | 0.0 | |
| KSH - Medicare Conversion FTE for Database | 0 | 39,006 | 1.0 | 0 | 0 | 0.0 | |
| KVH - Medicare Conversion FTE for Database | 39,000 | 39,000 | 1.0 | 0 | 0 | 0.0 | |
| KVH - Multi-Passenger Van w/Lift | 47,000 | 47,000 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Multi-Passenger Van | 20,900 | 20,900 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Medicare Conversion - Computers | 49,085 | 49,085 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Reinstatement of Governor | 64,554 | 64,554 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Pharmacy Contract Increase | 58,513 | 58,513 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Additional Staff | 442,454 | 442,454 | 9.0 | 0 | 0 | 0.0 | |
| KVH - New Nursing Home Beds | 26,900 | 26,900 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Counselor | 50,000 | 50,000 | 0.0 | 0 | 0 | 0.0 | |
| KVH - Aramark Food Service increase | 41,112 | 41,112 | 0.0 | 0 | 0 | 0.0 | |
| TOTAL | \$ 1,713,861 | \$ 2,036,361 | 1.0 | \$ 0 | \$ 0 | (18.0) | |

Enhancements Detail

The agency submitted twenty enhancement requests totaling \$2,036,361, including \$1,713,861 from the State General Fund. The Governor does not recommend any of the following requests.

- The **agency** requests \$10,565 from the State General Fund for the Kansas Soldiers' Home. The enhancement request will be used to reinstate the Governor's 2 percent reduction in State General Fund spending for the Administration program.
- The **agency** requests \$38,702 from the State General Fund for the Veteran's Service Program. The enhancement request will be used to reinstate the Governor's 2 percent reduction in State General Fund spending for the VCAP Grant and COLA program.
- The **agency** requests \$370,239 from the State General Fund for the Veteran Services program to provide enhanced services. The enhancement request includes salaries and wages, mileage for state vehicle, stationery and supplies.
- The **agency** requests \$49,507 from the State General Fund for the Veteran Services program. The enhancement request reinstates the Governor's 2 percent reduction in State General Fund spending and provides an additional \$25,022 for contractual services expenses in the Veteran's Service Program.
- The **agency** requests \$358,330 and 8.0 FTE positions from the State General Fund for the Veteran Services program to provide enhanced services. The enhancement request includes salaries and wages, mileage for state vehicle, stationery and supplies.
- The **agency** requests \$47,000 from the State General Funds for the Kansas Soldiers' Home. The enhancement request funds the purchase of a new Multi-passenger wheel-chair lift van to replace a multi-passenger vehicle the agency is currently using.
- The **agency** requests \$49,994 and a 1.0 FTE position from the Special Revenue Funds for the Kansas Soldiers' Home. The request would fund a substance abuse and mental health counselor in the facility. The agency states that this request is necessary for implementation of the medicare conversion.
- The **agency** requests \$58,500 from the Special Revenue Funds for the Kansas Soldiers' Home. The request would fund an anticipated increase in the Pharmacy contract costs.
- The **agency** requests \$39,006 and a 1.0 FTE position from the Special Revenue Funds for the Kansas Soldiers' Home. The request would fund a new employee to assist in medicare billing.
- The **agency** requests \$39,000 and a 1.0 FTE position from the State General Fund for the Kansas Veterans' Home. The request would fund a new employee to assist in medicare billing.

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- The **agency** requests \$47,000 from the State General Funds for the Kansas Veterans' Home. The enhancement request funds the purchase of a new Multi-passenger wheel-chair lift van to replace a multi-passenger vehicle the agency is currently using.
- The **agency** requests \$20,900 from the State General Fund for the Kansas Veterans' Home. The enhancement request funds the purchase of a new Multi-passenger van to replace a multi-passenger vehicle the agency is currently using.
- The **agency** requests \$20,900 from the State General Fund for the Kansas Veterans' Home. The enhancement request funds the purchase of a ne computers to assist in medicare billing.
- The **agency** requests \$64,554 from the State General Fund for the Kansas Veterans' Home. The request would reinstate the Governor's 2 percent reduction in State General Fund expenditures and support the purchase of medical and safety equipment for the residents.
- The **agency** requests \$58,513 from the State General Fund for the Kansas Veterans' Home. The request would fund an anticipated increase in the Pharmacy contract costs.
- The **agency** requests \$442,454 and 9.0 FTE positions from the State General Fund for the Kansas Veterans' Home. The request would fund a projected salary and wage shortfall in the nursing program at the Kansas Veteran's Home.
- The **agency** requests \$26,900 from the State General Fund for the Kansas Veterans' Home. The request would fund the purchase of new electric nursing home beds to replace beds purchased in 1998.
- The **agency** requests \$50,000 and a 1.0 FTE position from the State General Fund for the Kansas Veterans' Home. The request would fund the retention of a substance abuse and mental health counselor for the facility.
- The **agency** requests \$41,112 from the State General Fund for the Kansas Veterans' Home. The request would fund an anticipated increase in the Aramark Food Service contracts costs.

| FY 2010 REDUCED RESOURCES | | | | | | |
|---|-----------------------|-------------------|------------|---------------------------|-------------|------------|
| Item | Agency Recommendation | | | Governor's Recommendation | | |
| | SGF | All Funds | FTE | SGF | All Funds | FTE |
| Agency Administration - Reduction in Travel | 26,726 | 26,627 | 0.0 | \$ 0 | \$ 0 | 0.0 |
| Veterans Service Prog. - Reduction in travel and VSO grants | 88,808 | 88,808 | 2.0 | 0 | 0 | 0.0 |
| KVH - Reduction in Services and temporary staff | 144,833 | 144,833 | 0.0 | 0 | 0 | 0.0 |
| KSH - Reduction in Nursing Staff | 173,834 | 173,834 | 2.0 | 0 | 0 | 0.0 |
| KS Cemetery Prog - Reduction in Services | 39,744 | 39,744 | 0.0 | 0 | 0 | 0.0 |
| TOTAL | \$ 473,945 | \$ 473,846 | 4.0 | \$ 0 | \$ 0 | 0.0 |

FY 2010 Reduced Resources

The **agency** submitted five reduced resources targets spread through each agency. All reduction would be in State General Fund expenditures. The reductions are:

- \$26,726 from the Administration program by reducing travel. The agency notes almost all meetings would be conducted by conference call, all other travel would be discontinued, and the agency would reduce administrative activities and communications expenses.
- \$39,744 from the Veteran Cemeteries program. The agency would reduce expenses across the board. The agency notes this may delay funerals and cause violations in federal standards.
- \$88,808 from the Veteran Services program. The agency would reduce grants to Veteran Service Organizations, engage in furloughs and layoffs of FTE. The agency states that some functions are mandated by the federal government and are federally funded and therefore not subject to a reduced resource target and that this reduction will substantially impair the function of the program.
- \$144,833 from the Kansas Veterans' Home. The agency would reduce 2 temporary positions in the nursing home and two temporary positions in the physical plant. The agency will also engage in a program of reduction of service across all areas. The agency states that such a reduction has the chance of impacting federal and state inspections.
- \$173,834 from the Kansas Soldiers' Home. The agency would eliminate two nursing positions at the facility.

The **Governor** recommends implementation of all reduced resource targets.

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Funding Sources

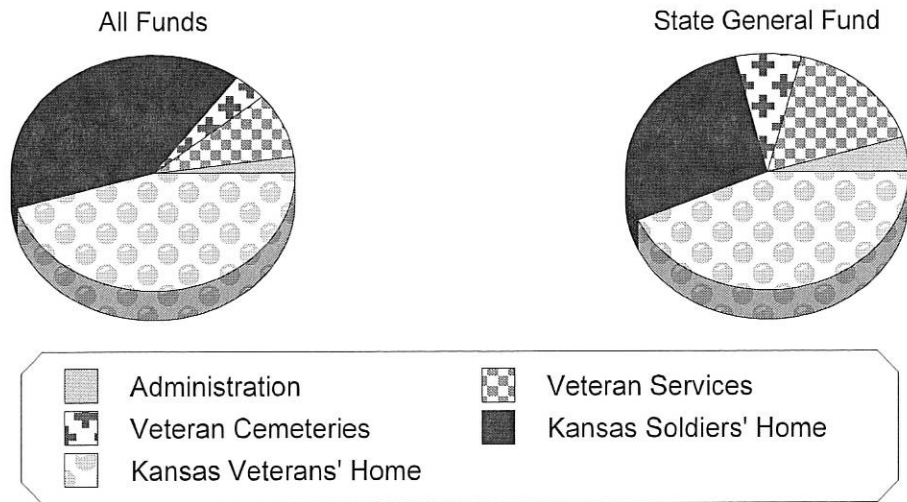
| Funding Source | Agency Req. Percent of Total FY 2010 | Gov. Rec. Percent of Total FY 2010 |
|--------------------|--|--|
| State General Fund | 46.6% | 42.5% |
| KSH Fee Fund | 9.8 | 10.4 |
| KVH Fee Fund | 14.0 | 15.5 |
| KSH Federal Fund | 15.1 | 16.1 |
| KVH Federal Fund | 12.8 | 14.1 |
| All Other Funds | 1.8 | 1.3 |
| TOTAL | 100.0% | 100.0% |

Note: Percentages may not add due to rounding.

PROGRAM DETAIL

Expenditures by Program

Governor's FY 2009 Recommendation



| PROGRAM | Gov. Rec. | | Gov. Rec. | |
|-----------------------|----------------------|---------------------|----------------------|---------------------|
| | All Funds FY 2010 | Percent of Total | SGF FY 2010 | Percent of Total |
| Administration | \$ 491,774 | 2.3 | \$ 491,774 | 5.5 |
| Veteran Services | 1,894,051 | 9.0 | 1,647,453 | 18.4 |
| Veteran Cemeteries | 778,093 | 3.7 | 742,426 | 8.3 |
| Kansas Soldiers' Home | 8,414,040 | 39.9 | 2,814,298 | 3.1 |
| Kansas Veterans' Home | 9,504,722 | 45.1 | 4,316,205 | 36.4 |
| TOTAL | \$ 21,082,680 | 100.0 | \$ 10,012,156 | 100.0 |

Staff Note: Percentages may not add due to rounding.

| Program | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
|-----------------------|-------------------|------------------------|----------------------|------------------------|----------------------|
| Administration | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Veteran Services | 23.0 | 43.0 | 43.0 | 51.0 | 43.0 |
| Veterans Cemeteries | 11.0 | 16.0 | 16.0 | 17.0 | 17.0 |
| Kansas Soldiers' Home | 112.0 | 134.8 | 132.0 | 134.8 | 132.0 |
| Kansas Veterans' Home | 179.5 | 324.0 | 297.0 | 324.0 | 287.0 |
| TOTAL | 332.5 | 524.8 | 495.0 | 533.8 | 486.0 |

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A. Administration

The Administration program provides central management and staff support from the main office located in Topeka for all other programs within the Commission. The Administration Program contains the agency's fiscal services, human resources, and information technology function. The program was split off from the Veterans Services program for budgetary reasons beginning in FY 2006. The Administration Program also contains funding, where relevant, for the Persian Gulf War Veterans Health Initiative Board.

| ADMINISTRATION SUMMARY OF EXPENDITURES FY 2008-FY 2010 | | | | | |
|---|-------------------|------------------------|----------------------|------------------------|----------------------|
| Item | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Expenditures: | | | | | |
| Salaries and Wages | \$ 365,161 | \$ 468,755 | \$ 458,190 | \$ 504,564 | \$ 462,030 |
| Contractual Services | 91,369 | 59,480 | 54,197 | 47,277 | 20,650 |
| Commodities | 15,749 | 6,371 | 6,371 | 6,554 | 6,554 |
| Capital Outlay | 9,132 | 2,540 | 2,540 | 2,540 | 2,540 |
| Subtotal - Operations | \$ 481,411 | \$ 537,146 | \$ 521,298 | \$ 560,935 | \$ 491,774 |
| Other Assistance | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$ 481,411 | \$ 537,146 | \$ 521,298 | \$ 560,935 | \$ 491,774 |
| Financing: | | | | | |
| State General Fund | \$ 481,411 | \$ 537,146 | \$ 521,298 | \$ 560,935 | \$ 491,774 |
| All Other Funds | 0 | 0 | 0 | 0 | 0 |
| TOTAL | \$ 481,411 | \$ 537,146 | \$ 521,298 | \$ 560,935 | \$ 491,774 |
| FTE Positions | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Non-FTE Uncl. Perm. Pos. | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |

The **agency** requests FY 2010 expenditures of \$560,935, all from the State General Fund. The request is an increase of \$23,789, or 4.4 percent, above the FY 2009 revised estimate. Major Changes:

Salaries and Wages - The agency requests \$504,564 for salaries and wages in the Administration Program in FY 2010, this is an increase of \$35,809, or 7.6 percent, above the FY 2009 revised estimate. The increase is attributable to the enhancement request reinstating the Governors's 2 percent reduction in salaries and wages for the program and an increase in unclassified employee costs in the program.

Contractual Services - The agency requests \$47,277 for contractual services in the Administrative Program in FY 2010, a decrease of \$12,203, or 20.5 percent, below the FY 2009 revised estimate. The decrease is attributable for decreased projected expenses for building space rental in FY 2010.

The **Governor** recommends FY 2010 expenditures of \$491,774, a decrease of \$29,524, or 5.7 percent, below the Governor's FY 2009 recommendation. The recommendation is a decrease

or \$69,161, or 12.3 percent below the agency's FY 2009 revised estimate. The decrease is mainly attributable to an increased shrinkage rate for the program.

B. Veterans Services

The purpose of the Veterans Services Program is to provide and administer a system by which the eligible residents of Kansas can obtain assistance and advice in procuring benefits from the state and federal governments in the area of veterans or survivor benefits. Services are provided through fifteen field offices located throughout the state and six offices located in the VA Medical Centers in Topeka, Leavenworth, and Wichita. Additional services are provided through service grants to Veterans' Service Organizations (VSOs). Where services through VSOs are not available, the KCVVA Veterans Service Representatives (VSRs) will continue to provide services. Quality control measures are performed at the Wichita VA Medical Center. Services provided by the program include assistance with obtaining services in the areas of education, health, vocational guidance, and economic security. The Kansas Commission on Veterans' Affairs is the State Approving Agency (SAA) for the federal GI Bill Education program.

| VETERANS SERVICES SUMMARY OF EXPENDITURES FY 2008-FY 2010 | | | | | |
|--|---------------------|------------------------|----------------------|------------------------|----------------------|
| Item | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Expenditures: | | | | | |
| Salaries and Wages | \$ 1,088,332 | \$ 1,191,393 | \$ 1,191,393 | \$ 1,605,438 | \$ 1,231,288 |
| Contractual Services | 693,237 | 771,412 | 753,661 | 831,857 | 627,038 |
| Commodities | 31,076 | 33,225 | 33,225 | 43,225 | 33,225 |
| Capital Outlay | 36,235 | 4,698 | 4,698 | 363,028 | 2,500 |
| Subtotal - Operations | \$ 1,848,880 | \$ 2,000,728 | \$ 1,982,977 | \$ 2,843,548 | \$ 1,894,051 |
| Other Assistance | 0 | 0 | 0 | 0 | 0 |
| TOTAL | <u>\$ 1,848,880</u> | <u>\$ 2,000,728</u> | <u>\$ 1,982,977</u> | <u>\$ 2,843,548</u> | <u>\$ 1,894,051</u> |
| Financing: | | | | | |
| State General Fund | \$ 1,752,898 | \$ 1,766,829 | \$ 1,749,078 | \$ 2,592,931 | \$ 1,647,543 |
| All Other Funds | 95,982 | 233,899 | 233,899 | 250,617 | 246,508 |
| TOTAL | <u>\$ 1,848,880</u> | <u>\$ 2,000,728</u> | <u>\$ 1,982,977</u> | <u>\$ 2,843,548</u> | <u>\$ 1,894,051</u> |
| FTE Positions | 23.0 | 43.0 | 43.0 | 51.0 | 43.0 |
| Non-FTE Uncl. Perm. Pos. | 0.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| TOTAL | <u>23.0</u> | <u>45.0</u> | <u>45.0</u> | <u>53.0</u> | <u>45.0</u> |

The **agency** requests FY 2010 operating expenditures of \$2,843,548 for the Veterans Services program. The request is an increase of \$842,820, or 42.1 percent, above the FY 2009 revised estimate. Of the request, \$2,592,931 would come from the State General Fund, an increase of \$826,102, or 46.8 percent, above the FY 2009 revised estimate. The agency request includes \$250,617 from Special Revenue Funds, an increase of \$16,718, or 7.1 percent, above the FY 2009 revised estimate. The majority of the increase is attributable to \$816,778 in enhancement requests for the program. The enhancement requests are fully funded from State General Funds.

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Salaries and Wages - The agency request includes \$1,486,181 in salaries and wages for the Veterans Services Program, an increase of \$397,327, or 36.5 percent, above the FY 2009 revised estimate.

Contractual Services - The agency request includes \$831,857 in contractual services for the Veterans Services Program, an increase of \$60,445, or 7.8 percent, above the FY 2009 revised estimate.

Commodities - The agency request includes \$43,225 in commodities for the Veterans Services Program, an increase of \$10,000, or 30.1 percent, above the FY 2009 revised estimate.

Capital Outlay - The agency requests includes \$363,028 in capital outlay for the Veterans Services Program, an increase of \$358,330, or 7627.3 percent, above the FY 2009 revised estimate.

The **Governor** recommends FY 2010 expenditures of \$1,894,051, a decrease of \$88,926, or 4.5 percent, below the Governor's FY 2009 recommendation. The recommendation is a decrease of \$949,497, or 33.4 percent, below the agency's FY 2010 request. The decrease in the Governor's recommendation is primarily attributable to a recommendation against the agency's enhancement requests.

C. Veterans Cemeteries

The Veterans Cemeteries Program provides veterans and their eligible dependents a burial site and a fitting memorial for their service to the United States. The program was designed to establish, manage, and operate four state veterans' cemeteries. Cemetery construction was 100 percent funded through a grant from the Department of Veterans' Affairs, with ongoing cemetery operations funded by the state, with minimal federal funding. During FY 2006, the cemeteries at Fort Dodge, WaKeeney, and Winfield became fully operational. The cemetery at Fort Riley is expected to open in FY 2009.

| VETERANS CEMETERIES SUMMARY OF EXPENDITURES FY 2008-FY 2010 | | | | | |
|--|-------------------|------------------------|----------------------|------------------------|----------------------|
| Item | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Expenditures: | | | | | |
| Salaries and Wages | \$ 457,146 | \$ 611,787 | \$ 611,787 | \$ 688,686 | \$ 662,502 |
| Contractual Services | 39,066 | 57,000 | 49,660 | 60,187 | 44,290 |
| Commodities | 48,726 | 46,000 | 46,000 | 46,000 | 35,634 |
| Capital Outlay | 43,757 | 36,750 | 36,750 | 35,667 | 35,667 |
| Subtotal - Operations | \$ 588,695 | \$ 751,537 | \$ 744,197 | \$ 830,540 | \$ 778,093 |
| Other Assistance | 0 | 0 | 0 | 0 | 0 |
| TOTAL | <u>\$ 588,695</u> | <u>\$ 751,537</u> | <u>\$ 744,197</u> | <u>\$ 830,540</u> | <u>\$ 778,093</u> |
| Financing: | | | | | |
| State General Fund | \$ 548,077 | \$ 721,537 | \$ 714,197 | \$ 794,873 | \$ 742,426 |
| All Other Funds | 40,618 | 30,000 | 30,000 | 35,667 | 35,667 |
| TOTAL | <u>\$ 588,695</u> | <u>\$ 751,537</u> | <u>\$ 744,197</u> | <u>\$ 830,540</u> | <u>\$ 778,093</u> |
| FTE Positions | 11.0 | 16.0 | 16.0 | 17.0 | 17.0 |
| Non-FTE Uncl. Perm. Pos. | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | <u>11.0</u> | <u>16.0</u> | <u>16.0</u> | <u>17.0</u> | <u>17.0</u> |

The **agency** requests FY 2010 expenditures of \$830,540 for the Veterans Cemeteries program. The request is an increase of \$79,003, or 10.5 percent, above the FY 2009 revised estimate. Of the request, \$794,873 would come from the State General Fund, an increase of \$73,336, or 10.2 percent, above the FY 2009 revised estimate.

The **Governor** recommends FY 2010 expenditures of \$778,093 for the Veterans Cemeteries program. The request is a decrease of \$16,819, or 12.7 percent, below the FY 2009 Governor's recommendation. The recommendation is a decrease of \$26,263, 18.5 percent, below the agency's 2010 request.

D. Kansas Soldiers' Home

The mission of the Kansas Soldiers' Home in Fort Dodge is to provide quality long-term health care and to enhance the overall well being of honorably discharged veterans and their dependents in an environment that supports the individual's biological, sociological, and psychological needs. The Home offers different levels of care including residential cottages, assisted living housing, and nursing home care. Cottage residency is open to an eligible veteran and his or her spouse and provide independent living with available assistance from social and health services staff. Domiciliary care or assisted living provides residents support services such as meal preparation and medication monitoring. Nursing home care is also available for residents who are incapable of self-support and care.

| KANSAS SOLDIERS' HOME SUMMARY OF EXPENDITURES FY 2009-FY 2010 | | | | | |
|--|---------------------|------------------------|----------------------|------------------------|----------------------|
| Item | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Expenditures: | | | | | |
| Salaries and Wages | \$ 5,100,569 | \$ 6,051,229 | \$ 5,919,229 | \$ 6,647,459 | \$ 6,154,870 |
| Contractual Services | 1,328,253 | 1,209,321 | 1,190,212 | 1,217,345 | 1,096,220 |
| Commodities | 1,081,730 | 1,172,450 | 1,162,950 | 1,162,950 | 1,162,950 |
| Capital Outlay | 71,774 | 100,000 | 54,500 | 47,000 | 0 |
| Subtotal - Operations | \$ 7,582,326 | \$ 8,533,000 | \$ 8,326,891 | \$ 9,074,754 | \$ 8,414,040 |
| Other Assistance | | | | | |
| TOTAL | <u>\$ 7,582,326</u> | <u>\$ 8,533,000</u> | <u>\$ 8,326,891</u> | <u>\$ 9,074,754</u> | <u>\$ 8,414,040</u> |
| Financing: | | | | | |
| State General Fund | \$ 2,948,767 | \$ 2,848,605 | \$ 2,813,996 | \$ 2,943,656 | \$ 2,814,298 |
| All Other Funds | 4,633,559 | 5,684,395 | 5,512,895 | 6,131,098 | 5,599,742 |
| TOTAL | <u>\$ 7,582,326</u> | <u>\$ 8,533,000</u> | <u>\$ 8,326,891</u> | <u>\$ 9,074,754</u> | <u>\$ 8,414,040</u> |
| FTE Positions | 112.0 | 134.8 | 132.0 | 134.8 | 132.0 |
| Non-FTE Uncl. Perm. Pos. | 7.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| TOTAL | <u>119.0</u> | <u>140.8</u> | <u>138.0</u> | <u>140.8</u> | <u>138.0</u> |

The **agency** requests FY 2010 operating expenditures of \$9,074,754 for the Kansas Soldiers' Home. The request is an increase of \$541,754, or 6.3 percent, above the FY 2009 revised estimate. Of the request, \$2,943,656 would come from the State General Fund, an increase of \$95,051, or 3.3 percent, above the FY 2009 revised estimate. The majority of the increase is attributed to enhancements totaling \$416,500. The only State General Fund expenditures in this enhancement request is \$47,000 for a multi-passenger van. Major Changes:

Salaries and Wages - The agency requests \$6,647,459 for salaries and wages for the Kansas Soldiers' Home in FY 2010, an increase of \$596,230, or 9.9 percent, above the FY 2009 agency estimate.

Contractual Services - The agency requests \$1,217,345 for contractual services for the Kansas Soldiers' Home in FY 2010, an increase of \$8,024, or 0.7 percent above the FY 2009

agency estimate. The agency decreased funding from special revenue funds by \$22,156, or 43.1 percent, below the FY 2009 revised estimate and increased funding from the State General Fund by \$30,180, or 2.6 percent, above the FY 2009 revised estimate in order to achieve this balance

The **Governor** recommends FY 2010 operating expenditures of \$8,414,040, an increase of \$87,149, or 1.0 percent, above the Governor's FY 2009 recommendation. The recommendation is a decrease of \$168,125, or 6.9 percent, below the agency's FY 2009 revised estimate. The recommendation includes \$2,259,170 from the State General Fund, a decrease of \$148,492, or 6.2 percent below the Governor's FY 2009 recommendation.

Fee Fund Analysis: Kansas Soldiers' Home Fee Fund

| Resource Estimate | Actual FY 2008 | Agency Estimate FY 2009 | Gov. Rec. FY 2009 | Agency Request FY 2010 | Gov. Rec. FY 2010 |
|--|-------------------|-------------------------------|----------------------|------------------------------|----------------------|
| Beginning Balance | \$ 218,169 | \$ 138,944 | \$ 138,944 | \$ 0 | \$ 43,750 |
| Net Receipts | 1,925,660 | 2,195,207 | 2,195,207 | 2,355,014 | 2,355,014 |
| Total Funds Available | \$ 2,143,829 | \$ 2,334,151 | \$ 2,334,151 | \$ 2,355,014 | \$ 2,398,764 |
| Less: Expenditures | 2,004,885 | 2,334,151 | 2,290,401 | 2,355,014 | 2,202,053 |
| Transfer to SGF | 0 | 0 | 0 | 0 | 65,461 |
| Ending Balance | <u>\$ 138,944</u> | <u>\$ 0</u> | <u>\$ 43,750</u> | <u>\$ 0</u> | <u>\$ 131,250</u> |
| Ending Balance as Percent of Expenditures | 6.9% | 0.0% | 1.9% | 0.0% | 6.0% |

Fee Fund Analysis: Kansas Soldiers' Home Federal Fund

| Resource Estimate | Actual FY 2008 | Agency Estimate FY 2009 | Gov. Rec. FY 2009 | Agency Request FY 2010 | Gov. Rec. FY 2010 |
|--|-------------------|-------------------------------|----------------------|------------------------------|----------------------|
| Beginning Balance | \$ 873,171 | \$ 546,398 | \$ 546,398 | \$ 440,707 | \$ 484,457 |
| Net Receipts | 2,349,750 | 3,092,053 | 3,092,053 | 3,351,825 | 3,351,825 |
| Total Funds Available | \$ 3,222,921 | \$ 3,638,451 | \$ 3,638,451 | \$ 3,792,532 | \$ 3,836,282 |
| Less: Expenditures | 2,676,523 | 3,197,744 | 3,153,994 | 3,628,584 | 3,397,689 |
| Transfers | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | <u>\$ 546,398</u> | <u>\$ 440,707</u> | <u>\$ 484,457</u> | <u>\$ 163,948</u> | <u>\$ 438,593</u> |
| Ending Balance as Percent of Expenditures | 20.4% | 13.8% | 15.4% | 4.5% | 12.9% |

E. Kansas Veterans' Home

The primary mission of the Kansas Veterans' Home in Winfield is to provide three levels of nursing care to veterans and their eligible dependents. The Kansas Veterans' Home officially opened May 1, 2000 on the grounds of the former Winfield State Hospital and Training Center. The 80-bed domiciliary or assisted living program in Donlon Hall provides shelter, food, and other necessary services required by each resident while allowing the resident to maintain a certain level of independence. The third wing of Donlon Hall was opened on July 14, 2003. The 104-bed Bleckley Hall was opened June 12, 2000 and is equipped for 78 residents in need of skilled nursing care and for 26 residents in need of care related to Alzheimer's disease. The first floor of Triplett Hall was on October 27, 2003.

| KANSAS VETERANS' HOME SUMMARY OF EXPENDITURES FY 2008-FY 2010 | | | | | |
|--|----------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Item | Actual FY 2008 | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Expenditures: | | | | | |
| Salaries and Wages | \$ 7,169,832 | \$ 7,579,221 | \$ 7,579,221 | \$ 8,193,016 | \$ 7,369,099 |
| Contractual Services | 834,865 | 1,121,738 | 1,029,640 | 1,256,647 | 1,016,312 |
| Commodities | 950,578 | 1,133,324 | 1,032,074 | 1,072,992 | 1,034,633 |
| Capital Outlay | 38,392 | 169,699 | 169,699 | 241,032 | 81,678 |
| Subtotal - Operations | <u>\$ 8,993,667</u> | <u>\$ 10,003,982</u> | <u>\$ 9,810,634</u> | <u>\$ 10,763,687</u> | <u>\$ 9,501,722</u> |
| Other Assistance | 264 | 3,000 | 3,000 | 3,000 | 3,000 |
| TOTAL | <u><u>\$ 8,993,931</u></u> | <u><u>\$ 10,006,982</u></u> | <u><u>\$ 9,813,634</u></u> | <u><u>\$ 10,766,687</u></u> | <u><u>\$ 9,504,722</u></u> |
| Financing: | | | | | |
| State General Fund | \$ 3,207,006 | \$ 3,622,271 | \$ 3,428,923 | \$ 4,316,205 | \$ 3,260,331 |
| All Other Funds | 5,786,925 | 6,384,711 | 6,384,711 | 6,450,482 | 6,244,391 |
| TOTAL | <u><u>\$ 8,993,931</u></u> | <u><u>\$ 10,006,982</u></u> | <u><u>\$ 9,813,634</u></u> | <u><u>\$ 10,766,687</u></u> | <u><u>\$ 9,504,722</u></u> |
| FTE Positions | 179.5 | 324.0 | 297.0 | 324.0 | 287.0 |
| Non-FTE Uncl. Perm. Pos. | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | <u><u>180.5</u></u> | <u><u>324.0</u></u> | <u><u>297.0</u></u> | <u><u>324.0</u></u> | <u><u>287.0</u></u> |

The **agency** request FY 2010 operating expenditures of \$10,766,687 for the Kansas Veterans' Home. The request is an increase of \$759,705, or 7.6 percent, above the FY 2009 revised estimate. Of the request, \$4,316,205 would come from the State General Fund, an increase of \$693,934, or 19.2 percent, above the FY 2009 estimate. The increase is attributable to enhancement requests of \$839,518, all from State General funds.

The **Governor** recommends FY 2010 operating expenditures of \$9,501,722 for the Kansas Veterans' Home. The recommendation is a decrease of \$308,912, or 3.1 percent, below the Governor's FY 2009 recommendation. The Governor's FY 2010 recommendation is \$1,261,965, or 11.7 percent, below the agency's FY 2010 request.

Fee Fund Analysis: Kansas Veterans' Home Fee Fund

| Resource Estimate | Actual | Agency | Gov. Rec. | Agency | Gov. Rec. |
|---|---------------|---------------------|--------------|--------------------|--------------|
| | FY 2007 | Estimate FY 2008 | FY 2008 | Request FY 2009 | FY 2009 |
| Beginning Balance | \$ 134,940 | \$ 157 | \$ 157 | \$ 1 | \$ 1 |
| Net Receipts | 3,141,034 | 3,211,851 | 3,211,851 | 3,366,440 | 3,366,440 |
| Total Funds Available | \$ 3,275,974 | \$ 3,212,008 | \$ 3,212,008 | \$ 3,366,441 | \$ 3,366,441 |
| Less: Expenditures | 3,275,817 | 3,212,007 | 3,212,007 | 3,366,441 | 3,263,395 |
| Transfer to SGF | 0 | 0 | 0 | 0 | 103,046 |
| Ending Balance | <u>\$ 157</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| Ending Balance as Percent of Expenditures | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Fee Fund Analysis: Kansas Veterans' Home Federal Fund

| Resource Estimate | Actual | Agency | Gov. Rec. | Agency | Gov. Rec. |
|---|-------------------|---------------------|---------------|--------------------|-------------------|
| | FY 2007 | Estimate FY 2008 | FY 2008 | Request FY 2009 | FY 2009 |
| Beginning Balance | \$ 3,724 | \$ 210,599 | \$ 210,599 | \$ (2) | \$ (2) |
| Net Receipts | 2,717,292 | 2,962,103 | 2,962,103 | 3,084,043 | 3,084,043 |
| Total Funds Available | \$ 2,721,016 | \$ 3,172,702 | \$ 3,172,702 | \$ 3,084,041 | \$ 3,084,041 |
| Less: Expenditures | 2,510,417 | 3,172,704 | 3,172,704 | 3,084,041 | 2,980,996 |
| Transfers | 0 | 0 | 0 | 0 | 0 |
| Ending Balance | <u>\$ 210,599</u> | <u>\$ (2)</u> | <u>\$ (2)</u> | <u>\$ 0</u> | <u>\$ 103,045</u> |
| Ending Balance as Percent of Expenditures | 8.4% | 0.0% | 0.0% | 0.0% | 3.5% |

DRAFT VERSION

Kansas Commission on Veterans' Affairs

Capital Improvements:

| CAPITAL IMPROVEMENTS | | | | |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Project | Agency Est. FY 2009 | Gov. Rec. FY 2009 | Agency Req. FY 2010 | Gov. Rec. FY 2010 |
| Kansas Veteran Cemetery - Ft. Riley | \$ 676,694 | \$ 676,694 | \$ 500,000 | \$ 500,000 |
| KSH - Rehab and Repair | 540,380 | 540,380 | 150,000 | 150,000 |
| KSH - Street replacement | 0 | 0 | 100,000 | 100,000 |
| KSH - Home Stone and Foundation Project | 0 | 0 | 130,000 | 130,000 |
| KSH - Pershing Windows Project | 0 | 0 | 38,279 | 38,279 |
| KVH - Rehab and Repair | 153,531 | 153,531 | 85,000 | 85,000 |
| KVH - Donlon Hall Window Replacement | 0 | 0 | 176,505 | 176,505 |
| KSH - Backup Generator | 35,808 | 35,808 | 0 | 0 |
| TOTAL | <u><u>\$ 1,406,413</u></u> | <u><u>\$ 729,719</u></u> | <u><u>\$ 1,179,784</u></u> | <u><u>\$ 1,179,784</u></u> |
| Financing: | | | | |
| State Institution Building Fund | \$ 861,255 | \$ 861,255 | \$ 679,784 | \$ 679,784 |
| Federal Funds | 712,502 | 712,502 | 500,000 | 500,000 |
| All Other Funds | 0 | 0 | 0 | 0 |
| TOTAL | <u><u>\$ 1,573,757</u></u> | <u><u>\$ 1,573,757</u></u> | <u><u>\$ 1,179,784</u></u> | <u><u>\$ 1,179,784</u></u> |

The **agency** estimates FY 2009 capital improvement expenditures of \$1,573,757. This amount includes a FY 2009 re-appropriation of \$167,344 in the State Institution Building Fund which is not currently budgeted for expenditure.

FY 2009 Capital Improvements:

- \$676,694 from the Veterans Cemeteries Federal Contracting fund to construct the cemetery at Fort Riley. The construction is entirely federally funded, but the state will fund operating costs upon completion. The Fort Riley Cemetery is expected to be completed in FY 2010.
- \$540,380 from the State Institutions Building Fund (SIBF) for the Kansas Soldiers' Home for various rehabilitation and repair projects in FY 2009.
- \$153,531 from the State Institutions Building Fund (SIBF) for the Kansas Veterans' Home for various rehabilitation and repair projects in FY 2009.
- \$35,808 for the Backup Generator Grant for the Kansas Soldiers Home. KCVA was awarded a federal grant July 2007.

The **Governor** concurs with the agency's FY 2009 estimate and the plan of the KCVA to lapse \$455,000 back to the State Institution Building Fund during FY 2009.

The **agency** requests FY 2010 capital improvement expenditures of \$1,179,784.

FY 2010 Capital Improvements:

- \$500,000 from the Veterans Cemeteries Federal Contraction fund to construct the cemetery at Fort Riley. The construction is entirely federally funded, but the state will fund operating costs upon completion. The Fort Riley Cemetery is expected to be completed in FY 2010.
- \$150,00 from the State Institutions Building Fund (SIBF) for the Kansas Soldiers' Home for various rehabilitation and repair projects in FY 2010.
- \$100,000 from the State Insitution Building fund (SIBF) for the Kansas Soldiers' Home for street replacement.
- \$38,279 from the State Insitution Building fund (SIBF) for the Kansas Soldiers' Home for window replacement in Pershing.
- \$85,000 from the State Insitution Building fund (SIBF) for the Kansas Veterans' Home for various rehabilitation and repair projects.
- \$176,505 from the State Insitution Building fund (SIBF) for the Kansas Veterans' Home for window replacement in Donlon Hall.

The **Governor** concurs with the agency's FY 2010 request.

PERFORMANCE MEASURES

| | Actual FY 2008 | Gov. Rec. FY 2009 | Gov. Rec. FY 2010 |
|--|-------------------|----------------------|----------------------|
| Administration | | | |
| Number of veterans, spouses, and dependents served | 81,077 | 64,500 | 64,500 |
| Number of planned oral presentations | 35 | 14 | 14 |
| Veterans Cemeteries | | | |
| Number of burials per year | 149 | 174 | 2010 |
| Number of pre-certifications received per year | 323 | 300 | 330 |
| Kansas Soldiers' Home | | | |
| Average daily census at the Soldiers' Home (veteran) | 129 | 142 | 142 |
| Average daily census at the Soldiers' Home (non-veteran) | 37 | 38 | 38 |
| Percent of applications completed within ten days | N/A | 75.0% | 90.0% |
| Number of deficiencies on state inspections | 9 | 10 | 10 |
| Number of deficiencies on federal inspections | 41 | 12 | 12 |
| Kansas Veterans' Home | | | |
| Average daily census at the Veterans' Home | 140 | 151 | 155 |
| Number of deficiencies on state inspections | 20 | 14 | 18 |
| Number of deficiencies on federal inspections | 3 | 3 | 5 |