

**Department of Veterans' Affairs
Budget 321
House Bill Nos. 1021, 1025, 1372**

	FTE Positions	General Fund	Other Funds	Total
2015-17 legislative appropriation (original)	9.00	\$1,612,495 ¹	\$288,018	\$1,900,513
2013-15 legislative appropriation	<u>8.00</u>	<u>1,715,703</u>	<u>380,000²</u>	<u>2,095,703</u>
2015-17 appropriation increase (decrease) to 2013-15 appropriation	1.00	(\$103,208)	(\$91,982)	(\$195,190)
2015-17 general fund budget allotment (4.05 percent)	<u>0.00</u>	<u>(\$65,306)</u>	<u>\$0</u>	<u>(\$65,306)</u>
Adjusted 2015-17 appropriation after budget allotment	9.00	\$1,547,189	\$288,018	\$1,835,207

¹The original legislative appropriation amount includes \$76,895 of one-time funding from the general fund. Excluding this amount, the agency's original ongoing general fund appropriation is \$1,535,600.

²This amount includes 2013-15 biennium supplemental appropriations from federal funds totaling \$380,000 for transport vans and transportation services to veterans. See the **Transportation services deficiency appropriation** section below.

Item Description

General fund budget allotment - In February 2016 the Governor ordered a 4.05 percent general fund budget allotment for state agencies.

Desktop support services - Section 7 of 2015 House Bill No. 1021 requires certain agencies, including the Department of Veterans' Affairs, to obtain desktop support services from the Information Technology Department. Section 8 of 2015 House Bill No. 1021 appropriated \$34,635 from the general fund, of which \$26,895 is considered one-time funding, for desktop support services for the Department of Veterans' Affairs.

FTE positions - The Legislative Assembly authorized 1 FTE position for the State Approving Agency to transfer from the North Dakota University System to the Department of Veterans' Affairs.

Transport van replacement plan - The Legislative Assembly provided a general fund appropriation of \$15,000 for the purchase of vans to transport veterans to medical appointments.

Status/Result

The budget allotment reduced the general fund appropriation for the Department of Veterans' Affairs by \$65,306. The department reduced the operating expenses line item by \$50,306 and the transport vans line item by \$15,000. Operating expense reductions will be made to stand down events, information technology, support services, information technology equipment, information technology software, supplies, and travel.

The department has included \$12,000 of the appropriated desktop support services in its general fund budget allotment. As of March 2016 no desktop support dollars have been spent, but the department anticipates spending the remaining \$22,635 by the end of the 2015-17 biennium.

The transfer of the State Approving Agency was completed effective July 1, 2015.

The department has included the entire \$15,000 appropriation in its general fund budget allotment and will delay van replacement until the fall of 2017.

Stand down events - The Legislative Assembly appropriated \$20,000 from the general fund for stand down events to coordinate benefits and provide services to veterans in the state.

Services to North Dakota veterans exposed to Agent Orange - The Legislative Assembly, in 2015 House Bill No. 1372, provided a general fund appropriation of \$50,000 to the Department of Veterans' Affairs for grants to identify and provide services to North Dakota veterans who were exposed to Agent Orange.

Veterans' service dog training - The Legislative Assembly, in 2015 House Bill No. 1025, provided a one-time general fund appropriation of \$25,000 to the Department of Veterans' Affairs for service dog training to provide dogs to veterans with posttraumatic stress disorder.

The Legislative Assembly, in House Bill No. 1025, provided an additional contingent one-time general fund appropriation of \$25,000 to the Department of Veterans' Affairs for service dog training to assist North Dakota veterans with posttraumatic stress disorder. This funding is contingent upon the dogs having completed training, eligible and approved veterans being available to receive the dogs, and the department receiving Budget Section approval.

Transportation services deficiency appropriation - The Legislative Assembly, in 2015 House Bill No. 1364, appropriated \$380,000 of federal funds for the 2013-15 biennium to provide transportation services to veterans or for purchasing vehicles for transportation-related services to veterans. In December 2015 the Department of Veterans' Affairs received Emergency Commission and Budget Section approval to spend \$64,254 of funding remaining from the 2013-15 biennium in the 2015-17 biennium.

In December 2015 the Emergency Commission and the Budget Section also approved a request to increase federal funds spending authority to accept and spend \$1,264,612 of federal funds from the United States Department of Veterans Affairs, Office of Rural Health, Grants for Transportation of Veterans in Highly Rural Areas program, to purchase wheelchair-accessible vans and to provide associated operational funds and reimbursement of subrecipients providing services for medically related transportation to veterans in rural areas.

The department has reduced the appropriation for stand down events by \$8,414 as part of its general fund budget allotment. As of March 2016 the department has spent \$5,793 and anticipates spending the remaining \$5,793 by the end of the 2015-17 biennium.

The department awarded a \$50,000 grant to the Vietnam Veterans of America - North Dakota in September 2015. The funds will be used for advertising, travel, and other outreach efforts to Vietnam veterans exposed to Agent Orange.

Through April 2016 the department has awarded two service dogs to veterans and has spent \$12,500 of the one-time appropriation for one of two service dogs available for placement. The department anticipates spending the remaining \$12,500 in May 2016.

In March 2016 the department received Budget Section approval for the contingent \$25,000 appropriation from the general fund. The department has four qualified applications to review for the remaining two service dogs and anticipates the remaining appropriation will be spent by the end of calendar year 2016.

During the 2013-15 biennium, the department received a federal Highly Rural Transportation Grant totaling \$379,612 and spent \$316,782 for eight wheelchair-accessible vans (\$313,560) and contract transportation payments (\$3,222). Remaining funding was turned back.

Through April 2016 the department has spent \$148,385 for three wheelchair-accessible vans (\$117,585) and maintenance and insurance for vans (\$30,800) to be used throughout North Dakota. The department anticipates spending approximately \$200,000 during the 2015-17 biennium.