

Representative Jack McFarland
Chairman



Representative Jason Hughes
Vice Chairman

Fiscal Year 2025 Executive Budget Review

DEPARTMENT OF VETERANS AFFAIRS

House Committee on Appropriations
House Fiscal Division

March 5, 2024

Deputy Director: Daniel Waguespack

TABLE OF CONTENTS

This presentation was produced by the House Fiscal Division of the Louisiana House of Representatives.

900 N. 3rd Street
Baton Rouge, LA 70802
house.louisiana.gov/housefiscal/

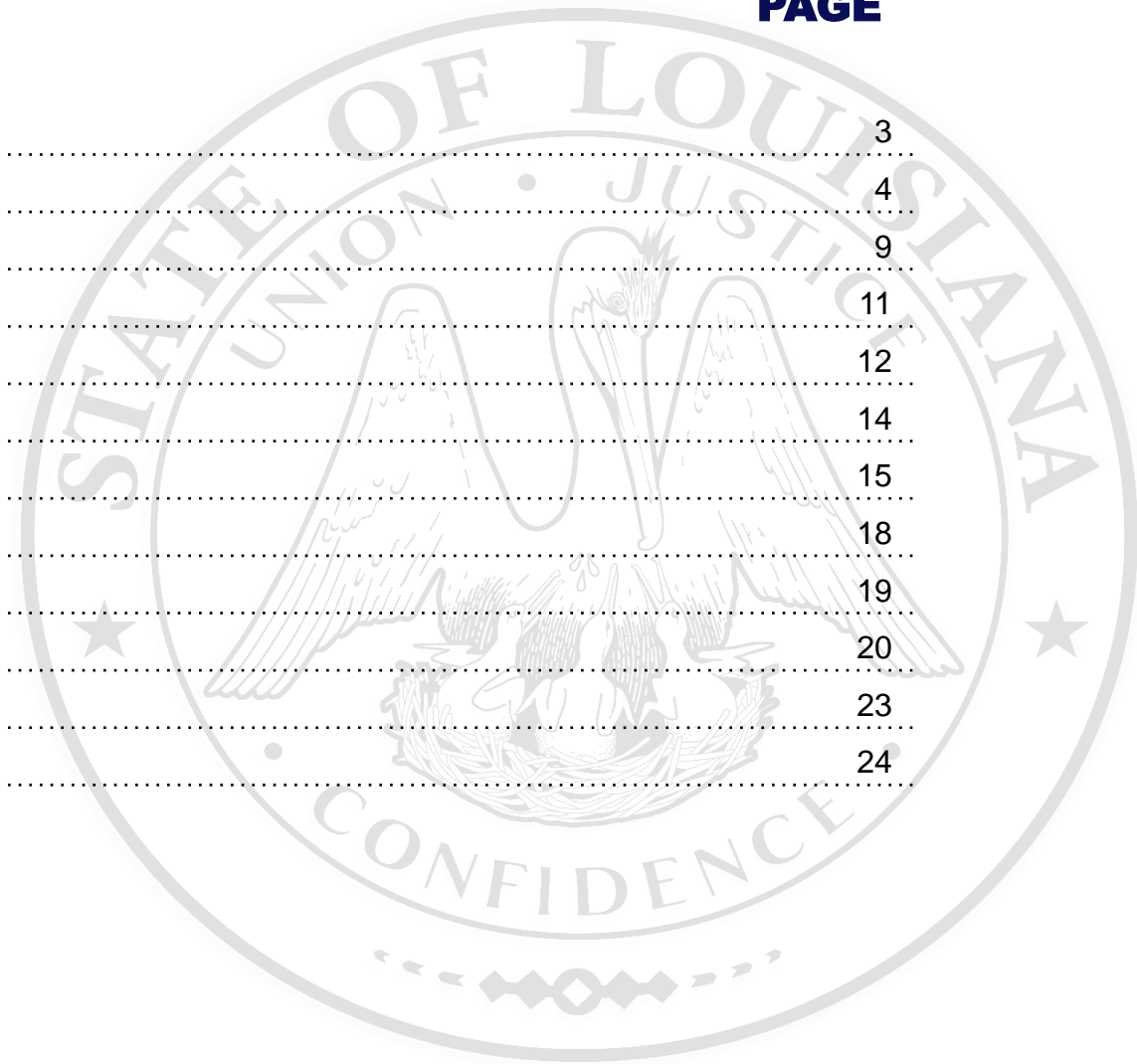
All data and figures were obtained from the governor's Fiscal Year 2024-2025 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2024 Regular Session, unless otherwise noted.

<https://www.doa.la.gov/doa/opb/budget-documents/>

TOPIC

PAGE

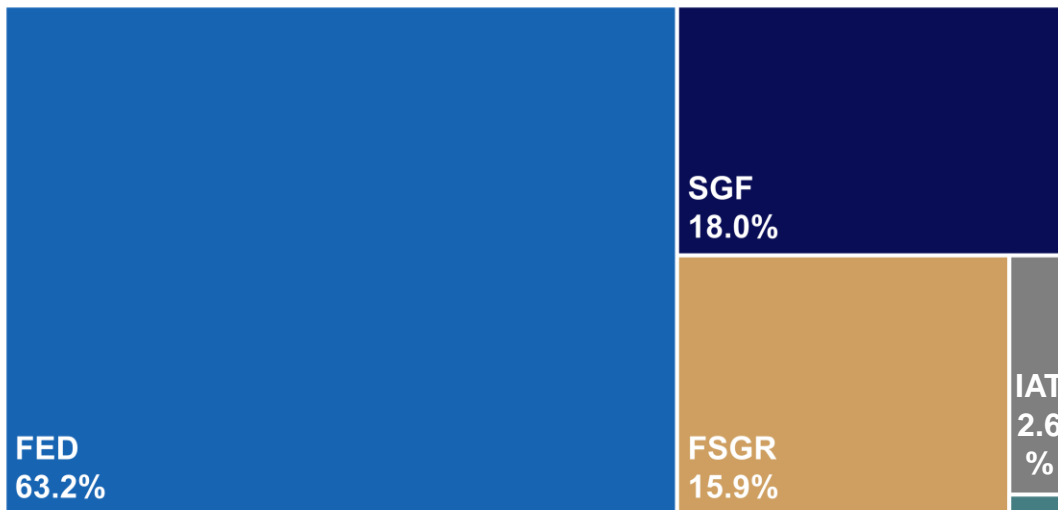
Budget Recommendation FY 25	3
Department Organization	4
Historical Spending & Budget	9
Sources of Funding	11
Funding Comparison	12
Expenditure Recommendation	14
Expenditure Comparison	15
Personnel Information	18
Turnover History	19
Comparative Data	20
Department Contacts	23
General Department Information	24



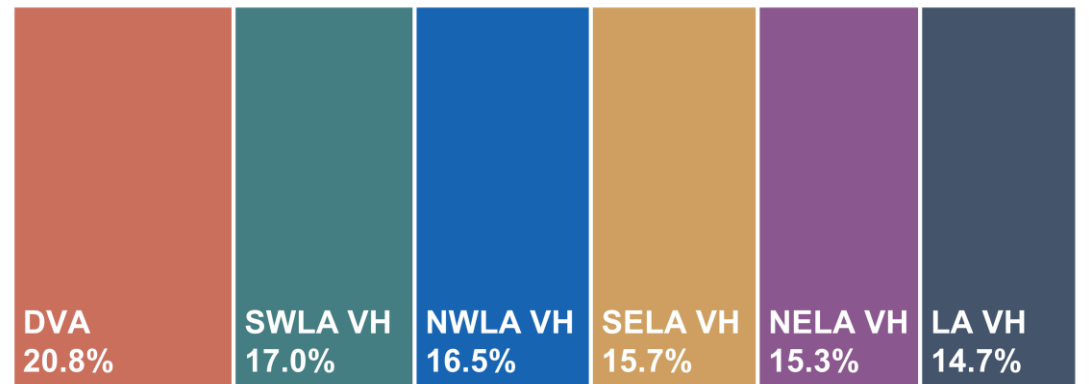
FY 25 BUDGET RECOMMENDATION

Total Funding = \$93,867,260

Means of Finance		
State General Fund	\$	16,936,245
Interagency Transfers		2,479,430
Fees & Self-generated		14,933,621
Statutory Dedications		215,528
Federal Funds		59,302,436
Total	\$	93,867,260



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Dept. of Veterans Affairs	\$	19,503,712	126
Louisiana Veterans Home		13,842,587	122
Northeast La Veterans Home		14,328,125	149
Southwest La Veterans Home		15,949,530	153
Northwest La Veterans Home		15,524,538	150
Southeast La Veterans Home		14,718,768	151
Total	\$	93,867,260	851



DEPARTMENT ORGANIZATION



DEPARTMENT OVERVIEW

Administration Program

Office of the Secretary

- Handles the management for the activities, performance, and overall operation for the Department of Veterans Affairs
- **Military Family Assistance Fund** - addresses financial hardships of qualified veterans, Louisiana National Guardsmen, and Reservists and their dependents by paying for a variety of items such as food, housing, medical expenses, auto repair, and more



***Mission:** To provide comprehensive care and quality service to Louisiana's Veterans, and their families, with regard to health care, education, disability benefits, long-term care, and burial honors*

Human Resources

- Maintains all personnel records, regulates position classification, pay administration, hiring and firing, and employee relations for the department

Accounting and Purchasing

- Plans, prepares, and executes annual department operating budgets, and is responsible for requesting funds. It also maintains and controls financial records of receipts and disbursements

Training and Information

- Provides specialized classroom and field training to all newly appointed Veterans Assistance Counselors

DEPARTMENT OVERVIEW

Appeals Division, Contact Assistance, and State Approval Agency Programs

Appeals Division

- Represents veterans and/or their dependents on claims for benefits to which they are entitled before rating boards of the U.S. Department of Veterans Affairs and its Board of Vet Appeals
- Represents and advocates for veterans before all agencies administering programs that affect veterans

Contact Assistance

- Parish offices with veterans assistance counselors help process and develop claims to determine a veteran's eligibility for benefits
- Assists veterans and their families with various problems such as medical services, compensation, pension programs, education, home loans, employment, insurance, and additional benefits when a patient is in a nursing home

State Approval Agency

- Approves, supervises, and provides technical assistance to the institutions and training establishments for veterans
- Makes supervisory visits to all active schools, institutions of higher learning, non-college degree programs, job training programs and flight schools to ensure that the approved institutions are maintaining the approval criteria as approved and as set out in the Operation Plan and the Veterans Administration contract
- Conducts inspection visits on new schools seeking approval, and additional visits at the request of Veterans Affairs



DEPARTMENT OVERVIEW

Veterans Homes and Cemeteries

Veterans Homes

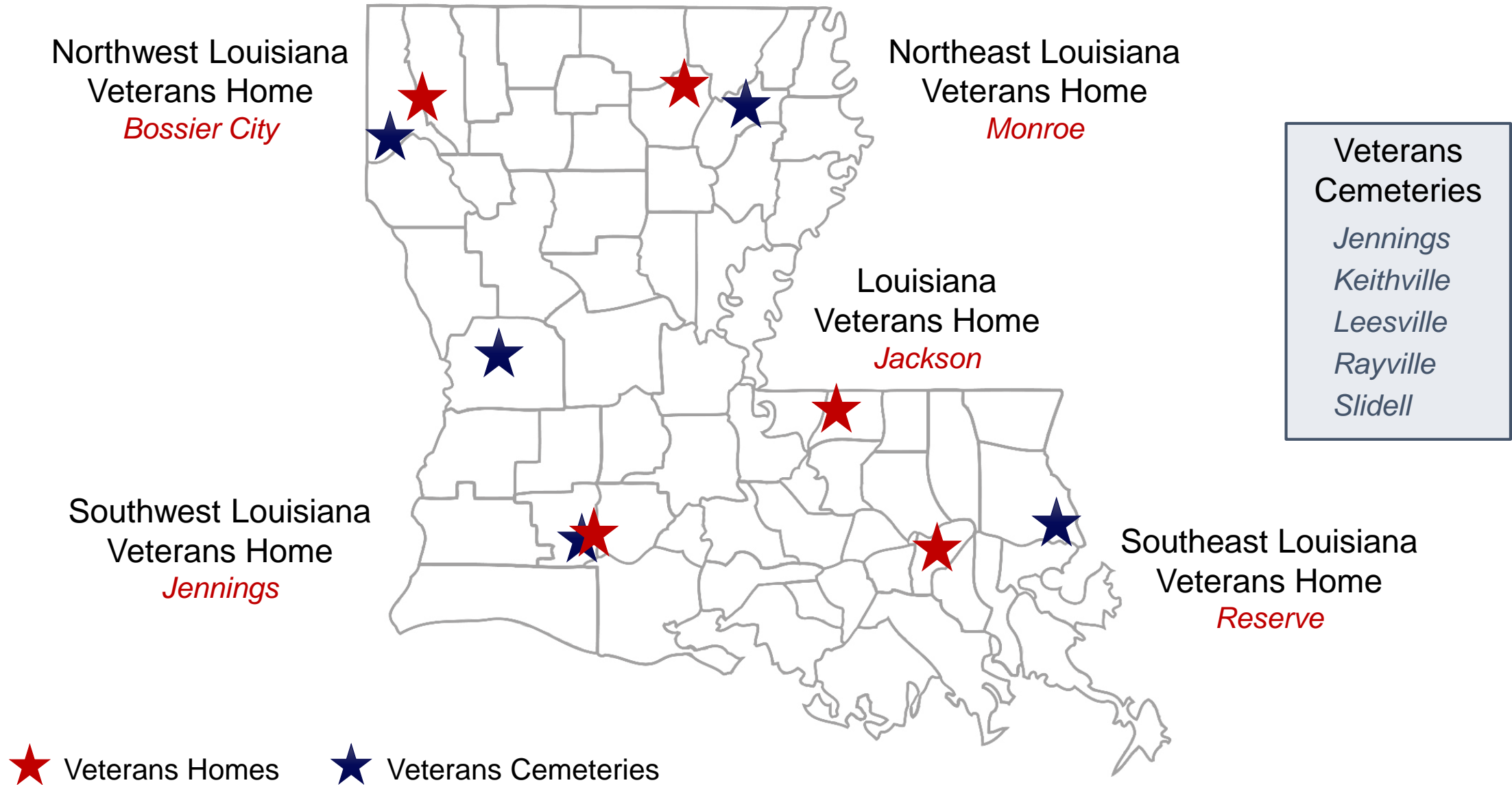
- Provides nursing care to eligible veterans in five veteran nursing homes
- Provides a variety of services including long-and short-term care, rehabilitative therapies, Alzheimer's care, skilled nursing, and centralized pharmacy services

Veterans Cemeteries

- The department constructs, operates, and maintains veterans cemeteries throughout Louisiana
- Available for eligible veterans, their spouses, and dependent children (at no charge for veteran burials)



VETERANS HOMES AND CEMETERY LOCATIONS

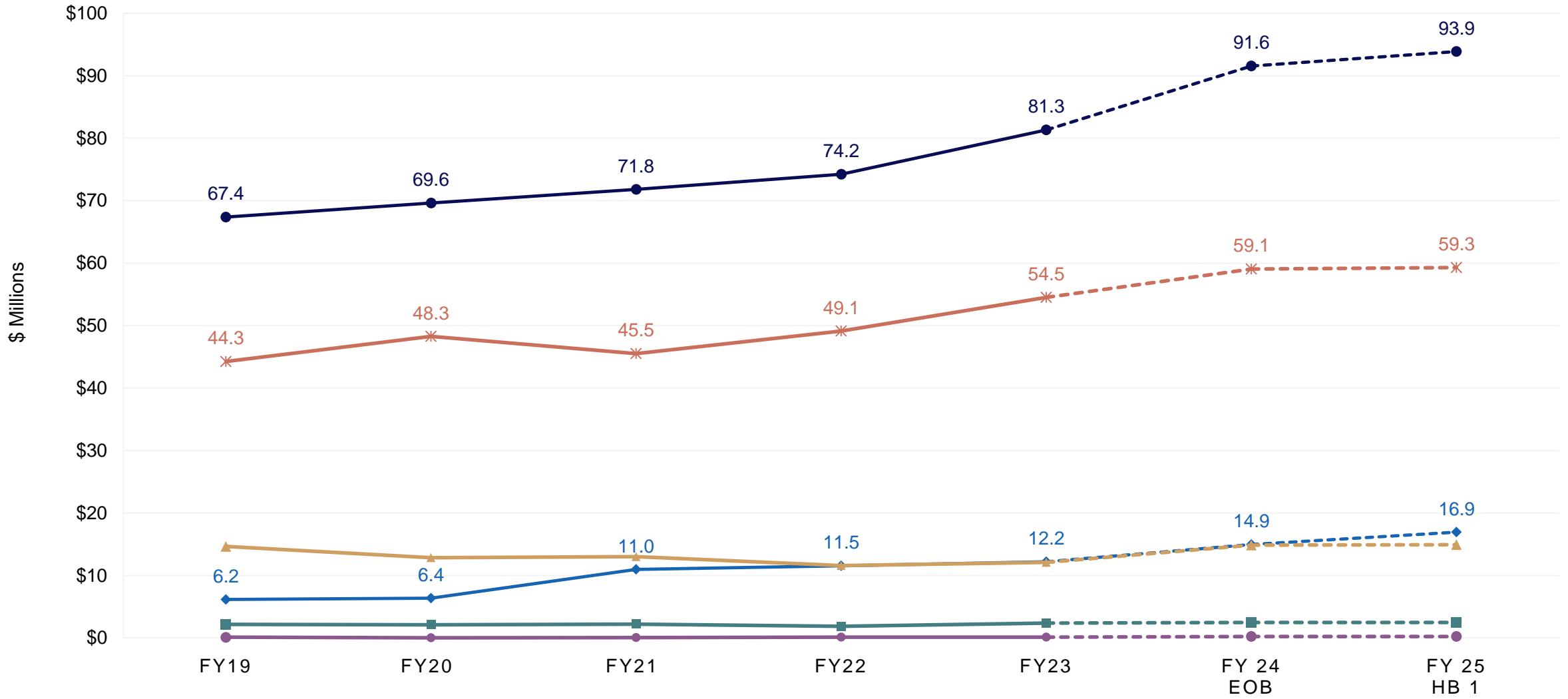


HISTORICAL SPENDING

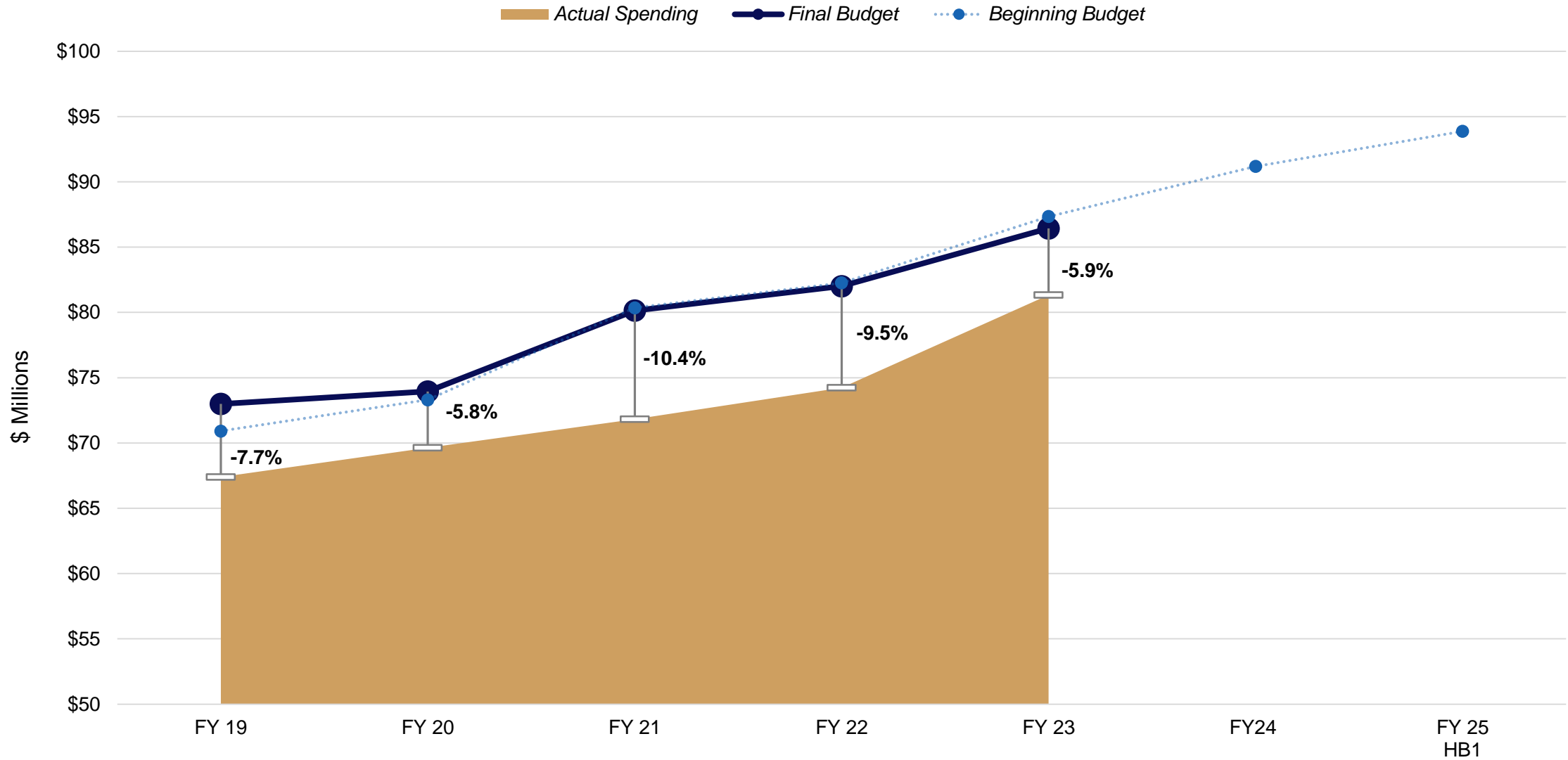
◆ State General Fund
■ Interagency Transfers
▲ Fees & Self-generated
● Statutory Dedications
* Federal Funds
● Total Budget

Annual Average Spending Change from FY 19 to 23:

18.6%	2.3%	(4.7%)	0.1%	5.4%	4.8%
-------	------	--------	------	------	------



HISTORICAL BUDGET



Note: additional information can be found under the general department section

SOURCES OF FUNDING

State General Fund \$16.9 M	Interagency Transfers \$2.5 M	Self-generated Revenue \$14.9 M	Statutory Dedications \$215,528	Federal Funds \$59.3 M
<ul style="list-style-type: none"> The chief operating fund of the State recognized by the Revenue Estimating Conference from various taxes, licenses, fees, and other revenue sources except for those identified as other means of finance 	<ul style="list-style-type: none"> Funds come from the various Veterans Homes into the main agency for support services Small portion of these funds are each home's contribution for an internal auditor position that services all the homes 	<ul style="list-style-type: none"> In the Veterans Homes, funds are derived from the residents' ability to pay for part of their care and from employees and visitors purchasing meal tickets In the Contact Assistance Program, funds are derived from each parish's contribution towards providing a veterans service office 	<p>Louisiana Military Family Assistance Fund</p> <ul style="list-style-type: none"> Collects donations of businesses and citizens throughout Louisiana, including via an individual or a corporate state income tax check-off 	<ul style="list-style-type: none"> In the Veterans Homes, funds are derived from the U.S. Dept. of Veterans Affairs for patient care and Medicare eligible residents cost reimbursements In Veterans Affairs, funds come from the U.S. Dept. of Veterans Affairs for reimbursement of various services and expenses

FUNDING COMPARISON

Means of Finance	FY 23 Actual Expenditures	FY 24 Existing Operating Budget 12/1/23	FY 25 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 12,205,857	\$ 14,947,469	\$ 16,936,245	\$ 1,988,776	13.3%	\$ 4,730,388	38.8%
IAT	2,375,753	2,479,430	2,479,430	0	0.0%	103,677	4.4%
FSGR	12,101,887	14,857,293	14,933,621	76,328	0.5%	2,831,734	23.4%
Stat Ded	120,357	215,528	215,528	0	0.0%	95,171	79.1%
Federal	54,524,222	59,062,414	59,302,436	240,022	0.4%	4,778,214	8.8%
Total	\$ 81,328,076	\$ 91,562,134	\$ 93,867,260	\$ 2,305,126	2.5%	\$ 12,539,184	15.4%

<i>Significant funding changes compared to the FY 24 Existing Operating Budget</i>		
State General Fund	Fees & Self-generated	Federal Funds
\$2.0 M net increase largely associated with expenditure changes in standard statewide adjustments and various new department expenditure initiatives	\$76,328 increase is derived from: <ul style="list-style-type: none"> \$76,614 for reimbursement of nursing care for veterans housed at the Louisiana Veterans Home in Jackson, Louisiana (\$286) decrease in risk management premiums 	\$240,022 increase from the following: <ul style="list-style-type: none"> \$672,281 increase for additional federal reimbursement of nursing care for veterans at the Louisiana Veterans Home in Jackson, Louisiana (\$432,259) decrease from net adjustments in standard statewide expenditures

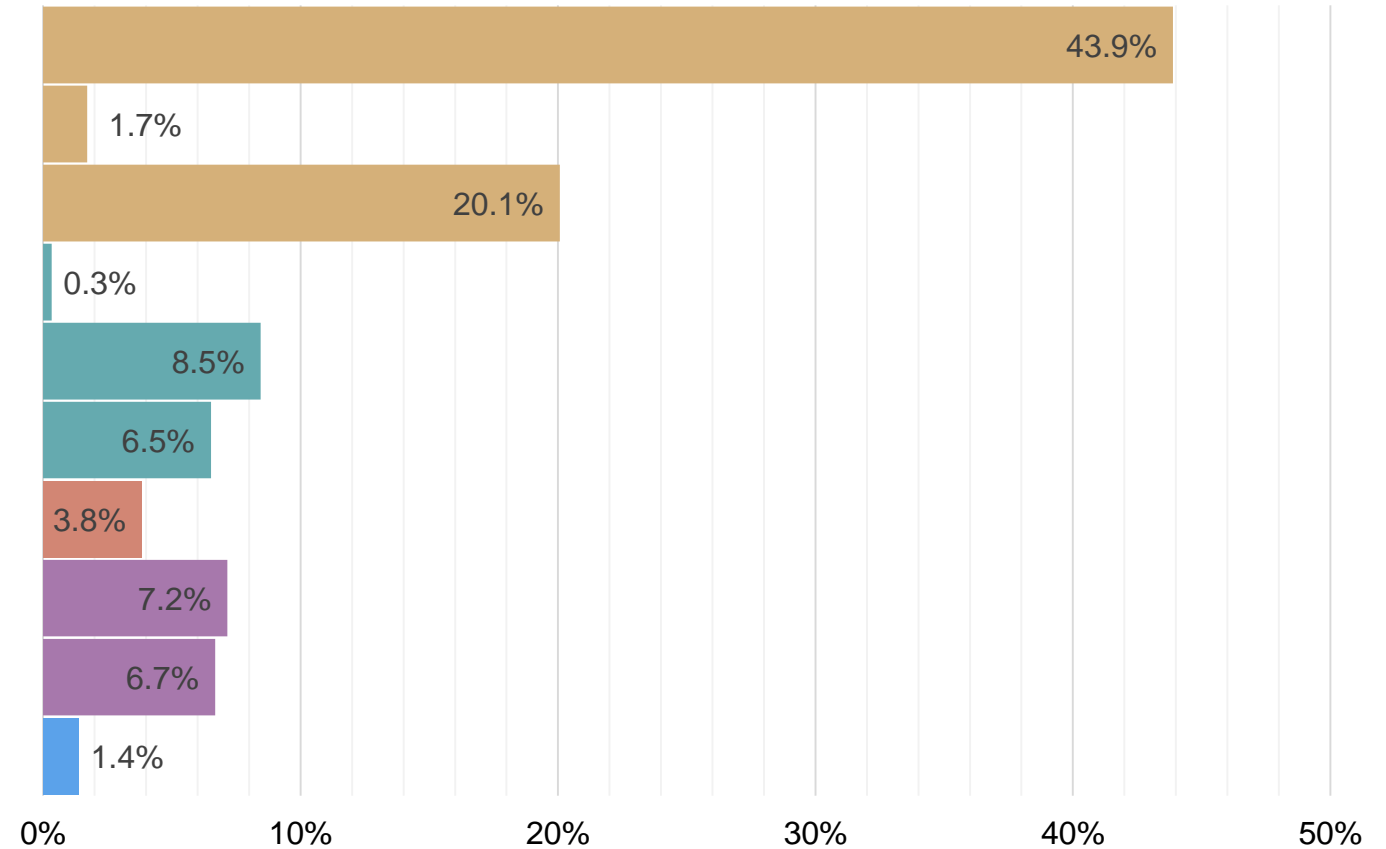
FUNDING COMPARISON BY AGENCY

Agency	FY 23 Actual Expenditures	FY 24 Existing Operating Budget 12/1/23	FY 25 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Dept. Vets Affairs	\$ 14,317,394	\$ 17,363,504	\$ 19,503,712	\$ 2,140,208	12.3%	\$ 5,186,318	36.2%
LA Vets Home	11,559,521	12,369,472	13,842,587	1,473,115	11.9%	2,283,066	19.8%
NELA Vets Home	13,370,694	14,754,659	14,328,125	(426,534)	(2.9%)	957,431	7.2%
SWLA Vets Home	14,338,932	16,934,510	15,949,530	(984,980)	(5.8%)	1,610,598	11.2%
NWLA Vets Home	13,929,580	15,068,586	15,524,538	455,952	3.0%	1,594,958	11.5%
SELA Vets Home	13,811,954	15,071,403	14,718,768	(352,635)	(2.3%)	906,814	6.6%
Total	\$ 81,328,075	\$ 91,562,134	\$ 93,867,260	\$ 2,305,126	2.5%	\$ 12,539,185	15.4%

EXPENDITURE RECOMMENDATION FY 25

Total Budget = \$93,867,260

Expenditure Category		
Salaries	\$	41,194,304
Other Compensation		1,611,066
Related Benefits		18,837,335
Travel		308,026
Operating Services		7,934,429
Supplies		6,116,148
Professional Services		3,606,617
Other Charges		6,713,724
Interagency Transfers		6,270,372
Acquisitions/Repairs		1,275,239
Total	\$	93,867,260



Note: additional information can be found under the general department section

EXPENDITURE COMPARISON

Expenditure Category	FY 23 Actual Expenditures	FY 24 Existing Operating Budget 12/1/23	FY 25 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 37,351,167	\$ 39,723,115	\$ 41,194,304	\$ 1,471,189	3.7%	\$ 3,843,137	10.3%
Other Compensation	1,297,869	1,611,066	1,611,066	0	0.0%	313,197	24.1%
Related Benefits	16,170,741	20,604,518	18,837,335	(1,767,183)	(8.6%)	2,666,594	16.5%
Travel	259,598	298,026	308,026	10,000	3.4%	48,428	18.7%
Operating Services	7,359,319	7,345,422	7,934,429	589,007	8.0%	575,110	7.8%
Supplies	6,205,830	6,047,749	6,116,148	68,399	1.1%	(89,682)	(1.4%)
Professional Services	3,316,603	3,567,226	3,606,617	39,391	1.1%	290,014	8.7%
Other Charges	2,022,176	4,463,117	6,713,724	2,250,607	50.4%	4,691,548	232.0%
Interagency Transfers	6,612,668	6,299,855	6,270,372	(29,483)	(0.5%)	(342,296)	(5.2%)
Acquisitions/Repairs	732,103	1,602,040	1,275,239	(326,801)	(20.4%)	543,136	74.2%
Total	\$ 81,328,074	\$ 91,562,134	\$ 93,867,260	\$ 2,305,126	2.5%	\$ 12,539,186	15.4%

SIGNIFICANT EXPENDITURE CHANGES

Compared to the FY 24 Existing Operating Budget

Personnel Services	Operating Expenses	Other Charges	Acquisitions/Repairs
<p>(\$295,994) net decrease due to items such as:</p> <ul style="list-style-type: none"> • \$2.8 M added for classified employee pay increases, to cover the base need for salaries, and for civil service training series projections • \$257,405 in salaries and related benefits to convert the Deputy Secretary position to a Director of Medical Services position and to add an Undersecretary position • (\$1.9 M) decrease to factor in projected savings from vacant positions in FY 25 • (\$1.4 M) net decrease to cover the base need for related benefits, retirement contribution rate changes, and group insurance rate changes for active and retired employees 	<p>\$667,406 net increase primarily attributed to:</p> <ul style="list-style-type: none"> • \$748,895 to provide for contract nursing care for veterans at the Louisiana Veterans Home in Jackson, Louisiana, includes registered nurses (RNs), licensed practical nurses (LPNs), and certified nursing assistants (CNAs) • \$149,010 to provide for VetPro software which will allow veteran assistant counselors to file claims for veterans with the U.S. Dept. of Veterans Affairs and to track state and federal assistance provided to veterans 	<p>\$2.2 M net increase largely related to:</p> <ul style="list-style-type: none"> • \$1.5 M to fund a new Louisiana 501(C)(3) veteran service organization to recruit and retain transitioning military and veterans from across the United States including Louisiana, this new initiative is called "The Boot" • \$670,000 for burials in state veterans cemeteries associated with Louisiana national guardsmen, reserve members, and eligible dependents due to recent federal and state law changes that expanded eligibility 	<p>(\$326,801) net decrease associated with:</p> <ul style="list-style-type: none"> • \$1.4 M to provide for vehicles, equipment, and major repairs at the veterans homes • Removal of (\$1.3 M) associated with vehicles, equipment, and major repairs at the veterans homes and cemeteries funded in the current year • Removal of (\$341,878) in expenses in the current year's budget carried over from FY 23 used to replace equipment, a utility vehicle, security system, and cafeteria repairs

OTHER CHARGES / INTERAGENCY TRANSFERS

Other Charges

Amount	Description
\$ 3,878,009	Louisiana National Guard disability claims
1,499,600	"The Boot" initiative to recruit and retain transitioning military and veterans from across the United States including Louisiana
670,000	Burials in state veterans cemeteries associated with Louisiana national guardsmen, reserve members, and eligible dependents
295,987	LaVetCorps
215,528	Military Family Assistance Program
81,997	Grounds keeping at cemeteries
52,603	Louisiana Veterans Honor Medals
20,000	Burials for indigent veterans
\$ 6,713,724	Total Other Charges

Interagency Transfers

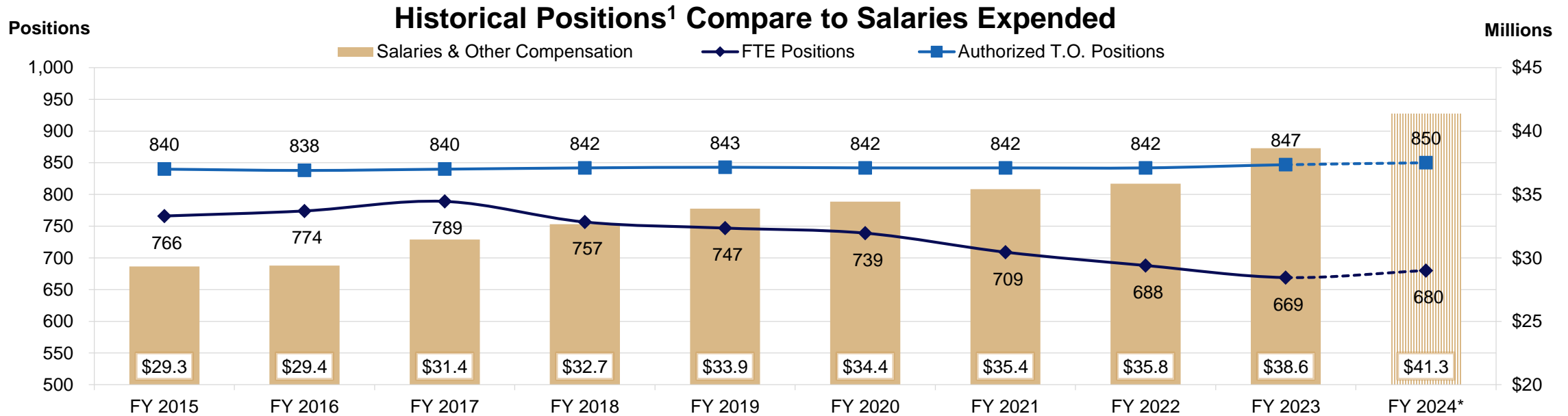
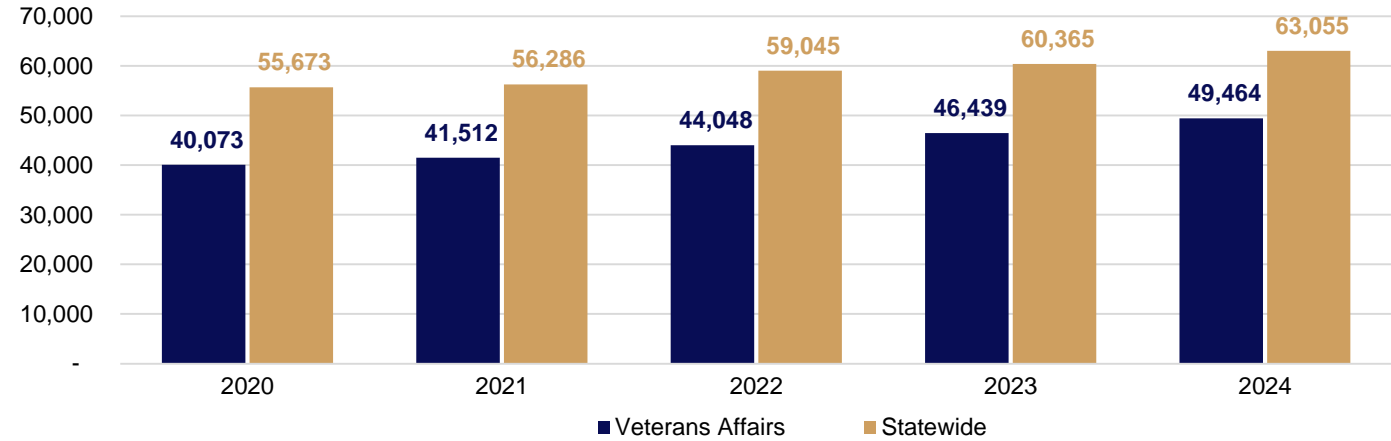
Amount	Description
\$ 2,490,694	Transfers within the department for services
1,618,777	Office of Risk Management (ORM)
1,302,913	Office of Technology Services (OTS)
232,084	Civil Services Fees
132,189	Legislative Auditor Fees
128,802	Rent in state-owned buildings
77,128	Office of State Procurement (OSP)
62,839	Lease for office space
42,240	Uniform Payroll System (UPS)
182,706	Various other IAT expenditures
\$ 6,270,372	Total Interagency Transfers

PERSONNEL INFORMATION

FY 2025 Recommended Positions

851	Total Authorized T.O. Positions (845 Classified, 6 Unclassified)
0	Authorized Other Charges Positions
1	Non-T.O. FTE Positions
177	Vacant Positions (January 29, 2024)

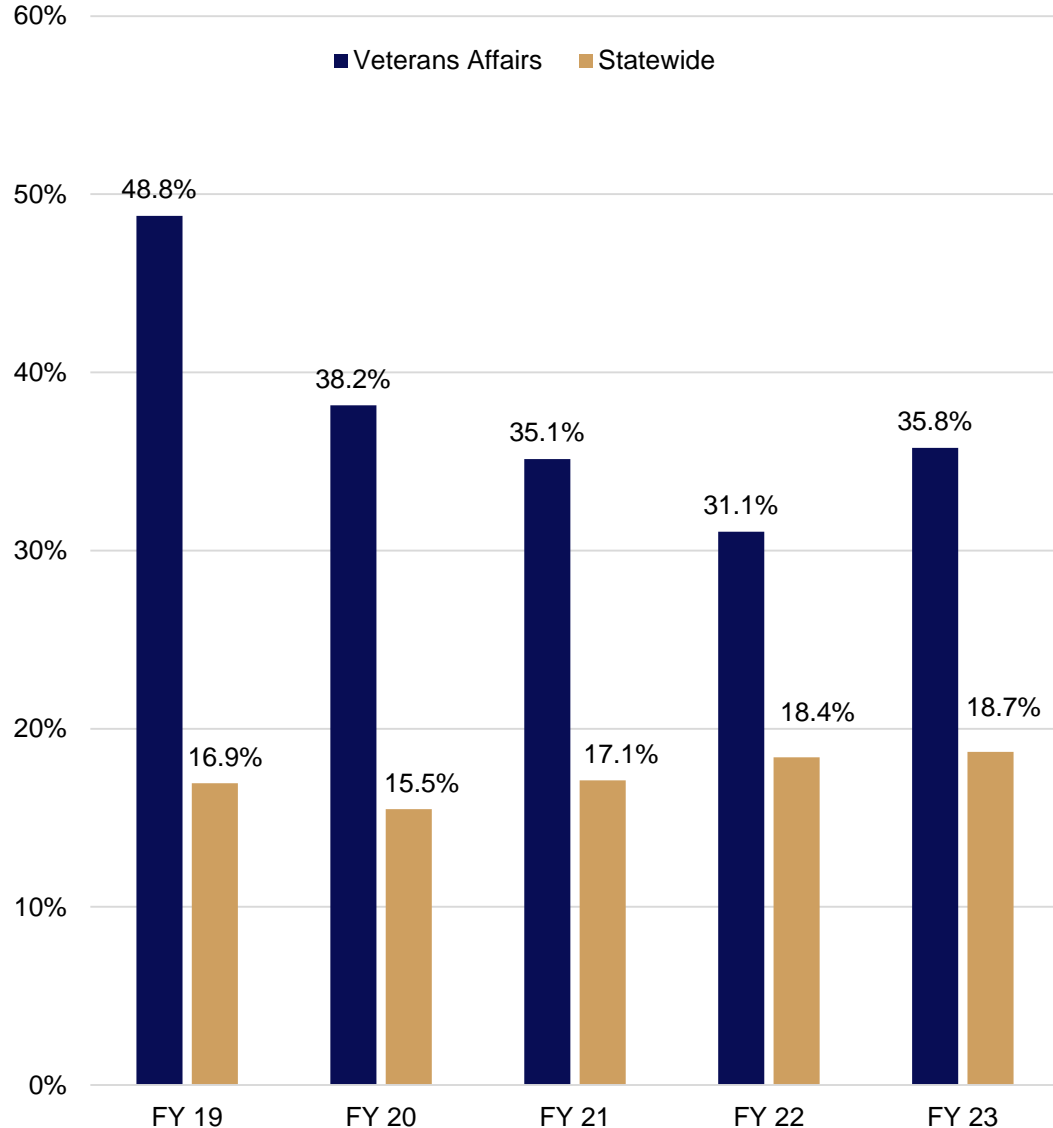
Historical Average Salary



¹ FTE Source: Dept. of Civil Service Weekly Report on State Employment

* Existing Operating Budget on 12/1/23

TURNOVER HISTORY



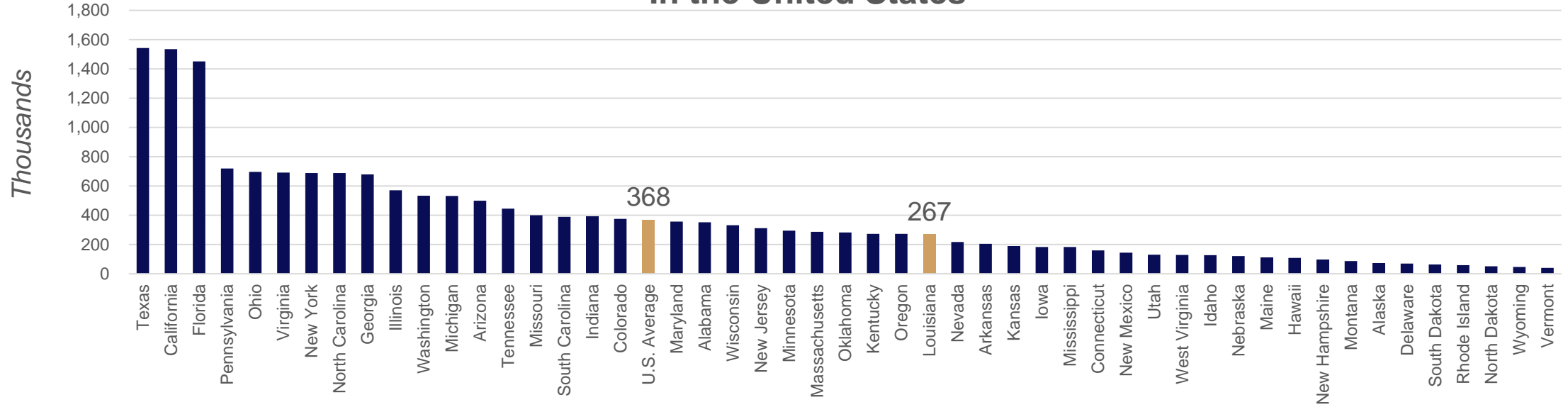
Top Positions Vacated FY 2023

Position	Number of Employees	Separations	Turnover Rate
Nursing Assistant 2	125	81	64.8%
Food Service Specialist 3	30	22	73.3%
Custodian 2	40	21	52.5%
Practical Nurse - Licensed 3	83	18	21.7%
Food Service Specialist 2	15	7	46.7%

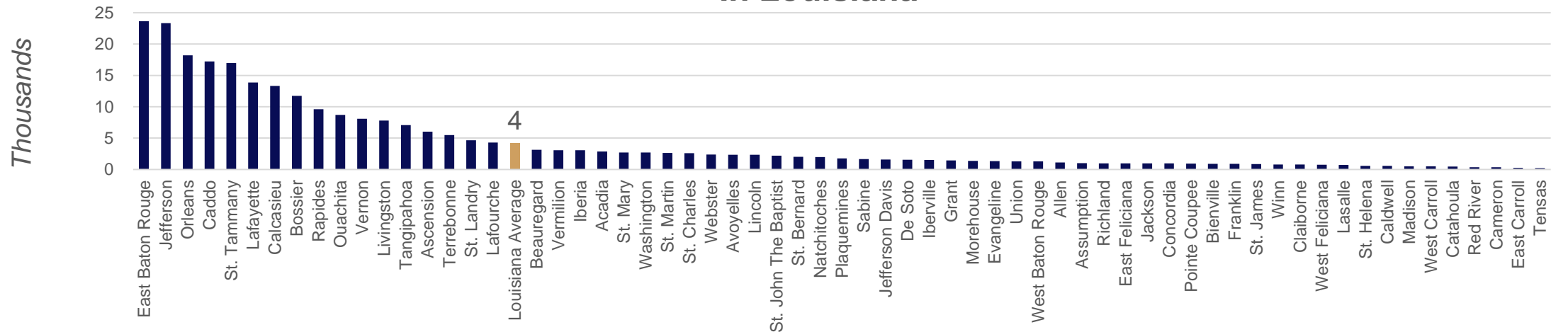
Source: Department of Civil Service Turnover Statistics

ESTIMATED NUMBER OF VETERANS

In the United States



In Louisiana



Source: Data from the National Center for Veterans Analysis and Statistics (FFY 22), Office of Enterprise Integration, U.S. Department of Veterans Affairs

VETERANS HOME AVERAGE COST

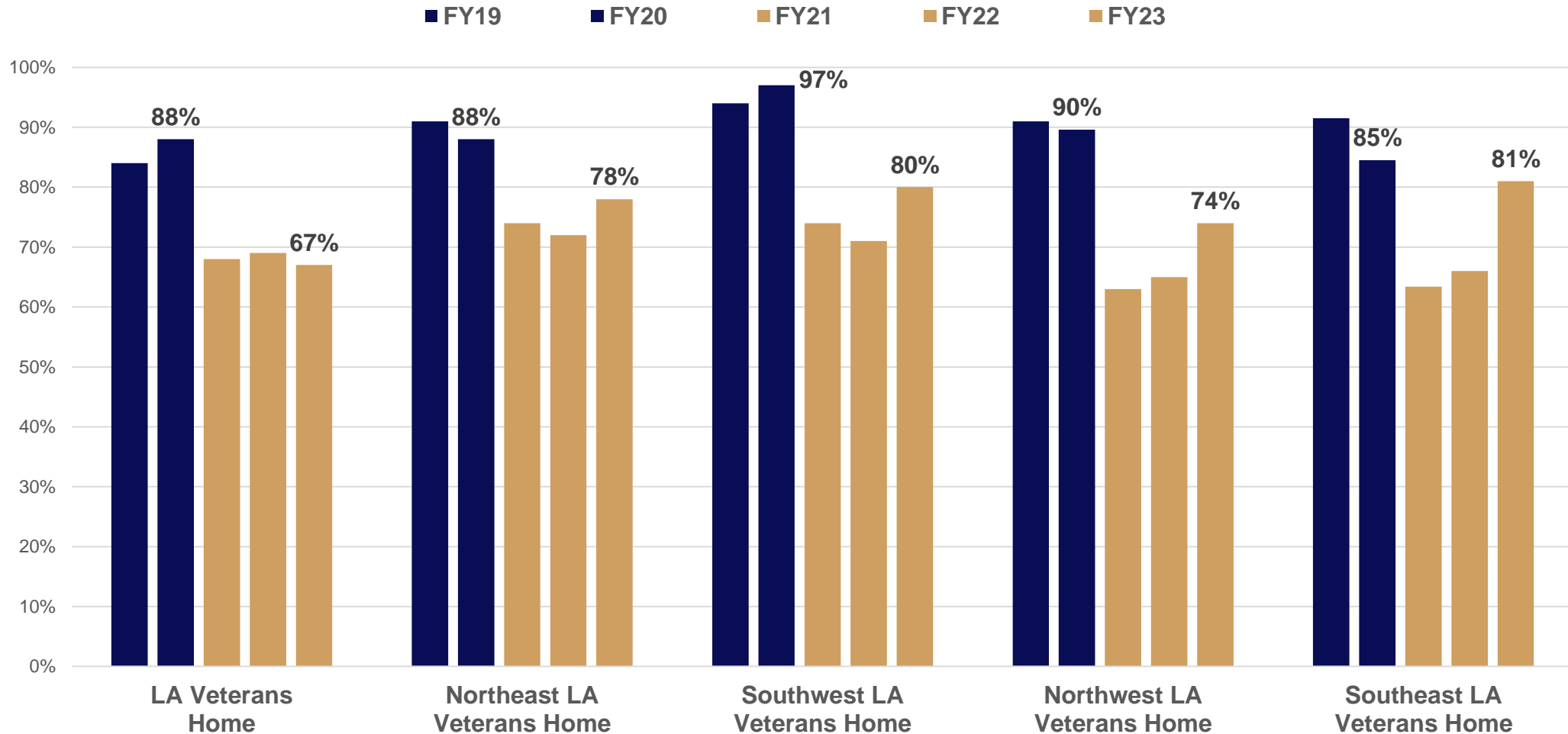
Five-year historical averages of the five state run veterans homes

Averages	FY 19	FY 20	FY 21	FY 22	FY 23
Daily Census	136	131	103	103	114
Occupancy Rate	90%	87%	68%	69%	76%
Cost per Patient per Day	\$239	\$251	\$313	\$312	\$315
Cost per Patient per Year	\$87,235	\$91,615	\$114,245	\$113,880	\$114,975

Source: Average calculations based on the Office of Planning and Budget – Budget Supporting Documents and Performance Indicators

VETERANS HOMES OCCUPANCY RATES

How has the COVID-19 pandemic affected Louisiana veterans homes occupancy rates?



Source: Office of Planning and Budget – Budget Supporting Documents and Louisiana Performance Accountability System (LaPAS)

DEPARTMENT CONTACTS



Charlton Meginley
Secretary
Charlton.Meginley@la.gov



John Phillips
Undersecretary
John.Phillips@la.gov



Dustin Guy
Deputy Chief of Staff
Dustin.Guy@la.gov

Sonya LaCasse
Chief Financial Officer
Sonya.LaCasse@vetaffairs.la.gov

The seal of the State of Louisiana is visible in the background, featuring an eagle with a shield on its chest, holding an olive branch and arrows, with a banner in its beak. The text "STATE OF LOUISIANA" is at the top, "UNION • JUSTICE" is on the sides, and "CONFIDENCE" is at the bottom. A star is on the right side.

General Department Information

PRIOR YEAR ACTUALS FY 23

Were projected revenues collected?

	Final Budget <i>(w/o FY23 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 13,208,479	\$ 12,205,857	\$ (1,002,622)
IAT	2,481,161	2,634,593	153,432
FSGR	14,239,174	12,054,378	(2,184,796)
SD	215,528	120,357	(95,171)
FED	56,293,005	47,692,426	(8,600,579)
Total	\$ 86,437,347	\$ 74,707,611	\$ (11,729,736)

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 12,205,857	\$ 12,205,857	\$ 0
IAT	2,634,593	2,375,753	(258,840)
FSGR	12,054,378	12,101,887	47,509
SD	120,357	120,357	0
FED	47,692,426	54,524,222	6,831,796
Total	\$ 74,707,611	\$ 81,328,076	\$ 6,620,465

The department collected \$11.7 M less than the FY 23 budget. The majority of excess budget authority over collections was in federal funds, fees and self-generated revenues, and state general fund. The self-generated revenues and federal funds were less primarily due to lower than anticipated collections in the veterans homes. The state general fund reverted back to the state at fiscal year end and contributed to the FY 23 surplus.

The department collected \$6.8 M less than was spent in federal funds. The lower collection amount is attributed to the timing of carrying prior year funds into the current federal fiscal year. The department spent \$47,509 more than was collected in fees and self-generated revenues by utilizing unspent prior year collections that are authorized to be retained by the department and carried into subsequent years.

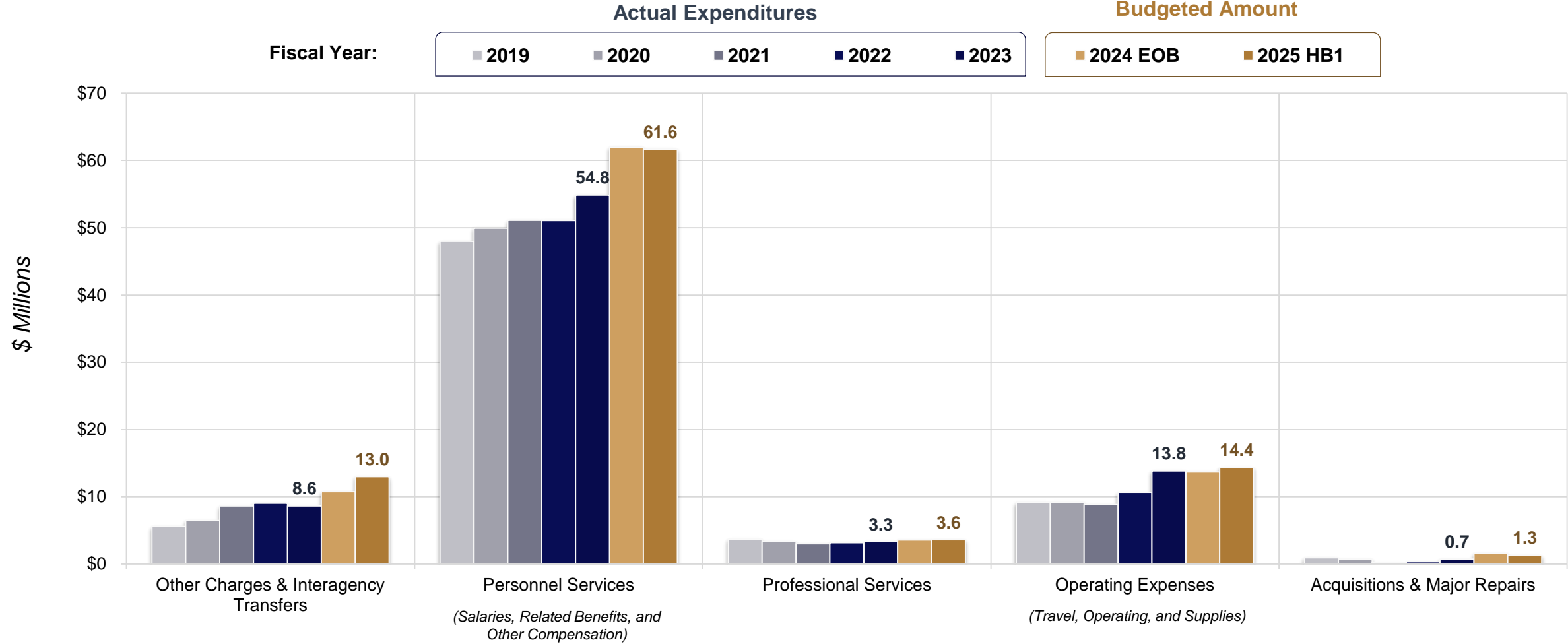
EXISTING OPERATING BUDGET FY 24

The FY 2023-24 Existing Operating Budget (EOB) was frozen on December 1, 2023. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 14,570,070	\$ 377,399	\$ 14,947,469
Interagency Transfers	2,479,430	0	2,479,430
Self-generated Revenue	14,857,293	0	14,857,293
Statutory Dedications	215,528	0	215,528
Federal	59,062,414	0	59,062,414
Total	\$ 91,184,735	\$ 377,399	\$ 91,562,134

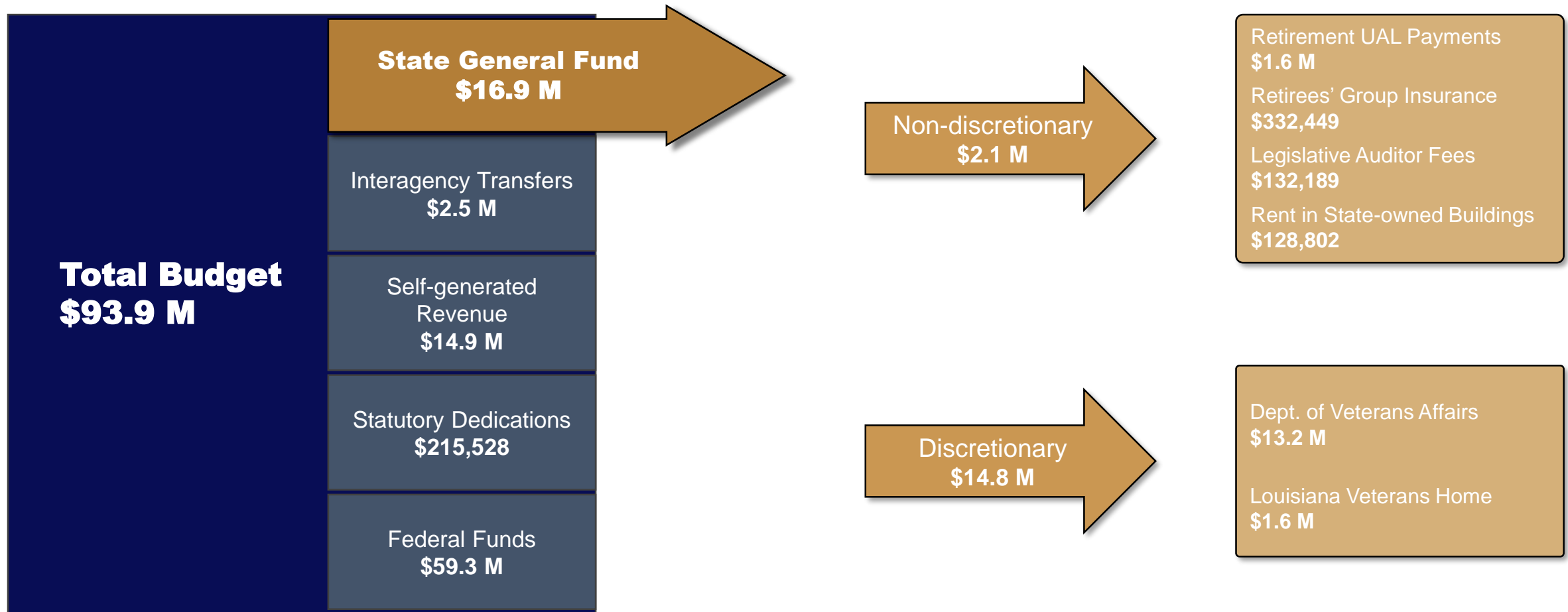
<i>Mid-year Adjustments Summary</i>				
July	August	September	October	November
No change	\$377,399 SGF carried into FY 24 from the prior fiscal year largely for acquisitions and major repairs in the State Cemetery program and Louisiana Veterans Home	No change	No change	No change

EXPENDITURE HISTORY



5 Year Average Spending per Expenditure Category				
\$7.7 M : 10.5%	\$51.0 M : 69.9%	\$3.3 M : 4.5%	\$10.3 M : 14.2%	\$0.6 : 0.8%

DISCRETIONARY EXPENSES FY 25



Figures may not add precisely due to rounding