

SB2025 ND Department of Veterans Affairs Budget
Commissioner Lonnie Wangen
Senate Hearing January 7, 2020

Per the request of Senate Appropriations Chair Senator Ray Holmberg please find the below 16 items with responses.

1. Cite the North Dakota Century Code chapter(s) associated with the agency and list its major statutory responsibilities.

37-01-25.1: Reinstatement to former position – Appeals – Penalty (Employment rights)

37-01-34: Recordation of discharge papers

37-01-36: Certified copy of record furnished veteran without charge

37-01-42: Honorary High School Diplomas-WWII, Korea and Vietnam

37-14: Veterans Relief and Rehabilitation

- Veterans Loan
- Post War Trust Fund
 - Grant Program & other needs
- County Veteran Service Officer Appointment-Duties

37-18: Department of Veterans Affairs

- Establish Department of Veterans Affairs
- Commissioner appointment, duties and department divisions
 - Coordinate, supervise, implement programs and benefits
 - **Advise, Assist, Process and represent claims for Federal benefits**
 - CVSO: qualifications, standards, training, educate and assist.
 - Disseminate information and do all things necessary and proper to carryout intent of NDCC37-18
- Release of records and information
- Funding authority
- Commemorative Memorial Coin

37-18.1: Administrative Committee on Veterans Affairs

37-19.1: Veterans Preference

39-03-04: Qualifications of patrolmen-Veterans have preference

39-04 subsections 10.10, 10.14, 10.5, 10.8 and 18: Motor vehicle plates and exempt from registration fees

39-06-14 (6): Veterans indicator on driver's license

40-33.1-05: Veterans preference Municipal steam heating authorities

43-07-20: Employment preference in contract

57-02-08: Property Tax Exemption and Homestead credit

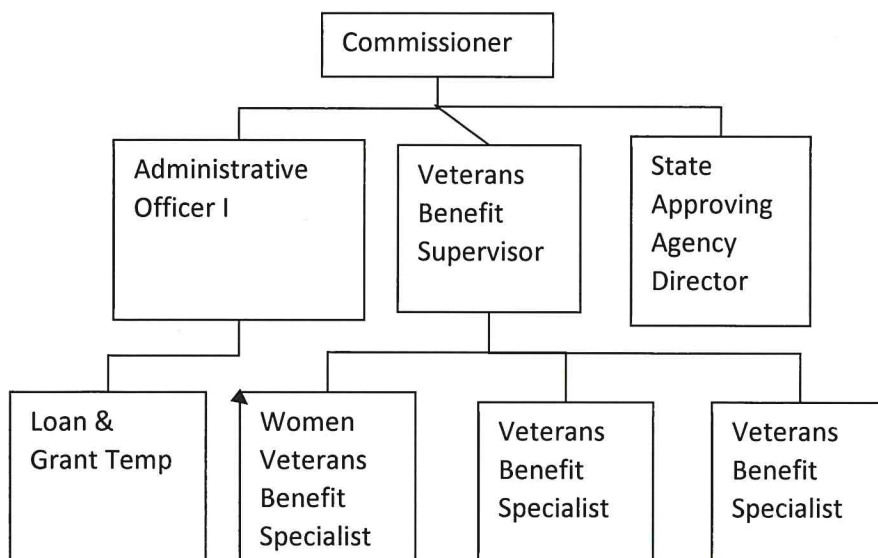
2. Explain the purpose of the agency's various divisions/programs - Attach organizational chart.

The mission of the North Dakota Department of Veterans Affairs is to assist veterans of North Dakota and their dependents in obtaining all benefits to which they are entitled, both federal and state, either by direct contact or through the assistance of the County and Tribal Veterans Service Officers.

- Coordinate, supervise, implement programs and benefits
 - NDDVA Aid Loan program
 - NDDVA Grant program
 - Highly Rural Transportation program
 - Commemorative Memorial Coin Program (funeral honor coins)
- Advise, Assist, Process and Represent claims for Federal benefits
- County Veteran Service Officer (72 VSO's 50 offices): qualifications, standards, training, educate and assist.
- Disseminate information and do all things necessary and proper to carryout intent of NDCC37-18

The State Approving Agency (SAA), together with the Federal government, manages veterans' education benefits. The SAA's role is to approve and supervise the programs of education and training for eligible veterans, dependents, National Guard members, and reservists. The SAA must specifically approve each plan of education or training in which a veteran or eligible person wishes to use GI. Bill® benefits. Other responsibilities include:

- Reviewing, Evaluating and Approving programs based on state and federal criteria
- Conducting on-site inspection visits to approved facilities and facilities requesting program approval
- Providing technical assistance
- Engaging in outreach activities that foster the use of the GI Bill
- Helping military installations provide base personnel with educational opportunities



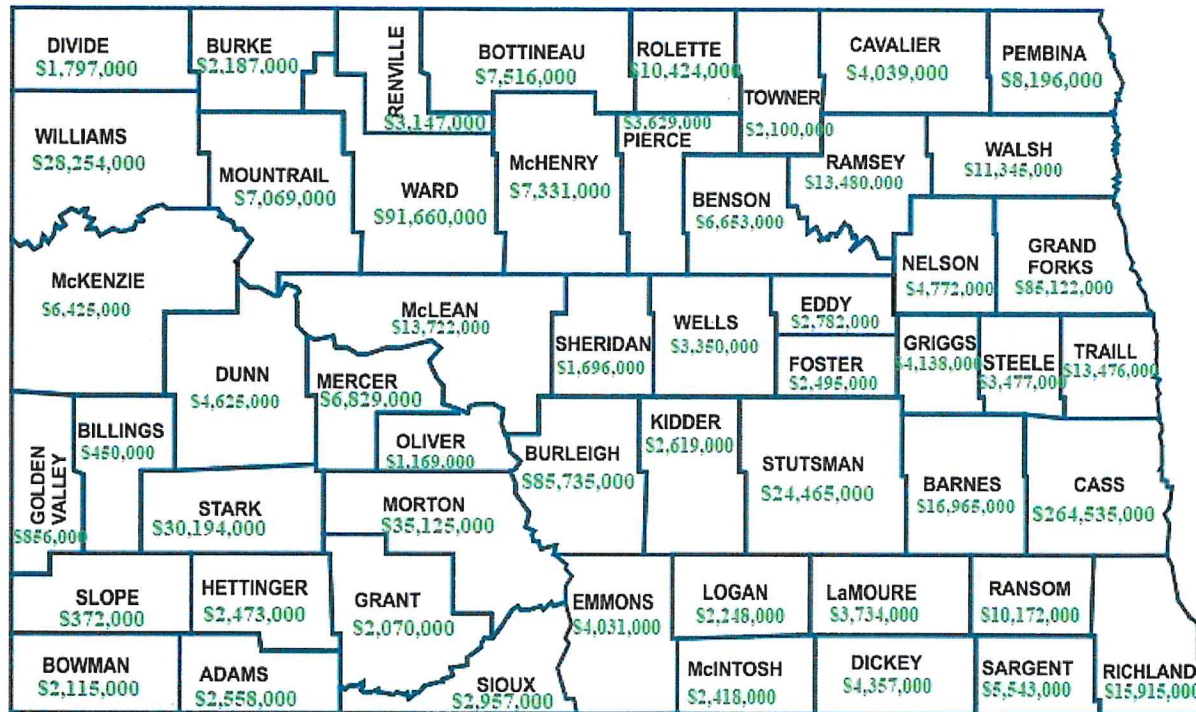
3. Report any financial audit findings included in the most recent audit of your department or institution and action taken to address each finding.

- Audit conducted March of 2019
 - No formal recommendations
 - No informal recommendations
 - No concerns or notations made to NDDVA for improvements

4. Discuss current biennium accomplishments and challenges and next biennium goals and plans.

Accomplishments

- Education:
 - 145 courses across all ND State IHL approved for Military Credit. First time in ND History.
 - 100 and 200 level courses from the top 10 MOS's returning to ND plus some universal 300-400 level courses
 - AmeriCorps Vistas worked at NDDVA over 3-year period
 - 100% review of all IHL catalogs for approval.
 - Over 200 Apprenticeship and On the Job Training programs approved at 97 ND facilities
 - Up 25-30 programs and 20 facilities from previous biennium.
 - **\$47,818,000** in Federal Education benefits in ND (2018 & 2019)
- Grants and Loans (**No Loan and Grant officer 2017-July 2020**)
 - Grants 158 to date (compared to 255 2017-2019)
 - Loans 48 to date (compared to 64 new loans 2017-2019)
- Housing
 - Homeless Veterans Committee. Coordinate services, on database, by name list. Functional Zero!
 - VAMC in Fargo opened new Community Resource and Referral Center in downtown Fargo
 - Fisher House **\$8 Million** project approved
- Legal Services
 - Veterans Court Committee
- CVSO/TVSO support and training
 - New VSO trained 2019-2020: 18 (compared to 2017-2018: 6) **300% increase**
 - First time in ND and possibly the nation County Veteran services to be contracted with tribal veteran service office. Sioux county contracting with Standing Rock Sioux Tribe VSO.
- Benefits -VA
 - Transitioning to serving C&TVSO's.
 - Goal to have Less Direct claim development
 - Currently have 1,297.
 - 2019 NDDVA had more direct claims than the largest ND Counties.
 - Total Claims estimate for 2019-2021 **2,500** (compared to 2017-2019) of 1927 **30% increase**
 - Total appeals in 2019-2020 545 (compared to 171 2017-2019) **320%** increase. 6 months to go.
 - Retroactive payments 2019-2021 to date: \$2,193,284 estimate \$3,000,000
 - Compared to 2017-2019 of \$1,594,026 (**almost 100% increase**)
 - **38% increase** and 6 months to go
 - VA Regional Offices closed for COVID
 - **\$884,808,000** in VA funds to ND (2018-2019)



Total Federal VA Benefits & Expenditures in ND 2018 and 2019
\$ 884,808,000

NDDVA Base Budget 2019-2021: \$1,268,930. Return on Investment: 697%
Just the Comp & Pension of \$386,341,000 in ND @ 5% sales tax = \$19,317,050
(\$5 return for every NDDVA dollar)

Challenges

- Staffing
 - 30% cut in staffing levels in 2017 (Governor mandate was 1FTE for NDDVA)
 - 30% increase in claims load in last biennium alone
 - 320% increase in appeals hearings from last biennium
 - 2019 NDDVA had more volunteer staff than Paid employees
 - Volunteer staff ITD support removed from 2021-2023 budget
 - COVID-19 proved volunteer staffing unsustainable for critical needs
 - State funds supplanted by Federal Grant dollars (\$100,000) not sustainable
 - Cuts in Federal expenditures will soon lead to serious shortfall in staff funding.
 - Last quarter of 2020: \$5,398.63 in admin fees. Need \$12,500 per quarter.
 - Lost most Sr. Veteran Benefits Specialist to MN due to workload and compensation. More may be lost if additional staff not added.

Next Biennium goals and plans

- Fisher House construction started
- ND Veteran Homelessness at functional zero
- Veterans Court established
- Veterans benefits staffing with sustainable workload and goal of surpassing **\$1 Billion in VA expenditures!**
- Federal grants supplanting fixed so we can apply for new grants (can offset state admin or pay for staffing)

5. Compare the agency's request/recommendation totals, including full-time equivalent (FTE) positions, for the next biennium compared to the current biennium.

Optional Requests	2019-2021	2021-2023			
	Current Budget	OMB Budget	NDDVA Requested	Included in Exec. Budget	Difference
Total:		\$ -63,447 (5%)	\$ 677,777.00	\$ 140,000.00	\$ 537,777.00
1.Restore Base Budget (\$63,447)					\$ -
Training	\$ 20,000.00	\$ 4,188.00	\$ 16,012.00		\$ 16,012.00
Volunteer IT expenses	\$ 7,935.00	\$ -	\$ 7,935.00		\$ 7,935.00
C&TVSO training	\$ 30,000.00	\$ -	\$ 30,000.00		\$ 30,000.00
DAV Vans	\$ 18,800.00	\$ 14,300.00	\$ 4,500.00		\$ 4,500.00
Stand Downs	\$ 5,000.00	\$ -	\$ 5,000.00		\$ 5,000.00
2.Restore salary supplanted	\$ (100,000.00)	\$ (100,000.00)	\$ 100,000.00		\$ 100,000.00
3.Loan and Grant Officer	\$ 140,000.00	\$ -	\$ 158,910.00	\$ 140,000.00	\$ 18,910.00
4.FTE Veteran Benefits Specialist	\$ -	\$ -	\$ 158,910.00		\$ 158,910.00
5.FTE Coordinator/Trainer/Information Officer	\$ -	\$ -	\$ 158,910.00		\$ 158,910.00
6.Additional DAV Van funding (2)	\$ 37,600.00	\$ -	\$ 37,600.00	\$ -	\$ 37,600.00
Total FTE	7	7	10	7	3

6. Explain the funding included in each program/line item either in total or by division depending on the size of the agency:

- a. Amounts included in the base budget and their purpose and use; and
- b. Amounts included in the request/recommendation and justification for the change from the base budget. Discuss changes relating to:
 - (1) Salaries and wages;
 - (2) Operating expenses;
 - (3) Capital assets;
 - (4) Grants;
 - (5) Any special line items;
 - (6) Estimated income - Special funds;
 - (7) Estimated income - Federal funds;
 - (8) General fund; and
 - (9) FTE.

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SR05 - Budget Request Summary - Reporting Level

1

Agency		Department of Veterans Affairs					
Program		100 Veterans Affairs Administration					
Reporting Level		00-321-100-00-00-00-00000000					
1	2	3	4	5	6	7	
Object/Revenue	2019-21	2021-23 Base	2021-23 Total	2021-23 Base	2021-23 Optional	2021-23 Total	
Description	Legislative Base	Budget Changes	Changes	Budget Request	Budget Changes	Budget Request	
Code							
EXPENDITURES							
Motor Vehicles	692000	18,800	18,800	0	18,800	56,400	
Transport Vans	52	18,800	18,800	0	18,800	56,400	
Temporary Salaries	513000	80,000	128,000	48,000	128,000	128,000	
IT - Data Processing	601000	6,998	(6,998)	(6,998)	0	0	
IT - Communications	602000	672	(672)	(672)	0	0	
Grants, Benefits & Claims	712000	712,330	439,670	439,670	1,152,000	1,152,000	
Grants - Transportation Program	62	800,000	560,000	480,000	1,280,000	1,280,000	
Salaries - Permanent	511000	609,878	0	110,738	720,616	1,031,656	
Temporary Salaries	513000	0	(128,000)	(128,000)	(128,000)	0	
Fringe Benefits	516000	337,547	0	7,765	345,312	511,093	
Travel	521000	63,145	(30,000)	(30,000)	33,145	63,145	
Supplies - IT Software	531000	13,344	0	0	13,344	13,344	
Supply/Material-Professional	532000	729	0	0	729	729	
Bldg, Ground, Maintenance	534000	3,442	0	0	3,442	3,442	
Miscellaneous Supplies	535000	4,073	0	0	4,073	4,073	
Office Supplies	536000	2,586	0	0	2,586	2,586	
Postage	541000	750	0	0	750	750	
Printing	542000	300	0	0	300	300	
Utilities	561000	6,264	0	0	6,264	6,264	
Insurance	571000	3,800	0	0	3,800	3,800	
Rentals/Leases-Equip & Other	581000	14,528	0	0	14,528	14,528	
Rentals/Leases - Bldg/Land	582000	64,710	0	0	64,710	64,710	
Repairs	591000	2,000	0	0	2,000	2,000	
IT - Data Processing	601000	36,467	(7,935)	(7,935)	28,532	36,467	
IT - Communications	602000	6,045	0	0	6,045	6,045	
Professional Development	611000	20,200	(16,015)	(16,015)	4,185	20,200	
Operating Fees and Services	621000	500	0	0	500	500	
Fees - Professional Services	623000	4,822	0	0	4,822	4,822	
Grants, Benefits & Claims	712000	5,000	0	0	5,000	5,000	
Veterans Affairs Administration	70	1,200,130	(181,950)	(63,447)	1,136,683	1,795,454	
Grants, Benefits & Claims	712000	50,000	0	0	50,000	50,000	
Service Dogs	72	50,000	0	0	50,000	50,000	
Salaries - Permanent	511000	136,870	0	933	137,803	137,803	
Fringe Benefits	516000	67,560	0	333	67,893	67,893	
Travel	521000	17,258	1,000	1,000	18,258	18,258	
Supplies - IT Software	531000	2,136	0	0	2,136	2,136	
Supply/Material-Professional	532000	1,489	0	0	1,489	1,489	
Bldg, Ground, Maintenance	534000	1,274	0	0	1,274	1,274	
Miscellaneous Supplies	535000	523	0	0	523	523	

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SR05 - Budget Request Summary - Reporting Level

2

Agency		Department of Veterans Affairs					
Program		100 Veterans Affairs Administration					
Reporting Level		00-321-100-00-00-00-00000000					
1	2	3	4	5	6	7	
Object/Revenue	2019-21	2021-23 Base	2021-23 Total	2021-23 Base	2021-23 Optional	2021-23 Total	
Description	Legislative Base	Budget Changes	Changes	Budget Request	Budget Changes	Budget Request	
Code							
Office Supplies	536000	2,825	0	0	2,825	0	2,825
Postage	541000	1,187	0	0	1,187	0	1,187
Printing	542000	1,973	0	0	1,973	0	1,973
IT Equip Under \$5,000	551000	6,279	0	0	6,279	0	6,279
Other Equip Under \$5,000	552000	264	0	0	264	0	264
Office Equip & Furn Supplies	553000	1,279	0	0	1,279	0	1,279
Utilities	561000	1,788	0	0	1,788	0	1,788
Insurance	571000	1,636	0	0	1,636	0	1,636
Rentals/Leases-Equip & Other	581000	4,810	0	0	4,810	0	4,810
Rentals/Leases - Bldg/Land	582000	14,748	0	0	14,748	0	14,748
Repairs	591000	1,030	0	0	1,030	0	1,030
IT - Data Processing	601000	8,214	0	0	8,214	0	8,214
IT - Communications	602000	2,873	0	0	2,873	0	2,873
IT Contractual Srvcs and Rprs	603000	685	0	0	685	0	685
Professional Development	611000	5,021	0	0	5,021	0	5,021
Operating Fees and Services	621000	315	0	0	315	0	315
Fees - Professional Services	623000	3,620	0	0	3,620	0	3,620
State Approving Agency	74	285,657	1,000	2,266	287,923	0	287,923
Grants, Benefits & Claims	712000	0	291,500	291,500	291,500	0	291,500
Veterans Home Cemetary	75	0	291,500	291,500	291,500	0	291,500
TOTAL EXPENDITURES for 100 Veterans Affairs Administration		2,354,587	689,350	710,319	3,064,906	696,371	3,761,277
MEANS OF FUNDING							
Rural Transportation Grant	H134	800,000	560,000	480,000	1,280,000	0	1,280,000
State Approving Agency	H135	285,657	1,000	2,266	287,923	0	287,923
Veterans Cemetery Grants	H1361	0	291,500	291,500	291,500	0	291,500
Federal Funds	FED	1,085,657	852,500	773,766	1,859,423	0	1,859,423
State General Fund	001	1,268,930	(163,150)	(63,447)	1,205,483	696,371	1,901,854
General Fund	GEN	1,268,930	(163,150)	(63,447)	1,205,483	696,371	1,901,854
TOTAL FUNDING for 100 Veterans Affairs Administration		2,354,587	689,350	710,319	3,064,906	696,371	3,761,277
AUTHORIZED EMPLOYEES							
FTE		7.00	0.00	0.00	7.00	0.00	7.00
Vacant		0.00	0.00	0.00	0.00	3.00	3.00
TOTAL AUTHORIZED EMPLOYEES for 100 Veterans Affairs Administration		7.00	0.00	0.00	7.00	3.00	10.00

7. Discuss the purpose and use of any one-time funding items for the current biennium.

<u>General Fund</u>	Budgeted	Expected use	Balance
	\$ 147,500.00	\$ 145,400.00	\$ (2,100.00)
Grant Database Enhancements	\$ 7,500.00	\$ 5,400.00	\$ (2,100.00)
Temporary loan and grant position	\$ 140,000.00	\$ 140,000.00	\$ -

*Request to carry over balance of Grant Database Enhancement funds

<u>Non-General Fund (Federal Grant. Melvin Norgaard)</u>	Budgeted	Expected use	Balance
	\$ 291,500.00	\$ -	\$ 291,500.00
Veterans' Home Cemetery repairs	\$ 291,500.00	\$ -	\$ 291,500.00

*This is an authorization to accept and expend funds if Federal grant is awarded

8. Identify and justify the need for any one-time funding being requested/recommended.

- No one-time funding being requested
- Request balance of one-time funding for Grant Database be carried over to 2021-2023 biennium
- Request Veterans Home Cemetery Repairs authorization remain

9. Discuss agency collections that are deposited in the general fund or a special fund, and any anticipated changes from 2019 legislative session estimates during the 2019-21 biennium and estimated changes for the 2021-23 biennium.

NDDVA does not collect fees for any services.

NDDVA provides **Commemorative Memorial Coins** (NDCC37-18-12) to families of at Veteran's funerals. These coins are also offered for sale with the proceeds used to purchase more coins. Donations are also requested and accepted for this program. These funds are deposited in the NDDVA fund 410 along with spendable income from the PWTF.

	To date 2019-21	Expected 2021-23
Commemorative Memorial Coins		
Coin Sales (\$7.23 NET of coins sold @ \$10)	\$ 9,507.18	\$ 8,676.00
Donations	\$ 4,120.00	\$ -
Estimated 3,200 Coins conferred @\$2.265 each	\$ 7,248.00	\$ 7,248.00
Net +/-	\$ 6,379.18	\$ 1,428.00

**2019 coins sales: 599

**2020 coins sales to date: 714

**Expected sales in 2021-23: 1,200 coins

* Total balance of Coin fund as of 10/30/2020 \$11,829.46

*Estimated 1,600 veteran funerals per year
cost of 1,600 coins @ \$2.265 each: \$3,624

*Estimated requirement to sell 503 coins per year at \$10
with net of \$7.21= \$3,626.63

10. Discuss the need for any other sections that are included or are requested/recommended to be included in the agency appropriation bill.

- Carry over funding.
 - Make funds permanent and allow carryover of unused funds
 - DAV Van Grant \$40,000
 - PTSD Service Dog Grant \$50,000
 - One time carry over
 - Grant Database improvement \$2,100

11. Discuss any other bills being considered by the Legislative Assembly and their potential budgetary impact on the agency.

- No known bills with NDDVA budgetary impact.
- NDVLC focus for 67th Legislative session is NDDVA budget.
- Possible bills
 - **Appreciation of Veterans and Military**
 - **Medal of Honor recipients automatic Rough Rider award**
 - **Patriotism Project in Elementary Schools**
 - **Disabled Veteran Hunting.** Certain disabled veterans start with youth hunting season. Guaranteed deer tag.
 - **Education**
 - **In State Tuition** for Veterans, Guard-Reserve, and Dependents of (NDCC:15-10-19.1(2) D F and G
 - **ND tuition waiver** residency requirement 5 years (currently 5 and 10 years)
 - **Financial**
 - **Veteran Charitable Gaming net proceeds use.**
 - **Add: Property Taxes & Special assessments**
 - **Removes: Personal Property**
 - **Post War Trust Fund clearing account (410) and Veterans Aid Loan (368)**
 - Authority to invest CD's outside BND
 - **Health & Wellbeing**
 - **PASS FUND:** Funding for up to 500 persons. Guardian, conservator
 - **Legal Services**
 - **Veterans Docket**-Grand Forks amend NDCC 12.1-32-02(1)
 - Veterans Court-Administrative Rule 60
 - Establish Veterans Docket under Drug Court of NDCC
 - **Military Families Top Ten Key Issues**
From DSLO Key Issues: <https://statepolicy.militaryonesource.mil/#key-issues-report>
 - Enhanced Military Spouse License Portability Sen. Meyer
 - Military Spouse Occupational Licensure Access Sen. Meyer
 - Licensing Compacts
 - Military Spouse Teacher Certification (ND is green)
 - Purple Star School Program Will probably not be done legislatively but in DPI policy)
 - Advance Enrollment 3 bills that may meet this requirement
 - Virtual School Enrollment 3 bills that may meet this requirement
 - In-State Tuition Continuity Rep Pyle
 - Child Abuse and Neglect Identification and Reporting HHS to address this in policy not legislatively)
 - Ask the Question Campaign
 - **National Guard Specific**
 - 219th RUF Minot AFB
 - SAD Death Gratuity Authority
 - Trust Land Accounting Line reactivated
 - House Cleaning bill – Update state law with federal law
 - The NDNG Budget

12. Discuss the impact of any budget changes made to meet the Governor's budget guidelines.

	Budgeted	Reduced	Balance
2021-2023 Base Budget cut of 5% or \$63,447		\$ 63,447.00	\$ -
Veteran Service Officer Travel & Training	\$ 18,300.00	\$ 16,012.00	\$ 2,288.00
Outreach to County and Tribal VSO's	\$ 30,000.00	\$ 30,000.00	\$ -
Computers for volunteers/Exp. Works/work studies	\$ 7,935.00	\$ 7,935.00	\$ -
Stand Downs	\$ 5,000.00	\$ 5,000.00	\$ -
DAV Vans	\$ 18,800.00	\$ 4,500.00	\$ 14,300.00

Veteran Benefits Specialist (NDDVA Staff) Training and Travel: \$16,012

The regulations, qualification, benefit availability and eligibility are constantly changing. NDDVA staff require updated training to maintain a sufficient level of relevancy. To properly serve our veterans and their dependents training is a must. NDDVA believes that each of the Veterans Benefits Specialist should attend at least one training event per year. \$18,300 is a very conservative amount for this important training.

Volunteer staff computers and ITD expenses: \$7,935

Over the last decade NDDVA has worked diligently to make up for its staff shortages by tapping into other labor resources. Resources such as Volunteers, Apprentice programs, Experience Works, VA Work Studies and AmeriCorps Vista Volunteers. While NDDVA does not pay for the services we do have in-kind or administrative costs such as the computers and ITD fees. NDDVA has worked with ND ITD to negotiate for used computers at lower rates.

County and Tribal Veteran Service Officer Training and Outreach: \$30,000

NDDVA is mandated by NDCC 37-18-04 which reads in part: "...; to provide counties with recommended qualifications and standards for county veterans' service officers; to assist counties with training of county veterans' service officers; to provide county veterans' service officers with educational materials; to assist county veterans' service officers in the performance of their duties; to disseminate information;...". NDDVA current budget is not sufficient to provide these services. NDDVA is requesting \$30,000 be returned to our budget for training conference expenses, outreach to the VSO offices, Tribal events, and to participate in and support the many outreach programs conducted by the Federal VA, Veteran Organizations, State and County agencies.

DAV vans: \$4,500

NDDVA has had a long-standing working relationship with the ND Disabled American Veterans (DAV) and the Federal VA in providing transportation for Veterans to VA Medical facilities. Utilizing the DAV's national trust known as the Colorado or Columbia Trust NDDVA provides 45-55% of the cost to purchase a new van which is donated to the Federal VA. The Federal VA in Fargo pays for all the expenses to operate the van and utilizes volunteer drivers coordinated by ND County Veteran Service Officers and ND DAV. The cost of a van varied by year and size of van needed. In the recent past NDDVA's share has been \$14,000-\$18,800.

13. Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the executive recommendation.

1. **Restore Base Budget Funding:** **\$63,447**
Veteran Benefits Specialist (NDDVA Staff) Training and Travel: \$16,012
 The regulations, qualification, benefit availability and eligibility are constantly changing. NDDVA staff require updated training to maintain a sufficient level of relevancy.
Volunteer staff computers and ITD expenses: \$7,935
 Over the last decade NDDVA has worked diligently to make up for its staff shortages by tapping into other labor resources such as Volunteers, Apprentice programs, Experience Works, VA Work Studies and AmeriCorps Vista Volunteers. NDDVA pay only in-kind or administrative costs such as the computers and ITD fees. NDDVA utilizes used computers at lower rates.
County and Tribal Veteran Service Officer Training and Outreach: \$30,000
 NDDVA is mandated by NDCC 37-18-04 to assist counties with training of county veterans' service officers provide educational materials to in the performance of their duties; to disseminate information.
DAV vans: \$4,500
 Pass-Through funding. NDDVA provides 45-55% of the cost to purchase a new van which is donated to the Federal VA. The cost of a van varied by year and size of van needed. In the recent past NDDVA's share has been \$14,000-\$18,800 per van.
Stand downs: \$5,000
 Pass-Through funding. This appropriation is to provide funding for Stand Down events in communities across North Dakota. The main focus is directed at homeless/at risk of homelessness veterans.

2. **Restore Salary funding supplanted by Highly Rural Transportation Grant administrative fees:** **\$100,000**
 In 2017 OMB supplanted \$100,000 in State General Fund Salaries with Federal Highly Rural Transportation Grant (HRTG) admin funds. The NDDVA state general fund **salary** appropriations were reduced by \$100,000. NDDVA had been utilizing these funds for a part-time temporary HRTG coordinator and administrative costs as authorized by the Federal Grant Program. This action eliminated the HRTG coordinator position.
 The HRTG allows for up to 10% of the total grant dollars *expended* be available for administrative costs. Federal Fiscal Year (FFY) 2016 HRTG award was for up to \$859,790. NDDVA spent only \$209,804.52 therefore was only allowed \$20,980 for administrative costs. FFY 2017 HRTG award was for up to \$402,730. NDDVA utilized \$326,392.20 and was authorized \$32,639.22 for admin. Supplanting of state general funds by Federal Grant fund dollars greatly affects NDDVA's ability to apply for and maintain more Federal Grants. NDDVA is requesting that the mandate of utilizing \$100,000 of HRTG funds for salary expenses be removed and the general fund dollars returned. NDDVA utilizes the maximum amount of funds for administrative and salary expenses allowed by law. October-December 2020 total admin: \$5,398.63

3. **Loan and Grant Officer changed to (FTE) and funded** **\$18,910**
 The 65th Legislative assembly (2017) reduced total staffing levels at NDDVA by 30%. The Governors recommendation was to reduce back to 2013 staffing levels which would have resulted in a reduction of 1 FTE. The extent that the NDDVA staff workload had increased prior to the staff reductions was already making an impact on the department. Several services and non-mandated programs have already been eliminated or reduced. Funding of \$140,000 in Governors budget 2021-23 as a Temporary position however \$100,000 of ND general fund salary appropriations supplanted by the Federal Highly Rural Transportation Grant funds in the 2017-2019 budget was intended to be replaced in 2019-2021 budget. NDDVA is requesting that the Loan and Grant Officer position be returned as a FTE and be fully funded with state general fund appropriations.

4. **Veteran Benefits Specialist/Women Veterans (FTE)** **\$158,910**
 NDDVA has been in need of an additional Veteran Benefits Specialist (VBS) for years. With the loss of 3 positions during the 65th Legislative session and the increase of responsibilities and caseload the NDDVA staff have been unable to serve the ND Veterans as they deserve. During the 2017-2019 biennium NDDVA VBS completed 3,915 Compensation and Pension Claims (144 Military Sexual Trauma claims filed by NDDVA Women Veterans Service Officer), had 3,039 office visits (more than ND's largest counties), uploaded 19,986 documents, completed 3,839 forms and conducted 65 outreach events. Due to the increased workload NDDVA lost its most senior and experienced Veterans Benefits Specialist to a higher paying position with less caseload in the same field. NDDVA believes that an additional FTE would greatly improve our ability to serve our veterans as well as increase the services and benefits received by ND Veterans.

5. **Program coordinator/Training/Information Officer** **\$158,910**
 1 FTE to act as the training officer & benefits specialist. 70% of the training officer's time would be spent conducting initial and continuing training with County & Tribal Veteran Service Officers (C&TVSO's) and information dissemination. 30% of the training officer's time would be spent doing hands on work and maintaining self-proficiency. Better trained and informed C&TVSO's will result in much better services to our veterans and their dependents. This will greatly improve the lives of many of our veteran' and their dependents as well as the Federal dollars coming into ND.
 The Federal VA expended over \$472,047,000 in 2019 and over \$412,761,000 in 2018. (\$884,808,000) in Federal funds coming into North Dakota during the last Biennium. Without VSO's this does not happen. Source: VA GDY.

6. **DAV vans** **\$56,400**
 Pass-Through funding. It is estimated that three (3) vans may need replacement during the 2021-2023 biennium. This funding along with funding from the Columbia Trust is used to purchase vans to transport veterans from across ND to the VAMC in Fargo. In working with the Columbia Trust NDDVA's has been able to purchase vans for \$14,000-\$18,600. NDDVA is requesting *total* DAV van funding of \$56,400 for the 2021-2023 biennium. NDDVA requests DAV van funds be carried over from each biennium.

14. Provide a comparison of your agency's optional adjustment requests to those recommended in the executive budget.

Optional Requests	NDDVA Requested	Included in Exec. Budget	Difference
	\$ 696,577.00	\$ 158,800.00	\$ 537,777.00
1.Restore Base Budget (\$63,447)			\$ -
Training	\$ 16,012.00		\$ 16,012.00
Volunteer IT expenses	\$ 7,935.00		\$ 7,935.00
C&TVSO training	\$ 30,000.00		\$ 30,000.00
DAV Vans	\$ 4,500.00		\$ 4,500.00
Stand Downs	\$ 5,000.00		\$ 5,000.00
2.Restore salary supplanted	\$ 100,000.00		\$ 100,000.00
3.Loan and Grant Officer	\$ 158,910.00	\$ 140,000.00	\$ 18,910.00
4.FTE Veteran Benefits Specialist	\$ 158,910.00		\$ 158,910.00
5.FTE Crd./Trainer/Info. Officer	\$ 158,910.00		\$ 158,910.00
6.DAV Van funding	\$ 56,400.00	\$ 18,800.00	\$ 37,600.00

15. Identify the amount of federal funding available to your agency relating to the Coronavirus (COVID-19) pandemic, the actual amount spent, and for what purpose.

COVID CARE

Funds	Requested	Spent	Difference
Total:	\$ 2,860.00	\$ 2,860.00	\$ -
UV Sanitizer	\$ 2,475.00	\$ 2,475.00	\$ -
PPE	\$ 385.00	\$ 385.00	\$ -

16. Provide additional information as necessary.

NDDVA appreciates the need for fiscal responsibility, doing more with less and understands budgetary cuts.

- NDDVA has a long history of being fiscally responsible NDDVA budget is one of the lowest in the nation and continues to bring innovative and new programs and procedures which are adopted by many other states.
- NDDVA has a history of “Doing more with less”. Many new programs such as the HRTG, Legal Services, Education Credit for Military Training, State Heroes recognition, Paperless claims and digitizing of documents were done within NDDVA budget and with public private partnerships such as AmeriCorps VISTA’s, Experience Works, VA work studies, Internships and Volunteers.
- NDDVA did endure a 30% budget cut in 2017. This has resulted in many services and programs being discontinued or less effective. Yet NDDVA staff have continued to produce more.
- NDDVA serves our Veterans and their dependents (about 200,000 North Dakotans).
- Bottom line is NDDVA is an investment that brings Federal Dollars to North Dakota.