



DEPARTMENT OF VETERANS AND MILITARY AFFAIRS ACCOUNTABLE BUDGET REVIEW

EXECUTIVE APPROPRIATIONS COMMITTEE
STAFF: STEVEN ALLRED

ISSUE BRIEF

SUMMARY

JR3-2-501 as amended in HJR 18, 2019 General Session requires each appropriations subcommittee to “create an accountable process budget for approximately 20% of the budgets that fall within the subcommittee’s responsibilities” ensuring “that each of the budgets for which the appropriations subcommittee has responsibility is the subject of an accountable budget process at least once every five years.” Subcommittees first implemented this rule during the 2019 Interim. During the 2020 Interim, the Legislature suspended the rule due to the heightened scrutiny budgets were already receiving in the pandemic.

The Executive Appropriations Committee (EAC) hears and directly considers the budgets of the Legislature, Capitol Preservation Board, Utah National Guard, and Department of Veterans and Military Affairs (DVMA). The DVMA is the agency selected for an accountable budget review during the 2021 Interim.

This brief is intended to assist EAC members’ review the DVMA budget by starting from zero, answer detailed questions on the policies that drive the budget, and provide recommendations on the extent to which funding should be included in a base budget bill for Fiscal Year 2023.

This brief includes the following recommendations:

1. Create a new pass-through line item to separately track appropriations for pass-through to other entities versus appropriations intended for agency operations. See page 22.
2. Consider a General Fund increase during the 2022 General Session to operate the new veterans cemetery in Ogden. See page 24.
3. Move dedicated credits appropriations from the Administration program to the Outreach program. See page 24.
4. Adjust or remove the Transportation of Veterans to Memorials Support Restricted Account and associated special group license plate. See page 25.
5. Ask the agency to review its underutilized vehicles and return as many as possible to the Division of Fleet Operations. See pages 25-26.
6. Update performance measures reported to policy makers. See page 31.

OVERVIEW

The DVMA is the agency responsible for approximately 140,000 veterans in Utah. The agency’s mission statement is, “The Utah Department of Veterans and Military Affairs serves veterans, current service members and their families by opening doors to benefits, education and jobs.” The mission can be broken down into three parts:

1. Advocate for and honor veterans for their unique contributions;
2. Connect veterans, family members, community groups, service organizations, military installations, support groups, and other stakeholders to each other and external resources; and
3. Grow military missions and associated military installation workloads, consistent with national security.

Functions of the department include:

- Assess veterans, service members, and family members' needs and make them aware of benefits and services for which they may be eligible.
- Coordinate veterans services across the state, ensuring services are available when and where needed. This coordination occurs with various state agencies, the United States Veterans Administration (VA), local

organizations, colleges and universities, veterans organizations, chambers of commerce, religious institutions, non-profit organizations, and others.

- Oversee the operation of four state veterans nursing homes totaling 417 beds. This entails the management of a contractual arrangement for the operation of the nursing homes and assuring that the department meets all federal and state regulations for nursing home health care services. Nursing home operations are by far the largest budgetary component of the agency.
- Operate and manages the Utah Veterans Cemetery and Memorial Park in Bluffdale, coordinating burials, arranging services, assisting families in obtaining burial benefits from the United States VA, and all related services in the normal operation of a cemetery. The cemetery now accommodates about 470 funeral arrangements each year. The current location is running out of space and the agency is acquiring additional property on donated land and with federal grants.
- Host the State Approving Agency (SAA) responsible for approving and supervising programs in educational institutions and training establishments in Utah. These programs offer education and training to veterans and other eligible persons under provisions of the Veterans Education Assistance Program and must have SAA approval before veterans and other eligible persons may receive educational benefits (GI Bill) from the United States VA. Annual review and re-certification of schools and curriculum are required to be performed by the SAA. The SAA also performs compliance surveys on approximately 20 institutions each year to ensure that the schools are complying with standard rules and regulations of participation.
- Work with the military bases and installations located within Utah and the various military units stationed here to identify opportunities for growth and to demonstrate that the state is supportive of their national defense missions, as appropriate.

Please see the appendix for a budget deep dive checklist for each program in the agency.

KEY TERMS

The Budgetary Procedures Act (UCA Title 63J Chapter 1) governs how agencies use legislative appropriations. The act defines several key terms that will be helpful while reviewing DVMA's budget. These include:

"Dedicated credits" means collections by an agency that fund agency operations. Dedicated credits include fees, donations, assessments, sales, fines, and other revenues.

"Federal revenues" means collections by an agency from a federal source that are deposited into an account for expenditure by the agency.

"Line item" means a unit of accounting within an agency, that contains one or more programs. An appropriation or any surplus of any appropriation may not be diverted from any line item to any other line item unless approved by the Legislature.

"Program" means a unit of accounting included on a schedule of programs within a line item used to track budget authorizations, collections, and expenditures on specific purposes or functions. An agency may transfer money appropriated to it from one program to another program if the agency revises its budget execution plan with the Division of Finance.

"Restricted revenue" means collections that are deposited, by law, into a separate fund, sub-fund, or account, and designated for a specific program or purpose.

The DVMA has two categories of appropriation – or "appropriation types." These include "Operating and Capital Budgets" and "Expendable Funds and Accounts." These categories are defined as follows:

"Operating and Capital Budgets" are what people typically mean when they talk about "the budget". They grant to agencies, divisions, and programs of state government authority to expend public money. With a few exceptions, spending is "capped" at the amount appropriated.

"Expendable Funds and Accounts" are, for the most part, "expendable special revenue funds" – funds and accounts that have a dedicated revenue source and can be spent without legislative action. The exceptions are enterprise funds and

general fund restricted accounts that act like expendable special revenue funds. In some cases, the Legislature may authorize the Division of Finance to move resources from one fund or account into another fund or account where the recipient fund or account can be spent without additional legislative action.

Legislative Joint Rule 3-2-402 instructs that in a base budget, appropriations from the General Fund, the Education Fund, and the Uniform School Fund shall be set as follows: 1) if the next fiscal year ongoing revenue estimates are equal to or greater than the current fiscal year ongoing appropriations, the new fiscal year base budget is not changed; 2) if the next fiscal year ongoing revenue estimates are less than the current fiscal year ongoing appropriations, the new fiscal year base budget is reduced by the same percentage that projected next fiscal year ongoing revenue estimates are lower than the total of current fiscal year ongoing appropriations.

BUDGET ORGANIZATION

The Legislature approves budgets for the DVMA in three distinct line items, each with programs as shown below the line item name:

1. Veterans and Military Affairs line item (Operating and Capital Budgets)
 - a. Administration
 - b. Cemetery
 - c. Military Affairs
 - d. Outreach Services
 - e. State Approving Agency
 - f. Transportation of Veterans to Memorials
2. Veterans Nursing Home Fund line item (Expendable Funds and Accounts)
 - a. Veterans Nursing Home Fund
3. Transportation of Veterans to Memorials Support Restricted Account line item (Operating and Capital Budgets)
 - a. Transportation of Veterans to Memorials Support Restricted Account

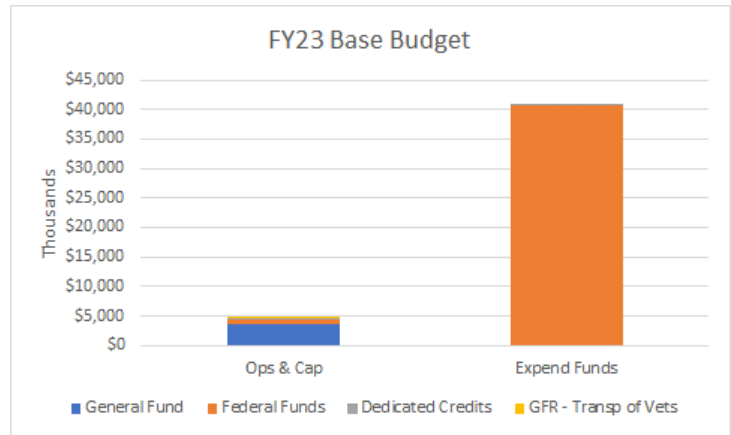
Please refer to the [Compendium of Budget Information](#) (COBI) and the attached Budget Deep Dive Checklists for additional detail about each program.

DVMA ACCOUNTABLE BUDGET REVIEW

FY 2023 BASE BUDGET

Per Joint Rule 3-2-402, if FY 2023 revenue estimates are equal to or greater than the FY 2022 ongoing appropriations, the DVMA FY 2023 base budget will be (in thousands):

(Dollars in Thousands)	Ops & Cap	Expend Funds
General Fund	3,718	
Federal Funds	682	40,644
Dedicated Credits	308	233
GFR - Transp of Vets	13	
Total	4,721	40,877



- The Operating and Capital base budget has 26 full-time equivalent (FTE) employees and seven vehicles.
- The Expendable Funds and Accounts base budget has five FTE and 13 vehicles.

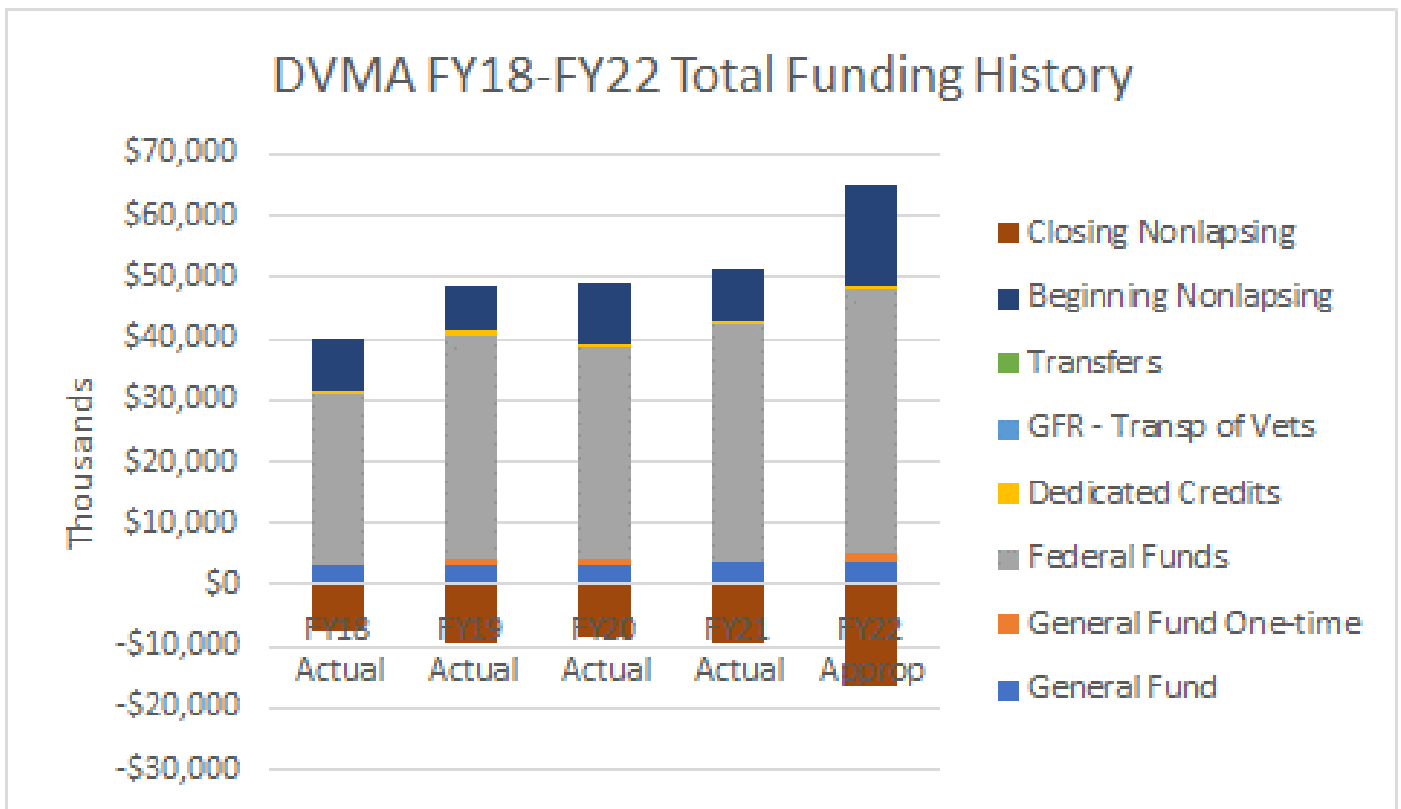
The Operating and Capital base budget consists of the Veterans and Military Affairs line item. Although the Transportation of Veterans to Memorials Support Restricted Account is also an Operating and Capital Budget, this line item does not have a base budget because, to date, it has not had any collections. The Utah Honor Flight organization has been unable to attain the necessary number of license plate pre-paid registrants to activate the provisions of the enabling statute.

FIVE-YEAR BUDGET HISTORY

The following information provides a five-year history of DVMA’s budgets and expenditures beginning with total budgets, then broken down by Operating and Capital and Expendable Funds and Accounts, in numerical and graphical format. All dollars are in thousands.

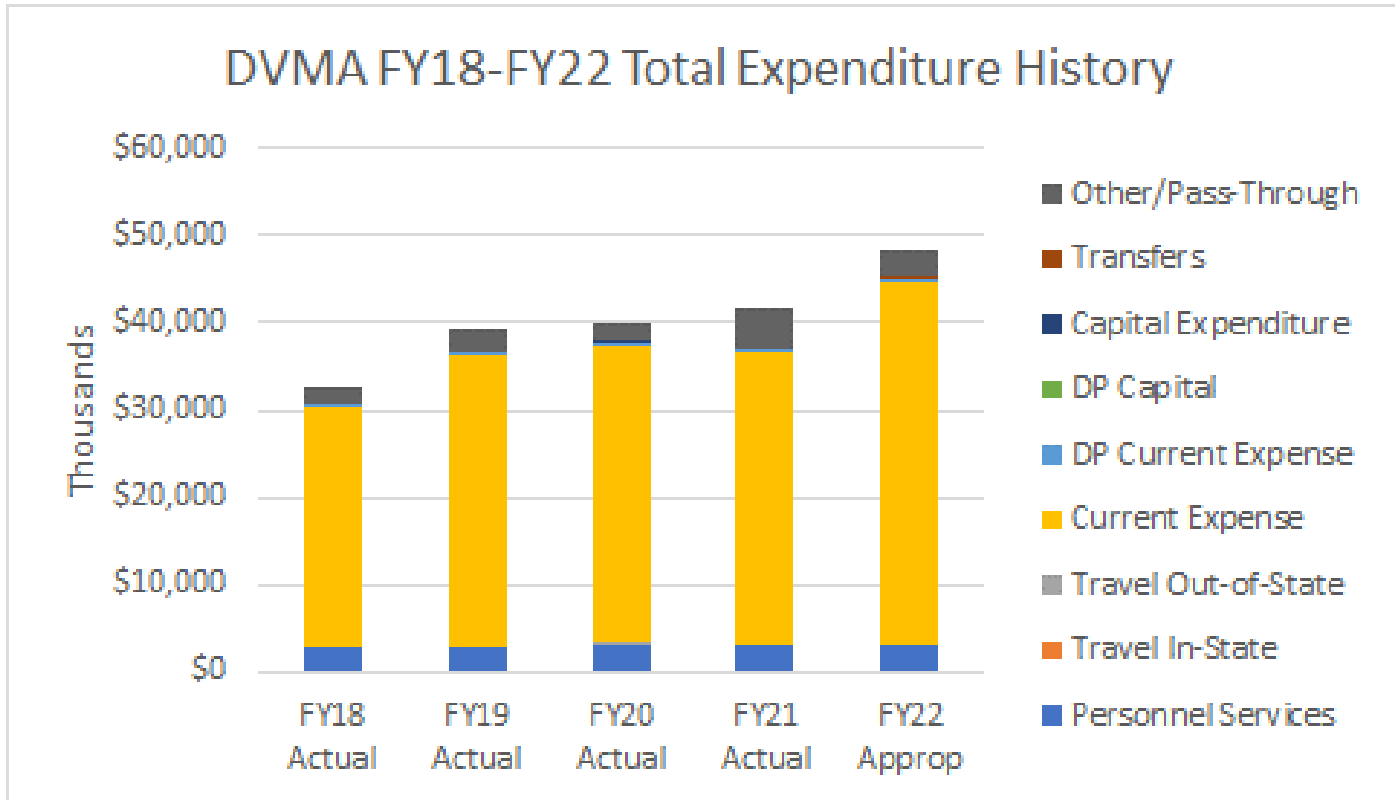
Total Budget – Funding History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
General Fund	3,323	3,367	3,481	3,691	3,718
General Fund One-time	184	999	707	18	1,508
Federal Funds	27,386	36,340	34,419	38,492	42,613
Dedicated Credits	492	649	599	457	541
GFR - Transp of Vets	0	0	0	0	13
Transfers	0	0	54	0	0
Beginning Nonlapsing	8,780	7,342	9,508	8,633	16,702
Closing Nonlapsing	(7,342)	(9,508)	(8,633)	(9,550)	(16,702)
Lapsing	0	0	0	0	0
Total	32,822	39,189	40,134	41,742	48,392



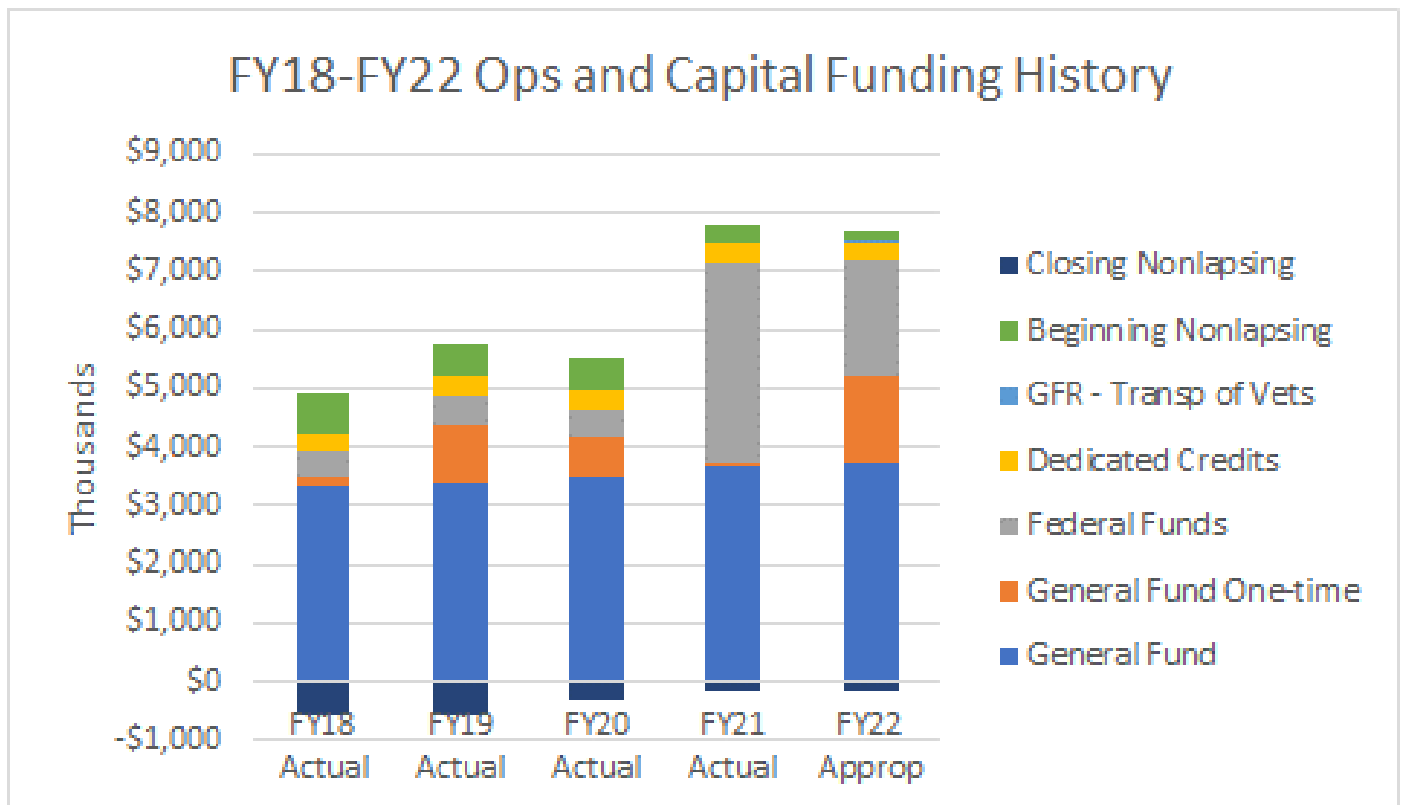
Total Budget – Expenditure History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Personnel Services	2,781	2,801	3,226	3,144	3,135
Travel In-State	17	12	9	7	13
Travel Out-of-State	45	38	37	0	37
Current Expense	27,547	33,497	34,060	33,474	41,501
DP Current Expense	154	251	289	335	175
DP Capital	0	37	0	0	0
Capital Expenditure	182	96	236	124	246
Transfers	0	0	86	0	126
Other/Pass-Through	2,096	2,457	2,192	4,658	3,160
Total	32,822	39,189	40,134	41,741	48,392



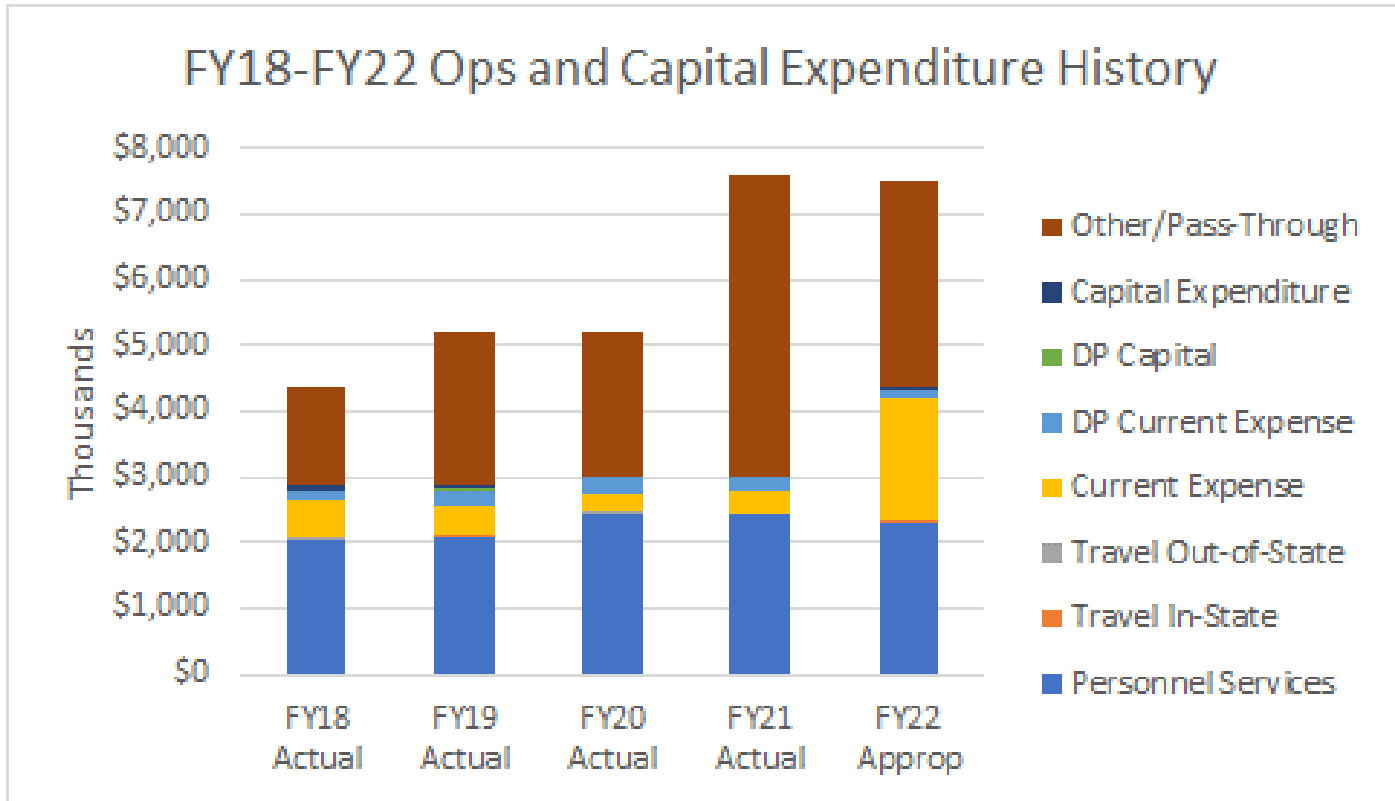
Operating and Capital Budgets – Funding History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
General Fund	3,323	3,367	3,481	3,691	3,718
General Fund One-time	184	999	707	18	1,508
Federal Funds	430	521	457	3,411	1,966
Dedicated Credits	291	309	311	347	308
GFR - Transp of Vets	0	0	0	0	13
Beginning Nonlapsing	700	567	547	309	181
Closing Nonlapsing	(567)	(547)	(309)	(181)	(181)
Lapsing	0	0	0	0	0
Total	4,360	5,216	5,193	7,596	7,512



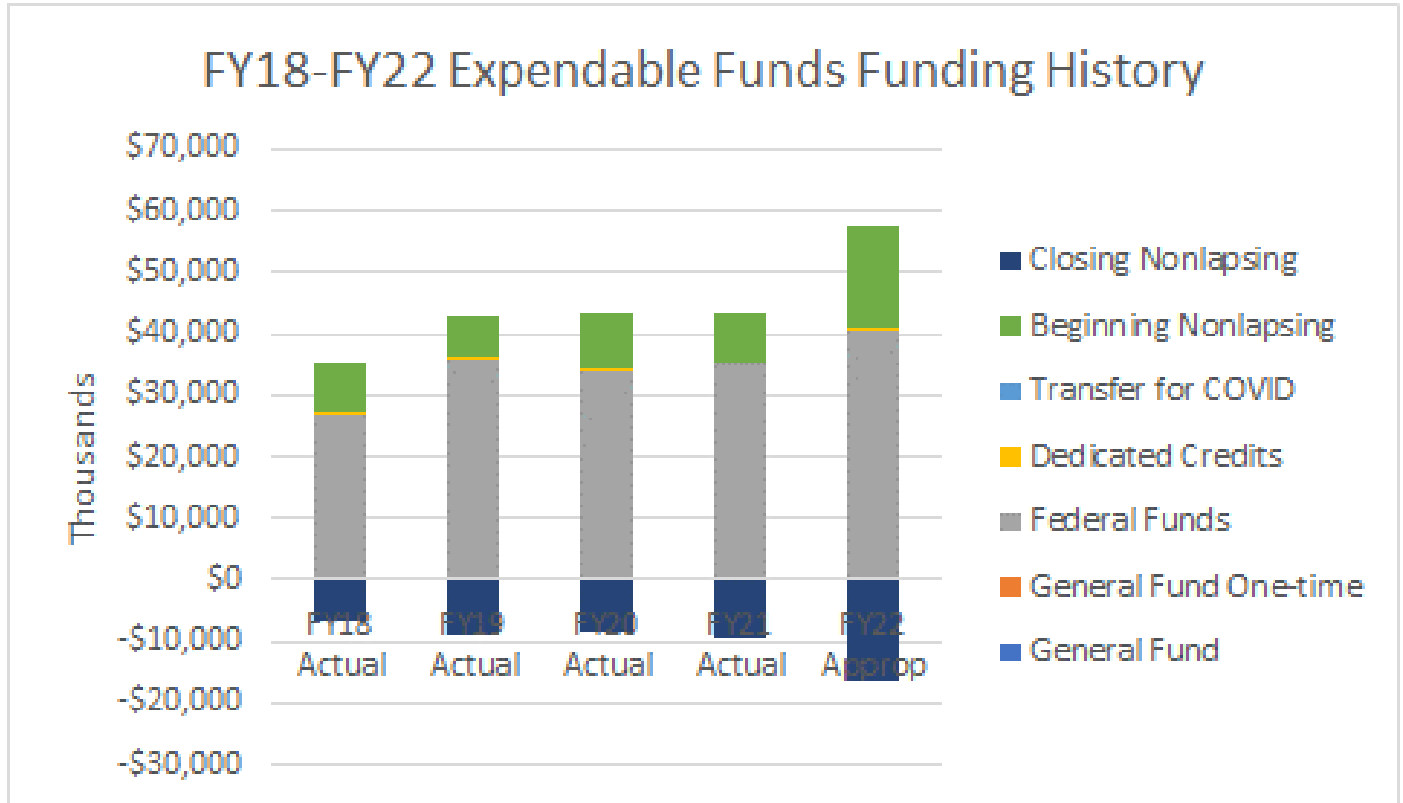
Operating and Capital Budgets – Expenditure History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Personnel Services	2,028	2,097	2,447	2,447	2,318
Travel In-State	7	6	3	4	6
Travel Out-of-State	34	30	22	0	28
Current Expense	570	441	265	335	1,830
DP Current Expense	135	227	259	208	125
DP Capital	0	37	0	0	0
Capital Expenditure	110	47	18	0	46
Other/Pass-Through	1,476	2,331	2,180	4,601	3,160
Total	4,360	5,216	5,193	7,596	7,512



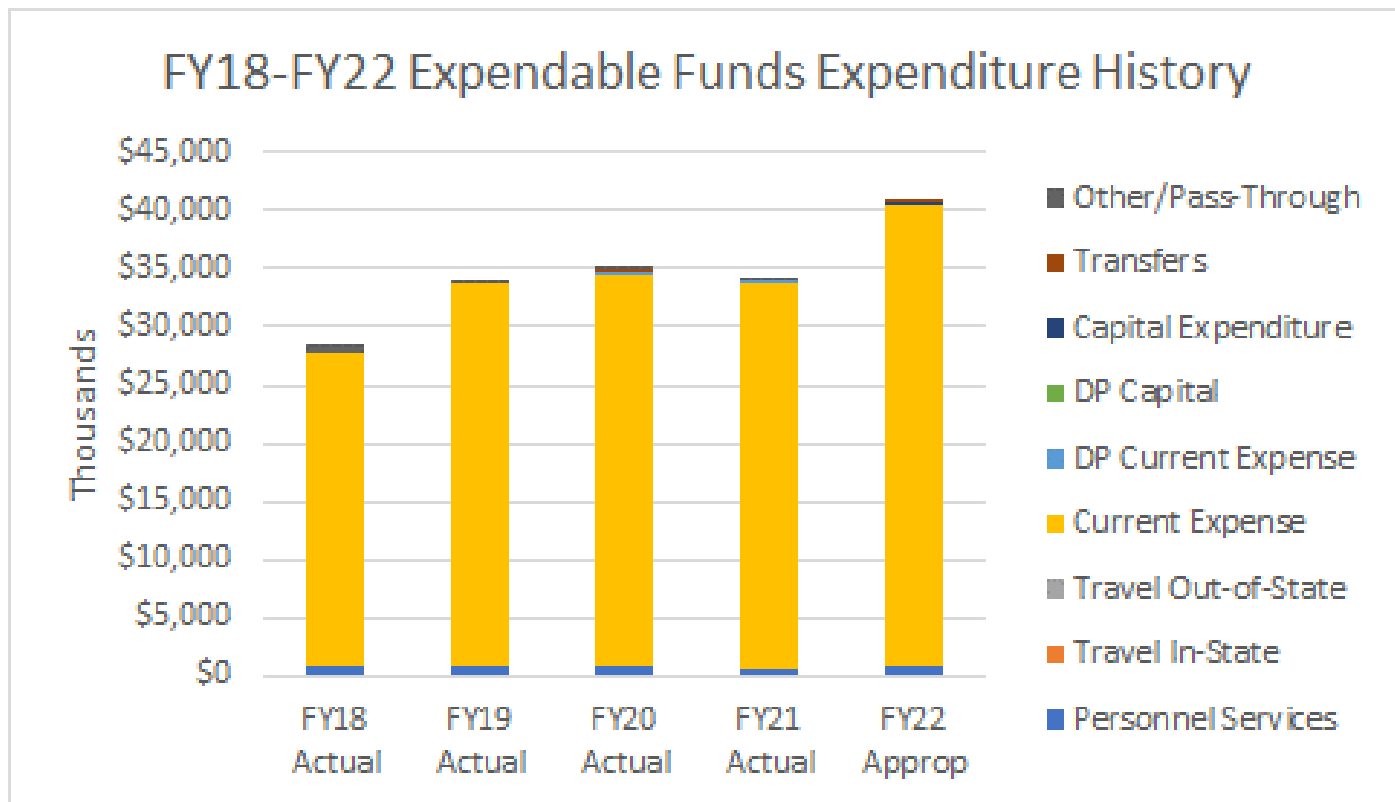
Expendable Funds – Funding History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
General Fund	0	0	0	0	0
General Fund One-time	0	0	0	0	0
Federal Funds	26,956	35,819	33,962	35,081	40,647
Dedicated Credits	201	340	289	110	233
Transfer for COVID	0	0	54	0	0
Beginning Nonlapsing	8,080	6,775	8,961	8,324	16,521
Closing Nonlapsing	(6,775)	(8,961)	(8,324)	(9,369)	(16,521)
Total	28,462	33,973	34,941	34,145	40,880



Expendable Funds – Expenditure History

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Personnel Services	753	704	779	697	817
Travel In-State	10	7	6	3	7
Travel Out-of-State	11	9	15	0	9
Current Expense	26,977	33,056	33,795	33,139	39,671
DP Current Expense	19	23	30	126	50
DP Capital	0	0	0	0	0
Capital Expenditure	72	49	219	124	200
Transfers	0	0	86	0	126
Other/Pass-Through	620	126	12	57	0
Total	28,462	33,973	34,941	34,145	40,880



FTE and Vehicles

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Oper and Capital FTE	25	23	27	26	28
Expendable Funds FTE	5	5	5	5	5
Total FTE	30	28	32	31	33
Oper and Capital Vehicles	6	6	8	7	7
Expendable Funds Vehicle	11	11	13	13	13
Total Vehicles	17	17	21	20	20

ADDITIONAL DETAIL ON EXPENDITURES

Personnel Services

As previously mentioned, the agency had approximately 31 FTE in FY 2021 – 26 in Operating and Capital Budgets and 5 in Expendable Funds and Accounts (veterans nursing homes). The following chart provides a five-year breakdown of costs and full-time equivalency by program by employee. Employee names are hidden but positions are displayed by their unique Position Identification Number (PIN).

Department of Veterans and Military Affairs Personnel Levels and Costs, FY 2017-FY2021											
Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
JWA Administration											
45010035	Program Manager									0.44	\$30.00
45010049	Web Content Editor I			0.80	\$21.20	0.99	\$21.73	1.00	\$23.26	1.00	\$23.26
45010010	Financial Manager I	0.83	\$28.30	1.00	\$28.87	1.00	\$34.59	1.00	\$35.45	1.00	\$35.45
45010035	Business Analyst Supervisor	1.00	\$23.17	1.00	\$28.96	1.00	\$29.68	1.00	\$30.42	0.19	\$30.42
45010009	Executive Assistant			0.12	\$22.00	0.14	\$22.55				
45010041	Program Support Specialist			0.40	\$18.46	0.50	\$18.92	0.50	\$19.39	0.50	\$19.39
45010009	Executive Assistant							0.73	\$22.00	1.00	\$25.00
45010000	Executive Director	1.00	\$57.70	1.01	\$60.10	1.01	\$61.60	1.00	\$63.14	1.00	\$75.00
45010009	Executive Assistant	0.97	\$26.37	0.79	\$26.90	0.50	\$28.00	0.07	\$28.70		
JWA Total FTE/Annual Cost incl. Benefits		3.80	\$391,300.00	5.12	\$511,100.00	5.14	\$532,100.00	5.30	\$567,100.00	5.13	\$580,700.00
Average Cost per FTE inc. Benefits		\$102,973.68		\$99,824.22		\$103,521.40		\$107,000.00		\$113,196.88	
Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
JWB Cemetery											
45010053	General Maintenance Worker							0.60	\$16.00	0.07	\$16.00
45010013	General Maintenance Worker					0.81	\$16.00	0.99	\$16.40	0.90	\$16.40
45010034	Journey Heavy Equip Oper	1.01	\$15.34	1.02	\$15.95	1.00	\$16.35	1.00	\$21.01	1.01	\$21.01
45010019	Office Technician			0.60	\$14.00	1.00	\$15.50	1.00	\$16.84	0.99	\$16.84
45010041	Financial Analyst I	0.03	\$14.42								
45010017	Building/Grounds Superv	1.01	\$21.64	1.01	\$23.17	1.01	\$24.46	1.01	\$25.07	1.00	\$25.07
45010004	Journey Heavy Equip Oper					0.73	\$21.00	0.91	\$21.53	0.30	\$21.53
45010053	General Maintenance Worker			0.61	\$12.52	0.01	\$30.78				
45010053	General Maintenance Worker					0.19	\$12.27				
45010004	Journey Heavy Equip Oper	1.00	\$17.39	1.00	\$18.63	0.15	\$19.10				
45010054	Office Technician	1.00	\$16.12	0.42	\$16.44						
45010013	General Maintenance Worker	1.01	\$14.28	0.83	\$15.30						
45010004	Journey Heavy Equip Oper									0.80	\$19.00
45010053	General Maintenance Worker	0.46	\$12.52								
45010002	Program Manager	1.00	\$27.22	1.01	\$29.15	1.00	\$30.78	1.01	\$31.55	1.00	\$31.55
45010054	Executive Assistant			0.02	\$26.90			0.05	\$28.70		
JWB Total FTE/Annual Cost incl. Benefits		6.52	\$404,000.00	6.52	\$416,900.00	5.90	\$396,800.00	6.57	\$475,400.00	6.07	\$442,900.00
Average Cost per FTE incl. Benefits		\$61,963.19		\$63,941.72		\$67,254.24		\$72,359.21		\$72,965.40	

DVMA ACCOUNTABLE BUDGET REVIEW

Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
JWD State Approving Agency											
45010014	Program Administrator	1.00	\$28.92	0.50	\$29.50						
45010018	Program Specialist	1.00	\$15.28	1.00	\$15.59	0.99	\$20.00	1.00	\$20.50	0.99	\$20.50
45010014	Program Administrator	0.11	\$24.15	0.99	\$27.00	1.00	\$27.68	1.00	\$28.37	1.00	\$28.37
JWD Total FTE/Annual Cost incl. Benefits		2.11	\$154,000.00	2.49	\$191,700.00	1.99	\$161,300.00	2.00	\$167,600.00	1.99	\$166,700.00
Average Cost per FTE incl. Benefits		\$72,985.78		\$76,987.95		\$81,055.28		\$83,800.00		\$83,768.84	
Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
JWE Outreach Services											
45010055	Office Technician	0.51	\$14.42	0.49	\$14.71						
45010050	Outreach Programs Specialist					0.28	\$19.00	0.99	\$20.45	1.00	\$20.45
45010040	Outreach Programs Specialist					0.04	\$20.00	0.60	\$20.50		
45010036	Outreach Programs Specialist	0.69	\$19.00	0.32	\$19.38						
45010041	Program Support Specialist	0.64	\$14.42	0.58	\$18.46	0.50	\$18.92	0.50	\$19.39	0.50	\$19.39
45010036	Outreach Programs Specialist			0.22	\$19.00	0.02	\$19.48				
45010012	Outreach Programs Specialist					0.11	\$21.00	0.39	\$21.53	0.47	\$21.53
45010039	Information Specialist	0.99	\$24.26	1.00	\$24.75	0.66	\$25.37				
45010040	Office Technician	0.30	\$14.42	0.33	\$14.71	0.42	\$15.08				
45010058	Outreach Programs Specialist					0.02	\$19.00	1.00	\$20.06	1.00	\$20.06
45010065	Office Technician	0.38	\$14.42	0.42	\$14.71	0.17	\$15.08				
45010058	Outreach Programs Specialist			0.82	\$18.00						
45010064	Outreach Programs Specialist									0.04	\$21.00
Not Listed	Title Not Listed									0.02	\$21.00
45010057	Outreach Programs Specialist									0.04	\$21.00
45010027	Outreach Programs Specialist							0.19	\$18.00	0.41	\$18.00
45010056	Office Technician							0.52	\$15.00	0.65	\$15.00
45010061	Program Manager	1.00	\$22.83	0.99	\$24.50	0.98	\$25.11	0.99	\$25.74	1.00	\$25.74
45010055	Deputy Director							0.61	\$59.95	1.00	\$59.95
45010001	Outreach Programs Specialist					0.02	\$18.00	0.43	\$18.45	0.52	\$18.45
45010064	Outreach Programs Specialist					0.42	\$19.00	0.97	\$21.04	0.81	\$21.04
45010059	Office Technician	0.19	\$14.42								
45010052	Research Assistant	0.06	\$11.77								
45010036	Program Manager					0.53	\$21.00	0.95	\$23.68	1.00	\$26.00
45010038	Deputy Director	0.99	\$40.32	1.00	\$42.63	1.00	\$43.70	1.02	\$44.79	1.01	\$44.79
45010060	Program Manager	1.00	\$22.83	1.00	\$23.29	1.00	\$23.87	1.01	\$25.69	1.00	\$27.00
45010050	Outreach Programs Specialist	0.52	\$21.00								
45010039	Program Manager							0.98	\$30.00	0.60	\$30.00
45010050	Program Manager	0.21	\$18.00	0.96	\$20.00	1.00	\$22.62	0.98	\$23.19	0.72	\$23.19
45010056	Office Technician	0.67	\$14.42								
45010058	Outreach Programs Specialist	0.86	\$20.00								
45010058	Outreach Programs Specialist					0.81	\$19.00				
45010001	Outreach Programs Specialist	0.13	\$18.00								
45010048	Program Manager	1.04	\$22.55	0.93	\$23.00	0.88	\$23.58				
45010057	Outreach Programs Specialist			0.02	\$19.00						
45010064	Outreach Programs Specialist	0.43	\$17.00	0.95	\$17.34	0.28	\$17.77				
45010057	Outreach Programs Specialist	0.50	\$19.38								
45010057	Outreach Programs Specialist	0.04	\$18.00								
JWE Total FTE/Annual Cost incl. Benefits		11.15	\$764,500.00	10.03	\$756,300.00	9.14	\$866,900.00	12.13	\$1,120,600.00	11.79	\$1,108,600.00
Average Cost per FTE incl. Benefits		\$68,565.02		\$75,403.79		\$94,846.83		\$92,382.52		\$94,028.84	
Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
JWF Military Affairs											
45010049	Research Assistant	0.99	\$17.34	0.19	\$21.20						
45010037	Deputy Director	0.99	\$45.75	1.00	\$46.47	1.00	\$47.84	0.46	\$49.04		
45010007	Deputy Director							0.31	\$49.00	1.00	\$49.00
JWF Total FTE/Annual Cost incl. Benefits		1.98	\$195,400.00	1.19	\$152,200.00	1.00	\$140,300.00	0.77	\$116,200.00	1.00	\$148,500.00
Average Cost per FTE incl. Benefits		\$98,686.87		\$127,899.16		\$140,300.00		\$150,909.09		\$148,500.00	
JWG Transportation to Memorials											
No Personnel											

Employee PIN	Title	FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
		FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate	FTE	Rate
2380 Nursing Homes											
45010033	Nursing Home Officer									0.81	\$39.50
45010033	Nursing Home Officer							0.37	\$50.00	0.03	\$50.00
45010026	Nursing Home Officer			0.50	\$36.00	1.00	\$38.38	1.00	\$39.34	1.00	\$39.34
45010007	Deputy Director							0.18	\$49.00		
45010033	Nursing Home Officer	1.00	\$44.05	0.83	\$44.93			0.24	\$49.00	0.04	\$49.00
45010008	Deputy Director	1.00	\$47.80	1.01	\$48.76	1.00	\$50.98	1.02	\$56.00	1.01	\$56.00
45010008	Deputy Director	1.02	\$54.44	1.02	\$57.06	1.01	\$58.49	0.40	\$59.95		
45010062	Nursing Home Officer	0.90	\$38.50	1.00	\$41.19	1.00	\$43.49	1.00	\$44.58	1.00	\$44.58
45010022	Nursing Home Officer	0.20	\$38.78			0.12	\$42.50	1.01	\$43.56	0.99	\$43.56
45010022	Nursing Home Officer	0.02	\$35.00	0.99	\$37.49	0.83	\$38.43				
45010022	Nursing Home Officer	1.00	\$45.90	0.04	\$46.82						
2380 Total FTE/Annual Cost incl. Benefits		5.14	\$731,200.00	5.39	\$752,600.00	4.96	\$703,500.00	5.22	\$779,300.00	4.88	\$696,700.00
Average Cost per FTE incl. Benefits			\$142,256.81		\$139,628.94		\$141,834.68		\$149,291.19		\$142,766.39
DVMA Total FTE/Annual Cost incl. Benefits		30.70	\$2,640,400.00	30.74	\$2,780,800.00	28.13	\$2,800,900.00	31.99	\$3,226,200.00	30.86	\$3,144,100.00
Average Cost per FTE incl. Benefits			\$86,006.51		\$90,461.94		\$99,569.85		\$100,850.27		\$101,882.70
Percent Change Cost per FTE vs Prior Year					5.2%		10.1%		1.3%		1.0%

Analysis of Personnel Services Costs:

- In the Operating and Capital Budget, the average hourly rate in FY 2021 was \$26.59. The average cost per FTE was \$94,200, an increase of 3.1% over FY 2020 and an increase of 26.1% over the FY 2017 average of \$74,700.
- In the Expendable Funds Budget (Nursing Homes), the average hourly rate in FY 2021 was \$46.00. The average cost per FTE was \$142,800, a decrease of 4.4% over FY 2020 and practically unchanged from the FY 2017 average of \$142,300.
- In the total agency budget, the average hourly rate in FY 2021 was \$29.75. The average cost per FTE was \$101,900, an increase of 1% over FY 2020 and an increase of 18.5% over the FY 2017 average of \$86,000.

Average Compensation per FTE				Change	Change
	FY 2017	FY 2020	FY 2021	FY20-21	FY17-21
Operating and Capital	\$74,694.84	\$91,404.56	\$94,203.23	3.1%	26.1%
Expendable Funds	\$142,256.81	\$149,291.19	\$142,766.39	-4.4%	0.4%
Total	\$86,006.51	\$100,850.27	\$101,882.70	1.0%	18.5%

- Each nursing home is overseen by one Nursing Home Officer with no additional state employees. Nursing home operations are managed under contract with Avalon Health Care.
- In FY 2021, the agency had four Deputy Directors with an average hourly rate of \$52.44. Including the Executive Director, the five directors comprise 16% of the agency staff.
- The DVMA has accurately budgeted for Personnel Services since FY 2017. The following table compares budgeted Personnel Services costs to actual costs. While actual costs in FY 2017 were \$269,700 higher than budgeted, or 11.4% higher, beginning in FY 2018 actual costs have varied from the budget by 5.5% or less.

Comparison of Budgeted Personnel Services to Actual Costs									
FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
Base	2,214,600	Base	2,806,000	Base	2,704,800	Base	2,850,000	Base	3,058,600
Final Approp	2,370,700	Final Approp	2,885,800	Final Approp	2,863,000	Final Approp	3,058,600	Final Approp	3,075,700
Actual	2,640,400	Actual	2,780,800	Actual	2,800,900	Actual	3,226,200	Actual	3,144,100
Over (Under)	269,700	Over (Under)	(105,000)	Over (Under)	(62,100)	Over (Under)	167,600	Over (Under)	68,400
% Over (Under)	11.4%	% Over (Under)	-3.6%	% Over (Under)	-2.2%	% Over (Under)	5.5%	% Over (Under)	2.2%

DVMA ACCOUNTABLE BUDGET REVIEW

Five-Year History of All Expenditures by Vendor

The following table is a five-year history of expenditures sorted by vendor. Items highlighted in yellow and green are further explained in the notes, with green indicating legislatively required pass-through items to entities outside DVMA.

Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
1073849 Ontario Limited	8,640.44				
4 Paws 4 Patriots		500.00			
Ace's Spray Tree & Lawn Care	6,000.00	6,000.00	4,500.00		
Acierto LLC		12,597.14			
ACTIVE RE ENTRY		50,000.00	50,000.00		
ADVANCED LIGHTING INC		19,332.00			
Al Steven Yardley	19,600.00	27,200.00	28,800.00	7,200.00	
Ala Ivie				150.00	75.00
Alana Marie Sparkman		1,012.92			
Alexander Jordan Neville			91.80	174.47	
Alexia Adair	75.00				
ALIITASI			1,390.00		
Allstate Medical		3,610.00			
ALPINE LOCK LLC			81.00		
ALTERNATIVE ACOUSTICS, INC.			2,860.00		
ALWAYS ON GUARD SELF STORAGE	192.10	670.00	750.00	130.00	
AMERICAN LEGION (Note 1)	27,266.67	16,200.00	16,200.00	12,150.00	18,900.00
AmeriGas	9,388.86	11,520.82	12,282.73	8,680.28	12,536.77
Amy Duffy LLC	10,000.00		10,000.00	10,000.00	10,000.00
April Keil				2,100.00	
Aquatic Evolution, LLC					8,130.78
Arnold Warner				38.98	
Asco Pacific Supply	1,454.62	1,480.67	3,013.55	2,292.84	3,533.51
Association of Defense Communitites		811.00	1,540.00		
Audio Systems Group	1,641.00	655.00	2,324.00	315.00	
Avalon Care Center [SLC] (Note 2)	20,203,724.94	5,819,955.60	6,653,356.50	6,119,037.49	6,786,733.94
Avalon Care Center VA Ivins, LLC	985,747.70	7,305,728.26	8,832,501.66	8,956,677.94	10,134,754.46
Avalon Care Center-VA Ogden, LLC	1,163,919.78	6,872,689.96	9,265,987.28	9,113,896.28	10,829,839.84
Avalon Care Center-VA Payson, LLC	1,139,298.42	7,295,325.50	8,844,999.07	8,581,210.16	9,466,195.10
BARTOK CONTROLS		823.43	214.00		1,641.17
BENSONS TROPHIES & PLAQUES INC	453.29				
BERNI JO DAVIS	5,493.18	5,051.87	1,987.69	2,163.85	33.18
BINTZ INC	5,416.15		5,124.44		7,670.39
BLUEFIN OFFICE GROUP				6,416.68	
BLUFFDALE CITY	4,846.78	6,227.78	4,517.50	6,029.90	5,130.85
Bob Pagnani		1,000.00			
BRADY INDUSTRIES	4,325.00		14,671.79	18,166.79	3,463.60
BRIAN GARRETT				1,376.76	1,844.75
C3, INC				14,313.77	
CENTURY EQUIPMENT CO INC	1,675.92	4,186.81	2,722.82	5,340.90	6,992.71
CHARTWELLS DINING SERVICES			128.58		
CHORAL ARTS SOCIETY OF UTAH				2,000.00	2,500.00
CINTAS	1,332.69	914.37	1,005.34	1,063.15	1,148.55
Clark Equipment Company				4,879.10	
CODALE ELECTRIC SUPPLY INC	682.86				
COLONIAL FLAG AND SPECIALTY CO	986.10	1,435.00	673.40	1,733.70	2,804.00
CORY L PEARSON	2,070.43	1,478.95	3,797.49	3,908.44	
Courtney Donald Pendleton	2,158.68	1,001.08	1,220.83	759.78	
CP Flooring LLC				41,913.07	818.45
DataSpec, Inc.			500.00		
DataWorks Plus					5,100.00
David J. Chappuies					800.00
David Lee Tomczak		7.25			
David Phillips					950.00

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Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
DAVID SALGADO	4,316.55	2,670.89	2,868.09	1,695.62	159.74
DAVIS CHAMBER OF COMMERCE		125.00			
DAVIS TECHNICAL COLLEGE			23,320.00	31,000.00	17,000.00
DENNIS MCFALL	8,401.51	5,954.95	5,113.63	2,882.71	941.66
Department of Utah Military Order of the Purple Heart			1,639.40		
Department of Veterans Affairs (Note 3)	1,416.81				
DEPTMENT OF VETERANS AFFAIRS CARE OF AGENT CASHIER (Note 4)					181,636.20
DESERET NEWS PUBLISHING COMPANY					2,040.00
Designing Spaces LLC		54,700.00	2,500.00		
DIAMOND RENTAL INC	1,198.68	-	1,172.73	-	
DIRECT SUPPLY INC				7,425.61	
Dixie State University	2,000.00	34,975.60	32,043.00	9,586.96	19,000.00
Dorman J Smith	1,000.00	1,000.00	1,100.00	1,000.00	2,000.00
DOUBLE U INC	1,325.00				
DOUG SWENSON	130.00				
DS SERVICES OF AMERICA, INC	1,407.85	1,418.41	822.85	733.49	547.55
DVA SALT LAKE CITY HEALTH CARE SYSTEM (Note 5)					(542,322.00)
Edwin Lawrence Frederick	1,489.07	1,123.74	2,678.28		
Elliott Auto Supply				4,099.25	
EMERY CO CLERK	800.00				
ENTERPRISE HOLDINGS, INC	165.95		32.43	656.16	642.61
ENTERPRISE RENT A CAR	1,214.19	1,216.12	1,399.51		
Erin Jo Wynn	1,267.30				
ESI MANAGEMENT GROUP	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
FIRE PROTECTION SERVICE CORPORATION	768.00	780.00	207.00		
Fitlogistix LLC					11,848.28
FIVE COUNTY ASSOCIATION OF GOVERNMENTS (Note 6)				17,797.33	20,700.00
Five Star Golf, Inc.		359.00			
FRANK N MURDOCK JR		1,000.00			
FRIENDS OF TRACY AVIARY		60.00			
Friends of Veterans Treatment Court		10,206.00			
GANNETT CORP	1,097.53				
Gary Charles Stearman	546.72	374.80			
Gary J. Stolz		500.00			
GARY R HARTER	4,563.11	6,155.81	7,915.16	2,431.99	387.20
Gary Schwartz		500.00			
Great Western Landscape, Inc.	625.00	625.00	750.00	750.00	850.00
HARRIS ACQUISITION III LLC	217,001.00				
HD Home Solutions					8,934.00
HEART & SOUL		990.00			
HENRIKSEN BUTLER DESIGN GROUP		813.41		5,064.12	6,790.49
HENRY SCHEIN INC		8,575.00			
Heritage Plumbing Services Inc.			7,656.00		
HIRED GUNS LLC		900.00			
HOBART SALES AGENCY	3,983.00				
Horticultural Group Inc.			3,140.00	4,710.00	7,850.00
Howard Musselman				4,500.00	
HRC CLIMATE SERVICES		2,007.00			
Ian A. Camp	2,400.00	2,200.00	2,000.00	600.00	200.00
Ian J Campbell	24.32				
INDUSTRIAL SUPPLY ATTN VICKI				6,029.12	
INTERMOUNTAIN BOBCAT	2,097.34	1,148.24	213.64		716.86
INTERMOUNTAIN ENVIRONMENTAL INC				2,159.00	
Ivette Amador Orozco			8,800.00	46.33	
J.T Dillard LLC					6,126.00

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Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
JACKSON ROCK SPRINGS STAGES	575.00			1,740.00	1,710.00
Jacqueline Peterson	729.22			1,959.59	
James Carl Bedingfield		6.00			
Jared Apollo Burgamy				28.06	
Jaxen 8, Inc. (Note 7)	24,500.00	19,600.00	24,500.00	24,500.00	19,600.00
JAZZ BASKETBALL INVESTORS INC (Note 8)		2,000.00			
JEFFERSON S BURTON				1,119.36	
JEFFREY B HANSON	1,643.65	2,405.25	1,952.34	3,714.94	1,620.19
JENNICA RAE GRUVER				12.76	
Jennifer Ewald					12,462.82
JMAR Protocol Training & Consulting				1,025.00	
JOHN CHEVALIER COLLISION CENTER		3,971.20			
JOHN PARAS FURNITURE				2,549.85	
Jordan Alexander Brown				81.05	
Joseph Doyle Cornell		293.78			
Julie Anne Hayes	412.12				
KAMS	2,025.00	2,475.00			
KCSG TV	50.00				
Kelsey Price				379.94	
Ken Parker	9,000.00	9,000.00			
Kenneth J. Gunderson		732.00			
KIM WIXON	2,027.40	747.68	-		950.00
King Crichton LLC		1,524.99			
Kristin Michelle Streukens					950.00
KWD LLD FAMILY ENTERPRISES LLC		1,800.00			
LANDWORKS, INC.	900.00				
LARRY DAWSON	313.38				
Larry Hansen				950.00	
LAYTON CITY CORPORATION (Note 9)	75,000.00	25,000.00	125,000.00		
LeeAnn Robinson	49.72				
LEWIS BUS GROUP			469.57		
LINS MARKETPLACE ST GEORGE	221.76				
Lisa Benson	200.00				
LOST IN STITCHES INC	3,290.00				
M5 Investments LLC				287.00	
MABCO Memorial, Inc	-				
Marbella Landscaping					18,582.00
MCKESSON MEDICAL SURGICAL MINNESOTA SUPPLY INC	12,487.16	109,577.13	-	115,656.35	88,993.10
Medical Solutions Inc					16,463.31
Medline Industries Inc	5,683.12	8,313.78	45,032.58		
MEMORIAL ART MONUMENT INC.	400.00	825.00	300.00	100.00	300.00
MENDENHALL EQUIPMENT CO		27,397.00		46,610.00	
METAL ARTS FOUNDRY INC	1,633.00		1,300.00	650.00	1,300.00
Micschliss LLC				392.00	
Mississippi State Veterans Affairs Board	19,200.00				
MITYLITE INC	3,000.00				18,302.00
Mixed Nuts				800.00	450.00
MODERN DISPLAY SERVICE INC	4,856.00	2,235.00	4,709.00	2,281.00	
Monica Rae Mann			398.39	870.56	
NATIONAL ABILITY CENTER (Note 10)	410,450.00	110,000.00	500,000.00	200,000.00	200,000.00
National Association of State Approving Agencies, Inc	1,300.00	1,475.00	1,900.00	1,000.00	600.00
NATIONAL ASSOCIATION OF STATE DIRECTORS OF VETERANS AFFAIRS	800.00	800.00	1,050.00		
NATIONAL ASSOCIATION OF STATE VETERANS HOMES	7,900.00	1,125.00	1,800.00	1,000.00	
New Beginnings Academy				1,271.85	
New Smiles for Veterans (Note 11)				60,000.00	40,000.00

DVMA ACCOUNTABLE BUDGET REVIEW

Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Newspaper Agency Company LLC	10,325.00	4,000.00	9,864.69	6,000.00	
Nolen Wayne Jackson	10,000.00	600.00			
NORTHWEST CASCADE INC			245.00	-	
NuStep		3,992.00	3,390.36		
Office of Sponsored Projects University of Utah	144,474.50	7,500.00	-	-	94,057.00
OGDEN PUBLISHING CORP	1,056.87				
OGDEN WEBER CHAMBER OF COMMERCE	225.00	225.00	225.00	225.00	225.00
OKLAND CONSTRUCTION COMPANY INC	41,872.38				
Parris RV Inc (Note 12)					24,244.00
Paul Brewer	250.00				
Paul W. Draper					750.00
PcardIAT	91,787.58	123,175.35	65,996.23		
Phillip Terry Dunne		500.00			
PICARD CORP	1,688.90	777.50	747.04	1,019.69	
PINUPS FOR PATRIOTS INC.	400.00				
POWERLINE INDUSTRIES, INC.		2,283.06			
Premier Medical Distribution			13,370.00		
Professional Plumbing Systems	-				
Raitos Lynn Archuleta	110.67	131.60	49.13	144.00	
RCD Holdings Inc	2,875.95	-			
RHI, LLC					3,360.00
Rhino Laundry & Dry Cleaning Specialists LLC			12,289.02		6,396.25
RICHARD H MCMULLIN (Note 13)	51,350.00	47,400.00	50,400.00	50,400.00	50,400.00
RIVERTON LUMBER & HARDWARE	2,217.84	1,149.56	910.82	1,171.00	1,458.43
Robert Dale Pagnani					950.00
ROCKY MOUNTAIN POWER & LIGHT PORTLAND	16,206.10	15,208.17	13,043.89	10,946.26	14,671.64
Ronald H Olson		1,000.00			
Ronald Theron Keil	4,075.00				
ROYCE INDUSTRIES				710.00	
Rumbi Island Grill			3,497.50		
SALT LAKE CHAMBER	3,225.00	4,500.00	3,500.00	5,650.00	
Salt Lake Community College	48,150.00	46,805.00	16,937.80	23,463.30	17,492.00
SALT LAKE TOOEELE A T C	1,000.00				
Satcom Global Inc	4,033.99	5,080.87	4,838.26	5,440.78	6,201.09
Scott Nicholson				800.00	
Seasons Greeting Light Design LLC					12,461.29
SelfServiceCopiers	7,606.45	5,454.02	4,331.85	3,179.87	344.54
Senior Care Pharmacy of the West (Note 14)	181,040.27				
Sharmack Enterprises, Inc.				1,000.00	
Sharon Hopkins	920.00	460.00			
SHAW INDUSTRIES		17,114.42			
Siva Pasefika		2,500.00			
SKY TECHNOLOGIES INC		30,446.99			
SKYLINE TILE INC			175.00	-	
SLCO SO TOWNE EXPOSITION CTR		1,680.25	1,701.00	2,521.13	
SNOW CANYON HIGH SCHOOL	300.00				
SNOW COLLEGE COMPTRROLLER		375.00			
South Towne Expo Center	3,083.75				
SOUTHERN UTAH UNIVERSITY	50,300.00	34,977.83	37,571.05	29,400.00	27,000.00
SPEEDS POWER EQUIPMENT	2,098.66	1,703.23	171.60	307.72	988.61
Sprinkler Service Pro LLC				15,800.40	
SPRINKLER SUPPLY CO WEST JORDAN	2,601.69	3,019.68	1,425.11	4,655.44	5,619.77
SPY HOP PRODUCTIONS, INC.				2,985.00	2,540.00
SRC CORP	510.77			461.56	773.75
Stacy L Amidan				1,200.00	

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Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Stainless Steel Specailists				3,806.40	
STAN BONHAM COMPANY INC	2,680.94	28,173.30	40,859.43	11,710.64	269.31
Stanley Access Tech	3,800.00				
State of AK Department of Administration (Note 15)		19,200.00			
StateMail	8,197.82	5,407.41	4,745.84	3,804.64	2,513.80
STEADMANS RECREATION INC			7,499.00		
STEP SAVER INC.					193.55
Stephanie Reeder	-	2,079.85	-	1,016.09	15.50
STORY ROCK INC		51,996.00			
SUPERIOR CARE PHARMACY INC (Note 16)	229,537.84	336,792.16	287,207.88	186,644.05	165,509.61
SURVEY MONKEY.COM				2,700.00	
SYMBOL ARTS LLC	5,895.00	5,540.00	1,301.00	994.50	
Terry Schow			49.98		
The Fitness Outlet				5,983.00	
The Proper Way LLC				1,300.00	
The Salt Lake Tribune, Inc.					5,000.00
THE UNIVERSITY OF UTAH	28,786.00	27,887.20	17,820.00		
THE VOICE OF POLYNESIA LLC	900.00	-			
Thomas Petroleum, LLC	3,830.03	3,307.96	5,796.15	2,517.74	4,733.02
Thunderslap Investments, LLC			2,987.50	5,500.00	
Tonilee B Jackson		750.00	750.00	750.00	
Tony D Moore	2,047.51	622.96	2,582.07	2,492.35	143.75
Toro Company	119.40	119.40	119.40		
TOWN & COUNTRY FLOORING CO		25,620.38	41,850.99	108,916.31	
TROPHIES INC		321.78			
TROXELL COMMUNICATIONS INC		11,007.98			
TV SPECIALISTS INC				9,210.40	3,270.98
Tyco Fire & Securty (US) Management, Inc.			28,626.00		
UMB BANK NA	9,268.07				
UNITED SERVICE & SALES INC	469.95			7,176.59	1,315.09
UOFU DAVID ECCLES SCH OF BUSS. (Note 17)					26,435.27
UTAH DEFENSE ALLIANCE INC (Note 18)	650,000.00	650,000.00	650,000.00	555,943.00	650,000.00
UTAH DISASTER KLEENUP			1,000.00		
Utah Elks Veterans Programs					8,000.00
Utah Golf Foundation (Note 19)	-	-	50,000.00	-	30,000.00
Utah Honor Flight (Note 20)	15,000.00				
UTAH HOUSING CORPORATION				2,500.00	
Utah National Guard Charitable Trust		5,000.00	5,000.00	5,000.00	
UTAH STATE FAIRPARK UTAH STATE FAIR CORP	1,000.00				
UTAH STATE UNIVERSITY	47,300.00	40,590.00		59,675.00	
UTAH TRANSIT AUTHORITY	2,175.00				
UTAH VALLEY TURF FARMS	6,174.00	2,704.00	4,551.00	5,493.00	4,180.00
UTAH VALLEY UNIVERSITY	21,000.00	26,041.00	33,704.00	29,400.00	22,000.00
Utah Wilbert Vault Company		95.00			
Valley Material	12,050.00				
VERIZON WIRELESS	11,532.45	12,290.36	11,330.38	12,944.22	15,407.79
Veronica Lynn Estrada	-		3,467.56	1,947.62	342.12
Vetcom LLC	24,000.00	-			
Veterans Hall Foundation (Note 21)	75,000.00	25,000.00			
VETERANS OF FOREIGN WARS	16,583.30	20,433.32	19,400.00	19,400.00	14,400.00
W W GRAINGER INC			8,167.78	142,003.15	52,921.19
W. Todd Hansen	3,995.85	11,103.47		1,066.49	1,450.00
WASATCH SHADOWS INC	84.00				
WASTE MANAGEMENT OF UTAH	2,309.60	2,486.68	2,446.14	2,693.24	3,196.08
WAVE PUBLISHING	472.00				

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Vendor	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
WAXIE SANITARY SUPPLY					356.64
WAXIES ENTERPRISES INC			844.82	895.39	
Weber State University	50,000.00	18,866.08		16,000.00	5,000.00
WELBY JACOB WATER USERS CO	444.00	497.00	510.25	962.87	656.00
WESTERN ASSOCIATION OF VETERAN EDUCATION SPECIALISTS		500.00	625.00		
WESTMINSTER COLLEGE	32,000.00	30,057.50	23,320.00	8,800.00	15,300.00
WILLIAM WILKINSON	-				
Wilson Tile LLC				400.00	
WMK Equity Holdings, LLC	4,998.10				
Wounded Combat Veterans of Utah	-	500.00	-	-	-
XCEL General Contracting			11,739.59		
Yellowpix.com		600.00	450.00	900.00	
Zep Lighting LLC					21,400.00
Ziegeweid Enterprises Inc	1,602.57	1,713.06	527.72	1,580.00	1,580.00
No Vendor Listed (Note 22)	2,584,118.53	3,067,634.12	2,966,543.75	5,161,357.03	2,934,307.62
Grand Total	28,996,934.40	32,737,595.69	39,063,028.65	40,048,731.20	41,741,259.75
Notes:					
<u>Description</u>	<u>Appropriation Unit</u>		<u>Funding Source</u>		
1. "Outreach contractor: monthly payment of \$1,350." FY 2017 includes \$10,000 for premium partnership agreement.	Outreach Services		General Fund		
2. Avalon is the veterans homes contract provider.	Veterans Nursing Homes		Federal Funds		
3. Overpayment bills at Southern Utah Veterans Home (\$1,023.80) and Salt Lake Veterans Home (\$393.01). Federal Funds.	Veterans Nursing Homes		Federal Funds		
4. Central Utah Veterans Home debt: October 2018 basic per diem.	Veterans Nursing Homes		Federal Funds		
5. Avalon's "excess payments" back. See also note 23.	Veterans Nursing Homes		Federal Funds		
6. "Outreach contractor: monthly payment of various amounts dependent upon work done that month for 14 months."	Outreach Services		General Fund		
7. "Cemetery needs: quarterly grounds fertilize/weed control treatments @ \$4,900 each."	Veterans Cemetery		General Fund/Federal Funds/Dedicated Credits		
8. "16/17 LHMS&E Corp Partnership: Bees Sponsor Night."	Administration		General Fund		
9. Legislative pass-through funding for Replica Vietnam Wall in Layton City. Total of \$225,000 appropriated one-time.	Administration		General Fund		
10. Legislative pass-through funding for National Ability Center. Total of \$1,200,000 appropriated one-time and \$200,000 ongoing. Another \$1.0 million appropriated one-time in FY22.	Administration/Outreach Svcs		General Fund		
11. Legislative pass-through funding for New Smiles for Veterans. Ongoing appropriation of \$60,000 with a one-time decrease of \$20,000 in FY21.	Outreach Services		General Fund		
12. "Southern Utah Veterans Home: COVID19 trailer/workspace."	Veterans Nursing Homes		Federal Funds		
13. "Outreach contractor: monthly payment \$4,200".	Outreach Services		General Fund		
14. "Monthly Rx payments for all 4 veterans homes (Jun-Nov 2016 only; other months paid under vendor name change - see 'Superior Care Pharmacy Inc' - Note 16); each home and each payment varies month by month dependent on patient pharmacy needs."	Veterans Nursing Homes		Federal Funds		
15. "State of AK: VIS database project contract payment for FY17." The VA Vendor Inquiry System (VIS) is an external web application that allows registered vendors/community providers to research the status of claims received by VA.	Administration		General Fund		
16. "Monthly Rx payments for all 4 veterans homes (see also note 14); each home and each payment varies month by month dependent upon patient pharmacy needs."	Veterans Nursing Homes		Federal Funds		
17. "Outreach: Veteran Support Ctr, UofU"	Outreach Services		General Fund		
18. Legislative pass-through funding for Utah Defense Alliance. Ongoing appropriation of \$650,000.	Military Affairs		General Fund		

DVMA ACCOUNTABLE BUDGET REVIEW

Description	Appropriation Unit		Funding Source		
19. Legislative pass-through funding for Utah Golf Foundation's Veterans on Course. Total of \$80,000 appropriated one-time.	Administration		General Fund		
20. Legislative pass-through funding for Utah Honor Flight. Total of \$15,000 appropriated one-time.	Administration		General Fund		
21. Legislative pass-through funding for Veterans Memorial Hall in West Valley City. Total of \$100,000 appropriated one-time.	Administration		General Fund		
22. Non-vendor payment breakdown:	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Personnel Costs (Excluding Active Reentry vendor in FY2019)	2,640,400.00	2,780,800.00	2,750,900.00	3,226,200.00	3,144,100.00
Travel	200.00	(100.00)	2,300.00	15,400.00	600.00
Current Expenses (Note 23)	(647,900.00)	(790,500.00)	(870,600.00)	499,500.00	(4,020,500.00)
Data Processing	231,400.00	151,800.00	286,300.00	285,800.00	334,900.00
Capital Outlay	(51,600.00)	(30,400.00)		(200.00)	
Pass-Thru/Other Transfers/Direct Payments:					
First Time Homebuyer Program (Note 24)			500,000.00	565,000.00	
Special Group License Plate Orders	29,500.00				
Transfer to DHA/State History for FY19 WWI project (Note 25)		44,600.00	30,400.00		
Veterans Cemetery & Memorial Park Site Improvements		2,600.00	67,200.00	277,600.00	3,146,600.00
Accelerated Credentialing to Employmt (ACE) Program DHS (Note 26)	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00
GOED Agreement (Note 27)	120,000.00	80,000.00		80,000.00	80,000.00
Ogden Veterans Home Memory/MultiPurpose Rm	32,900.00	455,400.00	100.00		
Other Veterans Homes Improvements	29,500.00	164,500.00			46,300.00
Ogden Veterans Home Adult Day Care Health Care Feasibility Study				12,000.00	2,400.00
Reimburse State Parks for Veterans Video		9,100.00			
Subtotal Pass-Thru/Other Transfers/Direct Payments	411,900.00	956,200.00	797,700.00	1,134,600.00	3,475,300.00
Total No Vendor Listed	2,584,400.00	3,067,800.00	2,966,600.00	5,161,300.00	2,934,400.00
23. These current expenses, although no vendor is noted, include reimbursements of "excess payments" to Avalon, the contract provider at the Veterans Homes. Under the contract, any net equity that exceeds thirty days of working capital must be returned to DVMA. The distribution was higher in FY21 due to a timing change in accounts receivable.	Multiple		Multiple		
24. Legislative pass-through funding for Veterans First-time Homebuyer program. Total of \$500,000 appropriated per year.	Administration		General Fund		
25. Legislative pass-through funding for Utah World War I Centennial Commission. Total of \$75,000 appropriated one-time.	Administration		General Fund		
26. The ACE program is an employment program with DWS that includes veterans, currently serving military, and their families. It closes the final gap to hiring and can provide specialized training, tools, clothing, etc.	Outreach Services		General Fund		
27. Funds sent to GOED are for the Veterans Business Resource Center as part of their overall Business Resource Center program. SLCC operates the VBRC with one employee.	Outreach Services		General Fund		

Top Ten Vendors

Top Ten Vendors by Cost in FY 2021	
Vendor	Amount
1 Avalon Care Center-VA Ogden, LLC	10,829,839.84
2 Avalon Care Center VA Ivins, LLC	10,134,754.46
3 Avalon Care Center-VA Payson, LLC	9,466,195.10
4 Avalon Care Center [SLC]	6,786,733.94
5 Utah Defense Alliance	650,000.00
6 National Ability Center	200,000.00
7 Department of Veterans Affairs	181,636.20
8 Superior Care Pharmacy, Inc.	165,509.61
9 Office of Sponsored Projects UofU	94,057.00
10 McKesson Medical Surgical	88,993.10
Total, Top Ten Vendors	38,597,719.25

Avalon Health Care accounts for \$37.2 million, or 96%, of the total \$38.6 million spent in the top ten vendors. Further, Avalon accounted for 89% of total DVMA expenditures of \$41.7 million in FY 2021. Avalon is the contractor that operates the veterans nursing homes and is paid with federal funds. It should be noted that Avalon refunded portions as shown in notes 5 and 23; however, these numbers emphasize that most spending in the DVMA is federal funds in the veterans nursing homes.

FUNDING SOURCES

General Fund

The Legislature appropriated \$3,709,700 to DVMA in FY 2021: \$3,691,400 ongoing and \$18,300 one-time. In addition, the DVMA carried forward \$309,400 in the Operating and Capital Budget from FY 2020, most of which is likely from the General Fund. Summed together, the approximate General Fund amount available in FY 2021 was \$4,019,100. Because the General Fund is the Legislature’s most flexible funding source and the primary source it uses to fulfill its policies in DVMA, this report estimates how the agency expended its General Fund appropriations in FY 2021. The state’s accounting system does not precisely track expenditures by revenue source, but based on where funds were appropriated, it is possible to provide the following estimate.

Uses of General Fund in FY 2021 (Approximate Amounts)							
	JWA	JWB	JWD	JWE	JWF	JWG	
	Admin	Cemetery	SAA	Outreach	Mil Aff	Transp	Total
Personnel Services	559,000	302,000	0	1,109,000	149,000	0	2,119,000
In-State Travel	1,000	0	0	0	2,000	0	3,000
Out-of-state Travel	0	0	0	0	0	0	0
Current Expenses	(25,000)	142,000	0	145,000	2,000	0	264,000
Data Processing Curr Exp	89,000	24,000	0	73,000	4,000	0	190,000
Pass-through	30,000	0	0	471,000	754,000	0	1,255,000
Subtotal	654,000	468,000	0	1,798,000	911,000	0	3,831,000
Unexpended	94,000	(65,000)	0	164,000	(5,000)		188,000
Total	748,000	403,000	0	1,962,000	906,000	0	4,019,000

Legislatively Required Pass-through Funding

The DVMA budget includes the following legislatively required and other notable pass-through items to other organizations:

DVMA Pass-Through Expenditures							
Entity	Description	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Legislative Initiatives:							
Dept. of Workforce Services	First-time Homebuyer Program			500,000	567,500		500,000
Heritage and Arts	WWI Centennial Commission		17,500	30,400			
Layton City	Vietnam War Memorial Wall	75,000	25,000	125,000			
National Ability Center	Facilities expansion and operation	400,000	100,000	500,000	200,000	200,000	1,200,000
New Smiles for Veterans	Outreach services				60,000	40,000	60,000
State History	WWI Centennial Commission		27,100				
UofU Sponsored Projects	Research				94,100		
Utah Defense Alliance	Contract payments	650,000	650,000	650,000	555,900	650,000	650,000
Utah Golf Foundation	Veterans' programs pass-through			50,000		30,000	
Utah Honor Flight	Utah Honor Flight	15,000					
Veterans Hall Foundation	Building construction costs	75,000	25,000				
Western Regional Partnership	Annual Dues	10,000	10,000	10,000	10,000	10,000	10,000
Total Legislative Initiatives		1,225,000	854,600	1,865,400	1,487,500	930,000	2,420,000
Other Notable Items:							
DWS "ACE" Program	Accel. Credentialing to Employment	200,000	200,000	200,000	200,000	200,000	
GOED (GOEO)	Veteran Business Resource Center	120,000	80,000		80,000	80,000	
UofU Sponsored Projects	Research	144,500	7,500				
Universities and Colleges	Student Veteran Support	249,300	258,200	184,700	207,300	149,200	
Veterans Cemetery	Site Improvements/Expansion		2,600	67,200	277,600	3,146,600	
Grand Total, All Other Charges/Pass-Through		2,073,800	2,095,800	2,331,300	2,192,100	4,658,100	

In FY 2021, legislative initiatives accounted for \$930,000 of the approximately \$1.3 million General Fund spent by the agency on pass-through items, the second-largest General Fund expenditure in the agency next to Personnel Services. The FY 2022 budget has \$2,420,000 set aside for legislative initiatives. Because these pass-through items are not used by the agency, they may make the agency budget appear larger than what the agency uses for its internal operations.

We recommend that the Legislature create a new pass-through line item in DVMA’s budget to separately track appropriations for pass-through to other entities versus appropriations intended for agency operations.

General Fund Compound Annual Growth Rate Compared to Population and Inflation

Volatility of one-time General Fund appropriations for pass-through items makes calculating a compound annual growth rate (CAGR) difficult for comparison the population and inflation. However, the following numbers give some perspective:

Between FY 2016 and FY 2020, the agency’s CAGR for all General Fund appropriations was 8.06%, compared to population at 1.71% and inflation at 1.71%. One-time General Fund appropriations in FY 2020 for the First-Time Homebuyer program caused the spike in the General Fund CAGR.

Between FY 2017 and FY 2021 (in FY 2021 the one-time General Fund appropriation for the First-Time Homebuyer program dropped off), the CAGR for all General Fund appropriations was 0.04%, compared to population at 1.59% and inflation at 1.74%.

After stripping out all the General Fund appropriations made for legislatively required pass-through items, between FY 2017 and FY 2021, the CAGR for remaining General Fund appropriations was 2.91%, compared to population at 1.59% and inflation at 1.74%.

General Fund Appropriations Returned

On three separate occasions in the past six years, the department has returned efficiency savings to the General Fund. While the agency had the option to keep these funds as a nonlapsing balance, they chose to return them.

Fiscal Year	Amount Returned
2016	\$197,000
2018	\$80,000
2019	\$103,700

Federal Funds

Three programs receive federal funds: Cemetery, State Approving Agency, and Veterans Nursing Homes. As shown in the tables at the beginning of this report, over the past five years the amount of federal funding has increased rapidly, like other state programs during the COVID-19 pandemic.

Five Year History of Federal Funds in DVMA					
	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Operating and Capital	430,000	521,000	457,000	3,410,700	1,966,000
Expendable Funds	26,956,000	35,819,000	33,962,000	35,080,500	40,647,000
Total	27,386,000	36,340,000	34,419,000	38,491,200	42,613,000

The following table provides detail on FY 2021 federal funds, broken down by grant type, requested amount, appropriated amounts, and actual collections.

FY 2021 Federal Funds in DVMA							
Program	Federal Grant Requests	Request Amount	Base Appropriation	ISF/Comp Adjustments	2021 GS* Supplemental	Total Appropriated	Actual Collected
JWB - Cemetery							
	Veterans Burial Allowance/Expansion	410,900	410,900	3,200	2,989,400	3,403,500	3,215,000
JWD - State Approving Agency							
	State Approv Agcy for Vet Educ	260,700	260,700	2,900	(100)	263,500	195,700
Subtotal - Operating and Capital		671,600	671,600	6,100	2,989,300	3,667,000	3,410,700
2380 - Veterans Nursing Homes (Expendable Funds)							
	Vet State Nursing Home Care/Prescription	40,462,400	40,462,400	55,900	6,206,800	46,725,100	35,080,500
Grand Total DVMA		41,134,000	41,134,000	62,000	9,196,100	50,392,100	38,491,200
* 2021 GS Supplemental appropriations were for: JWB - Cemetery, \$2,989,400 for current cemetery phase II and III expansion JWD - State Approving Agency, (\$100) for Attorney General ISF Adjustment 2380 - Veterans Nursing Homes, \$4,433,700 ARPA Emergency Payments to Existing State Nursing Homes 2380 - Veterans Nursing Homes, \$1,773,500 Consolidated Appropriations Act Emergency Payments to Existing State Nursing Homes 2380 - Veterans Nursing Homes, (\$400) for Attorney General ISF Adjustment							

During FY 2021, the department collected more federal funds than it spent. While the Nursing Home program collected \$35.1 million, it spent \$34.1 million, most of which was paid to Avalon Health Care, thus increasing the fund balance by over \$1.0 million. The fund balance increased from \$8.3 million to \$9.4 million. Despite the increased precautions taken during the COVID-19 pandemic for which federal fund were appropriated, FY 2021 expenses were consistent with FY 2019 and FY 2020, even slightly lower than FY 2020.

UCA 63J-5-205 allows each line item to spend up to 125% of its federal funds appropriation. DVMA spent 93% in the Operating and Capital line item. The agency collected 75% and spent 73% in the Expendable Funds (Nursing Home) line item; however, expendable funds are not limited by appropriation but rather by actual collections.

Federal Funds for Veterans Cemetery Expansion

During the 2019 General Session, the Legislature adopted intent language allowing the department to apply for a federal grant to expand the veterans cemetery: *The Legislature intends that the Utah Department of Veterans and Military Affairs may apply for a federal grant through the National Cemetery Administration to complete Phases II and III of the existing Cemetery Master Plan for the Utah Veterans Cemetery and Memorial Park in Bluffdale.* During the 2021 General Session, the DVMA received a supplemental appropriation of almost \$3 million from federal funds for phase II and III of the current cemetery expansion.

As the current cemetery is nearing its capacity, the agency reports it is “making progress on adding a second State Veterans Cemetery in the Ogden area. A generous landowner is donating 120 acres of land for the pending site. DFCM is finalizing the title transfer. The National Cemetery Administration (VA) gave approval to submit an application for a grant. The intent is to file a formal application prior to July 1, 2022. The grant will cover the full cost of establishing the cemetery. The State will be responsible for the ongoing operation cost.”

We recommend the Legislature consider a General Fund increase during the 2022 General Session to support operations at the pending new veterans cemetery in Ogden. The amount will be determined later.

Dedicated Credits

Three programs receive dedicated credits: Administration, Cemetery, and Veterans Nursing Homes. As shown in the table below, dedicated credits have declined slightly since FY 2019, due to declining collections in the expendable funds (veterans nursing homes). Collections in the operating and capital budgets have been increasing.

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Approp
Operating and Capital	291,000	309,000	311,000	347,000	308,000
Expendable Funds	201,000	340,000	289,000	110,000	233,000
Total	492,000	649,000	600,000	457,000	541,000

The following table provides detail on FY 2021 dedicated credits, broken down by revenue source, appropriated amounts, and actual collections.

Program	Description	Base Appropriation	ISF/Comp Adjustments	2021 GS Supplemental	Total Appropriated	Actual Collected
JWA - Administration						
	Contributions from Private	199,000			199,000	227,700
JWB - Cemetery						
	Sale of Services	107,200	800		108,000	119,600
Subtotal - Operating and Capital		306,200	800	-	307,000	347,300
2380 - Veterans Nursing Homes (Expendable Funds)						
	Interest/Sale of Surplus/Contributions	232,000	200		232,200	109,900
Grand Total DVMA		538,200	1,000	-	539,200	457,200

In JWA – Administration, private contributions from veterans' special group license plates are deposited as dedicated credits to support veterans' programs. While these dedicated credits are appropriated to and deposited in JWA – Administration, most of them are spent in JWE – Outreach Services. We recommend changing the FY 2023 base budget to move dedicated credits appropriations from Administration to Outreach Services.

In JWB – Cemetery, dedicated credits come from private payments for family burials not eligible for federal benefits.

In 2380 – Veterans Nursing Homes, dedicated credits come from Interest income, sale of surplus property, and private contributions -- \$66,300, \$3,200, and \$40,400 respectively in FY 2021.

UCA 63J-1-105 allows each line item to spend up to 125% of its dedicated credits appropriation. DVMA spent 113% in the Operating and Capital line item. The agency collected and spent 85% in the Expendable Funds (Nursing Home) line item; however, expendable funds are not limited by appropriation but rather by actual collections.

Restricted Account

The 2019 Legislature passed the Transportation of Veterans to Memorials Support Restricted Account Act to raise funds for tax-exempt charitable organizations that have as a primary mission the transportation of veterans to Washington D.C. to visit memorials dedicated to honor the service and sacrifice of veterans. The act created the Transportation of Veterans to Memorials Support Restricted Account and a support special group license plate.

Statute requires the account to be funded by contributions from individuals opting to purchase the special group license plate. This special group license plate is separate from the special group license plate established to support other veteran programs with dedicated credits as mentioned above.

After the account was created in the 2019 General Session, the Legislature created a program in the department’s Operating and Budget line item into which it appropriates proceeds from the account for expenditure. Each year since, the Legislature has appropriated \$12,500 based on the estimated number of license plates that would be ordered. However, to date this program has not had any collections. The Utah Honor Flight organization has been unable to attain the necessary number of license plate pre-paid registrants to activate the provisions of the enabling statute.

We recommend one of the following options:

1. Eliminate the Transportation of Veterans to Memorials Support special group license plate and restricted account and expand the authorized purposes of DVMA’s other special group license plate to allow proceeds to be used for transportation of veterans to memorials;
2. Eliminate the Transportation of Veterans to Memorials Support special group license plate and restricted account and appropriate General Fund instead;
3. Eliminate the Transportation of Veterans to Memorials Support special group license plate and restricted account due to lack of participation, which would not impact the financing status quo, and continue to rely on private donations outside of state government.
4. Maintain the status quo and engage in a public outreach campaign to encourage the necessary number of pre-paid registrants to activate the provisions of the enabling statute.

FY 2021 VEHICLE UTILIZATION

The department operated 20 vehicles in FY 2021, although one of the vehicles was acquired half-way into the fiscal year. The Division of Fleet Operations (DFO) uses a “Minimum Monthly Usage” to help gauge whether any vehicles are underutilized. If a department requests a new vehicle that is the same type of vehicle that is being underutilized, DFO will direct them to use the underutilized vehicle instead of asking for a new vehicle.

As shown below, DVMA’s total vehicle utilization of 121,979 miles exceeded DFO’s minimum standard of 103,806. However, only six vehicles exceeded the minimum standard, and each exceeded the standard by a significant amount. Eleven vehicles had less than the minimum usage. Seven vehicles (highlighted in orange) were utilized less than 50% of the minimum amount, and vehicles highlighted in blue were underutilized by a lesser amount. Several vehicles appear to be severely underutilized, for example, the 2017 Freightliner Sprinter 2500 used at the Salt Lake Nursing Home was at 11% of the minimum and the two Toyota Siennas were at 15% of the minimum.

We recommend that the division review its underutilized vehicles and return as many as possible to the Division of Fleet Operations.

DVMA ACCOUNTABLE BUDGET REVIEW

FY 2021 Vehicle Usage			
<u>County and Vehicle</u>	<u>Minimum Usage</u>	<u>Actual Usage</u>	<u>Program</u>
<u>Salt Lake County</u>			
2003 CHEVROLET SILVERADO 3500	888	391	Cemetery
2007 FREIGHTLINER SPRINTER 2500	6,552	5,381	Nurs Hm
2016 FORD F350 XL	888	1,577	Cemetery
2017 FREIGHTLINER SPRINTER 2500	6,552	703	Nurs Hm
2019 DODGE GR CARAVAN GT	5,436	854	Admin
2019 FORD E450	6,552	838	Nurs Hm
2020 CHEVROLET SILVER 2500 WT	3,276	2,526	Cemetery
Total Salt Lake County	30,144	12,270	
<u>Utah County</u>			
2014 MERCEDES SPRINTER 3500	6,552	10,381	Nurs Hm
2018 TOYOTA SIENNA L	5,436	795	Outrch Svcs
2019 FORD E450	6,552	2,843	Nurs Hm
2019 FREIGHTLINER SPRINTER 2500	6,552	23,408	Nurs Hm
Total Utah County	25,092	37,427	
<u>Washington County</u>			
2014 MERCEDES SPRINTER 3500	6,552	11,125	Nurs Hm
2016 FORD E450	6,552	11,655	Nurs Hm
2019 FORD E450	6,552	10,339	Nurs Hm
Total Washington County	19,656	33,119	
<u>Weber County</u>			
2014 MERCEDES SPRINTER 3500	6,552	6,315	Nurs Hm
2017 FORD E450	6,552	5,847	Nurs Hm
2018 TOYOTA SIENNA L	5,436	836	Outrch Svcs
2019 DODGE GR CARAVAN SE	6,552	17,884	Nurs Hm
2020 FORD TRANSIT T350 XL	3,822	8,281	Nurs Hm
Total Weber County	28,914	39,163	
Grand Total	103,806	121,979	

THREE-YEAR HISTORY OF INTENT LANGUAGE**2019 General Session*****Operating and Capital Budgets:***

The Legislature intends that the Department of Veterans and Military Affairs report by October 15, 2019 to the Executive Appropriations Committee on the following performance measures for the Veterans and Military Affairs line item: (1) Provide programs that assist veterans with filing and receiving compensation, pension, and educational benefits administered by the U.S. Veterans Administration (Target = 5% annual growth); (2) Assist in ensuring veterans are employed in the Utah workforce (Target = Veterans unemployment rate no greater than the statewide unemployment rate); (3) Increase the number of current conflict veterans that are connected to appropriate services (Target = 10% annual increase); (4) Provide veterans with a full range of burial services and related benefits that reflect dignity, compassion, and respect (Target = 95% satisfaction); and (5) Identify, plan, and advise on military mission workload opportunities through engagement with federal and state parties and decision makers (Target = 95%).

Under terms of Section 63J-1-603(3)(a) Utah Code Annotated, the Legislature intends that appropriations provided for the Department of Veterans and Military Affairs in Item 13, Chapter 18, Laws of Utah 2018 not lapse at the close of Fiscal Year 2019. Use of any nonlapsing funds is limited to veterans outreach, cemetery, and First Time Home Buyer Program one-time operations costs.

The Legislature intends that the Department of Veterans and Military Affairs be allowed to increase its vehicle fleet for nursing home operations by up to two vehicles with funding from existing appropriations.

The Legislature intends that the Utah Department of Veterans and Military Affairs may apply for a federal grant through the National Cemetery Administration to complete Phases II and III of the existing Cemetery Master Plan for the Utah Veterans Cemetery and Memorial Park in Bluffdale.

Expendable Funds:

The Legislature intends that the Department of Veterans' and Military Affairs report by October 15, 2019 to the Executive Appropriations Committee on the following performance measures for the Veterans' Nursing Home Fund line item: (1) Occupancy rate (Target = 95% average); (2) Compliance with all state and federal regulations for operations, licensing, and payments (Target = 95%); (3) Best in class rating in all national customer satisfaction surveys (Target = 80%); and (4) Deviations in operations, safety, or payments are addressed within specified times (Target = 95%).

The Legislature intends that the Department of Veterans and Military Affairs be allowed to increase its vehicle fleet for nursing home operations by up to two vehicles with funding from existing appropriations.

2020 General Session***Operating and Capital Budgets:***

Under terms of Section 63J-1-603(3)(a) Utah Code Annotated, the Legislature intends that appropriations provided for the Department of Veterans and Military Affairs in Item 25, Chapter 6, Laws of Utah 2019 not lapse at the close of Fiscal Year 2020. Use of any nonlapsing funds is limited to veterans outreach, cemetery, First Time Home Buyer Program, up to \$50,000 for USS Utah commissioning, and other one-time operations costs.

The Legislature intends that the Department of Veterans and Military Affairs report by October 31, 2020 to the Executive Appropriations Committee on the following performance measures for the Veterans and Military Affairs line item: (1) Provide programs that assist veterans with filing and receiving compensation, pension, and educational benefits administered by the U.S. Veterans Administration (Target = 5% annual growth); (2) Assist in ensuring veterans are employed in the Utah workforce (Target = Veterans unemployment rate no greater than the statewide unemployment rate); (3) Increase the number of current conflict veterans who are connected to appropriate services (Target = 10% annual increase); (4) Provide veterans with a full range of burial services and related benefits that reflect dignity, compassion, and respect (Target = 95% satisfaction); and (5) Identify, plan, and advise on military mission workload opportunities through engagement with federal and state parties and decision makers (Target = 95%).

Under terms of Section 63J-1-603(3)(a) Utah Code Annotated, the Legislature intends that appropriations provided for the Department of Veterans and Military Affairs in Item 25, Chapter 6, Laws of Utah 2019 not lapse at the close of Fiscal Year 2020. Use of any nonlapsing funds is limited to veterans outreach, cemetery, and First Time Home Buyer Program one-time operations costs.

Expendable Funds:

The Legislature intends that the Department of Veterans' and Military Affairs report by October 31, 2020 to the Executive Appropriations Committee on the following performance measures for the Veterans' Nursing Home Fund line item: (1) Occupancy rate (Target = 95% average); (2) Compliance with all state and federal regulations for operations, licensing, and payments (Target = 95%); (3) Best in class rating in all national customer satisfaction surveys (Target = 80%); and (4) Deviations in operations, safety, or payments are addressed within specified times (Target = 95%).

2021 General Session

Operating and Capital Budgets:

Under terms of Section 63J-1-603(3)(a) Utah Code Annotated, the Legislature intends that appropriations provided for the Department of Veterans and Military Affairs in Item 20, Chapter 11, Laws of Utah 2020 not lapse at the close of Fiscal Year 2021. Use of any nonlapsing funds is limited to one-time operations costs.

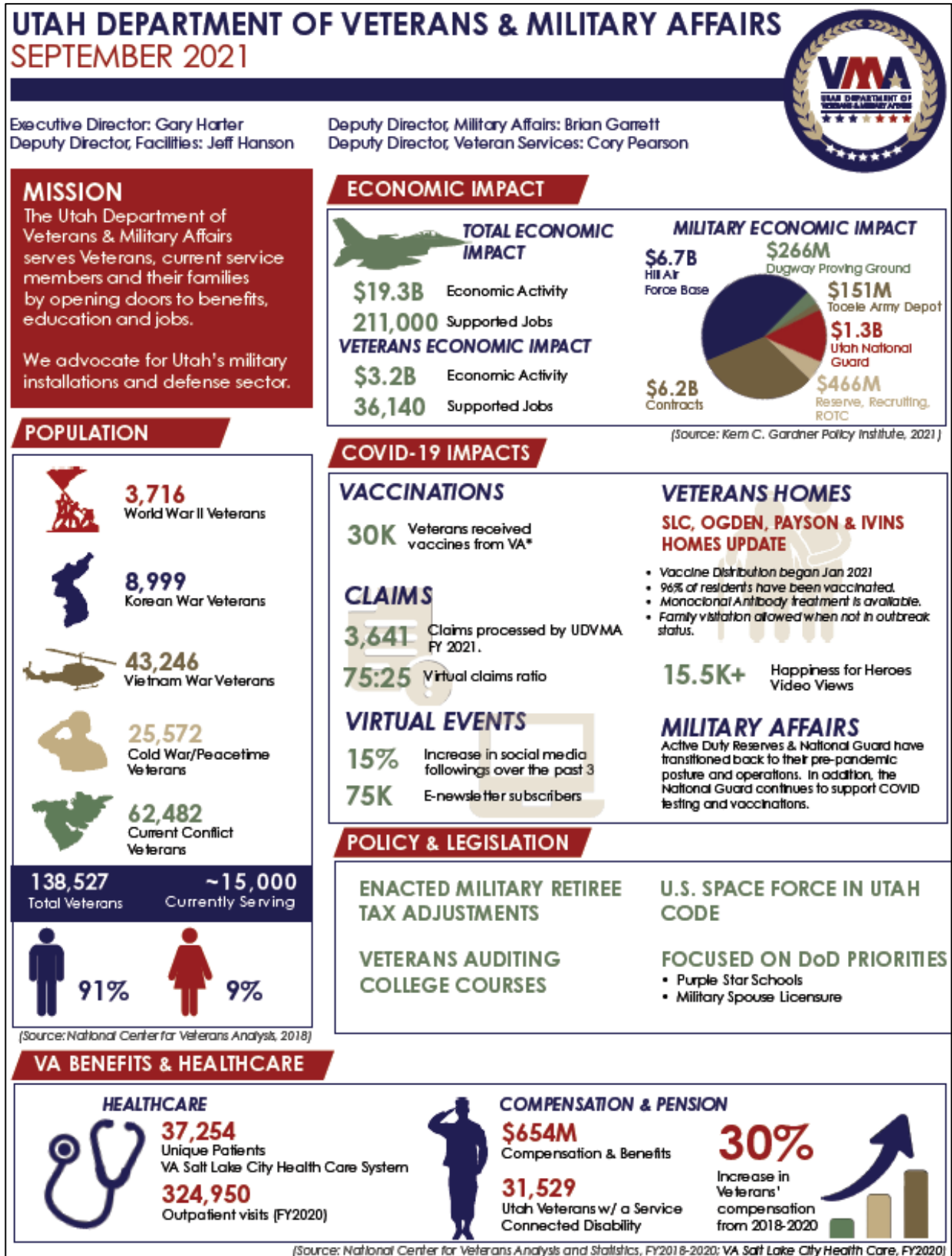
In accordance with UCA 63J-1-201, the Legislature intends that the Department of Veterans and Military Affairs (DVMA) report performance measures for the DVMA line item, whose purpose is to "Advocate for and honor veterans for their unique contributions; Connect veterans, family members, community groups, service organizations, military installations, support groups, and other stakeholders to each other and external resources; and Grow military missions and associated military installation workloads, consistent with national security." The DVMA shall report to the Office of the Legislative Fiscal Analyst and to the Governor's Office of Management and Budget before October 1, 2021 the final status of performance measures established in FY 2021 appropriations bills and the current status of the following performance measures for FY 2022: 1) Provide programs that assist veterans with filing and receiving compensation, pension, and educational benefits administered by the U.S. Veterans Administration (Target = 5% annual growth); 2) Assist in ensuring veterans are employed in the Utah workforce (Target = Veterans unemployment rate no greater than the statewide unemployment rate); 3) Increase the number of current conflict veterans who are connected to appropriate services (Target = 10% annual increase); 4) Provide veterans with a full range of burial services and related benefits that reflect dignity, compassion, and respect (Target = 95% satisfaction); and 5) Identify, plan, and advise on military mission workload opportunities through engagement with federal and state parties and decision makers (Target = Report on accomplishments).

Expendable Funds:

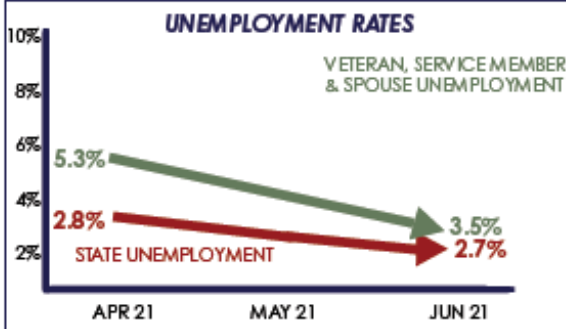
In accordance with UCA 63J-1-201, the Legislature intends that the Department of Veterans and Military Affairs (DVMA) report performance measures for the Veterans Nursing Home line item, whose purpose is to accept donations and gifts, and receive funds from state and federal agencies, insurance reimbursements, or cash payments, for the benefit of each home and its residents. The DVMA shall report to the Office of the Legislative Fiscal Analyst and to the Governor's Office of Management and Budget before October 1, 2021 the final status of performance measures established in FY 2021 appropriations bills and the current status of the following performance measures for FY 2022: 1) Occupancy rate (Target = 95% average); 2) Compliance with all state and federal regulations for operations, licensing, and payments (Target = 95%); 3) Best in class rating in all national customer satisfaction surveys (Target = 80%); and 4) Deviations in operations, safety, or payments are addressed within specified times (Target = 95%).

PERFORMANCE MEASURES

The department publishes a monthly information graphic to report its performance. The following is for September 2021.



EMPLOYMENT



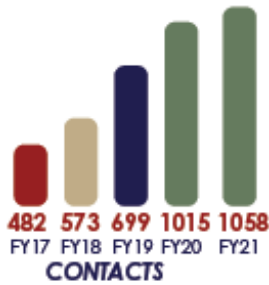
ACCELERATED CREDENTIALING TO EMPLOYMENT PROGRAM (ACE)



2,760
Utah Patriot Partners (2020)

(Source: Utah Department of Workforce Services, FY21)

VETERANS OUTREACH & SERVICES



VETERAN BUSINESS RESOURCE CENTER
VBRC
(Calendar Year 2021)

370 Veterans Mentored
38 Business Startups

VETERAN FIRST-TIME HOMEBUYER PROGRAM
(Fiscal Year 2020)

\$500k Funding
203 Grants Awarded

VETERAN PRO BONO LEGAL SUPPORT
Utah @EASE
(Fiscal Year 2021)

603 Veterans Inquired
349 Supported by Program
64 Attorneys in Program

(Sources: Salt Lake Community College, UDVMA & Utah Attorney General's Office, FY21)

EDUCATION

7,468 # of Students using GI Bill
126 Number of Institutions

VETERAN STUDENT SUPPORT CENTERS
Located at DSU, SLCC, SUU, UofU, USU, UVU, WC, WSU
3,345 Veterans Supported
Veteran Student Support Centers provide orientation, counseling and other services.

NURSING HOMES & CEMETERY

VETERANS HOMES

90% Occupancy
353 Veterans
23 Family Member
376 Total Residents

846 Employees
\$45.5M Expenditures
CMS 5-Star Rating ★

CEMETERY

FY21	573	Casket to Cremains	54:46
FY20	461	Veterans to Spouses	73:27
FY19	499		



As shown in the intent language section, the Legislature asked the department to report on the following intent language for FY 2021.

Operating and Capital Budgets:

1. Provide programs that assist veterans with filing and receiving compensation, pension, and educational benefits administered by the U.S. Veterans Administration (Target = 5% annual growth);
2. Assist in ensuring veterans are employed in the Utah workforce (Target = Veterans unemployment rate no greater than the statewide unemployment rate);
3. Increase the number of current conflict veterans who are connected to appropriate services (Target = 10% annual increase);
4. Provide veterans with a full range of burial services and related benefits that reflect dignity, compassion, and respect (Target = 95% satisfaction); and
5. Identify, plan, and advise on military mission workload opportunities through engagement with federal and state parties and decision makers (Report on accomplishments).

Expendable Funds:

1. Occupancy rate (Target = 95% average);
2. Compliance with all state and federal regulations for operations, licensing, and payments (Target = 95%)
3. Best in class rating in all national customer satisfaction surveys (Target = 80%); and
4. Deviations in operations, safety, or payments are addressed within specified times (Target = 95%).

We recommend amending the performance measures that the Legislature asks DVMA to submit. The measures shown below were developed in collaboration between the Legislative Fiscal Analyst, Governor’s Office of Policy and Budget, and the department.

Operating and Capital Budgets:

1. Veterans claims submitted (Target = Increase previous year’s actual by 5%);
2. Dollar value of veterans benefits received (Target = Increase previous year’s actual by 5%);
3. Veterans Unemployment Rate (Target – Veterans unemployment rate no greater than the statewide unemployment rate);
4. Number of current conflict veterans connected to service (Target = Increase previous year’s actual by 10%); and
5. Veterans Cemetery Customer Satisfaction (Target = 95%)

Expendable Funds:

1. Nursing home occupancy rate (Target = 95% average);
2. State Veterans Homes Quality Measures (Target = Three out of four homes in the top 30% of all USVA facilities);
3. Veterans Homes Performance Ratings (Target = 4.75 out of 5); and
4. Veterans Homes Customer Satisfaction (Target = 4.5 out of 5).

NURSING HOME OPERATIONS

The department's four nursing homes are all run under contract by Avalon Health Care. The department has a state officer in each facility to oversee the contract and to identify and solve issues. The Legislature created a separate fund (Veterans Nursing Home Fund) as a stand-alone line item so funds can be tracked separately, and the agency can respond to fast-changing circumstances.

The average cost per resident in calendar year 2020 was:

Salt Lake:	\$111,785
Ogden:	\$123,384
Ivins:	\$130,064
Payson:	\$131,918

These figures do not represent out-of-pocket expenses for residents. The agency's sources are federal Veterans Administration (VA) per diem, Medicare, Medicaid, and private payments. For approximately half of residents (those who have a 70% or higher service-connected disability) the VA pays full cost through an all-inclusive daily per diem. The other half (below 70% service connected or have no service connection) have an out-of-pocket cost of approximately \$2,700 a month (approximately \$32,400 per year) and the VA pays the balance. Non-veteran (spouses) pay full cost of care.

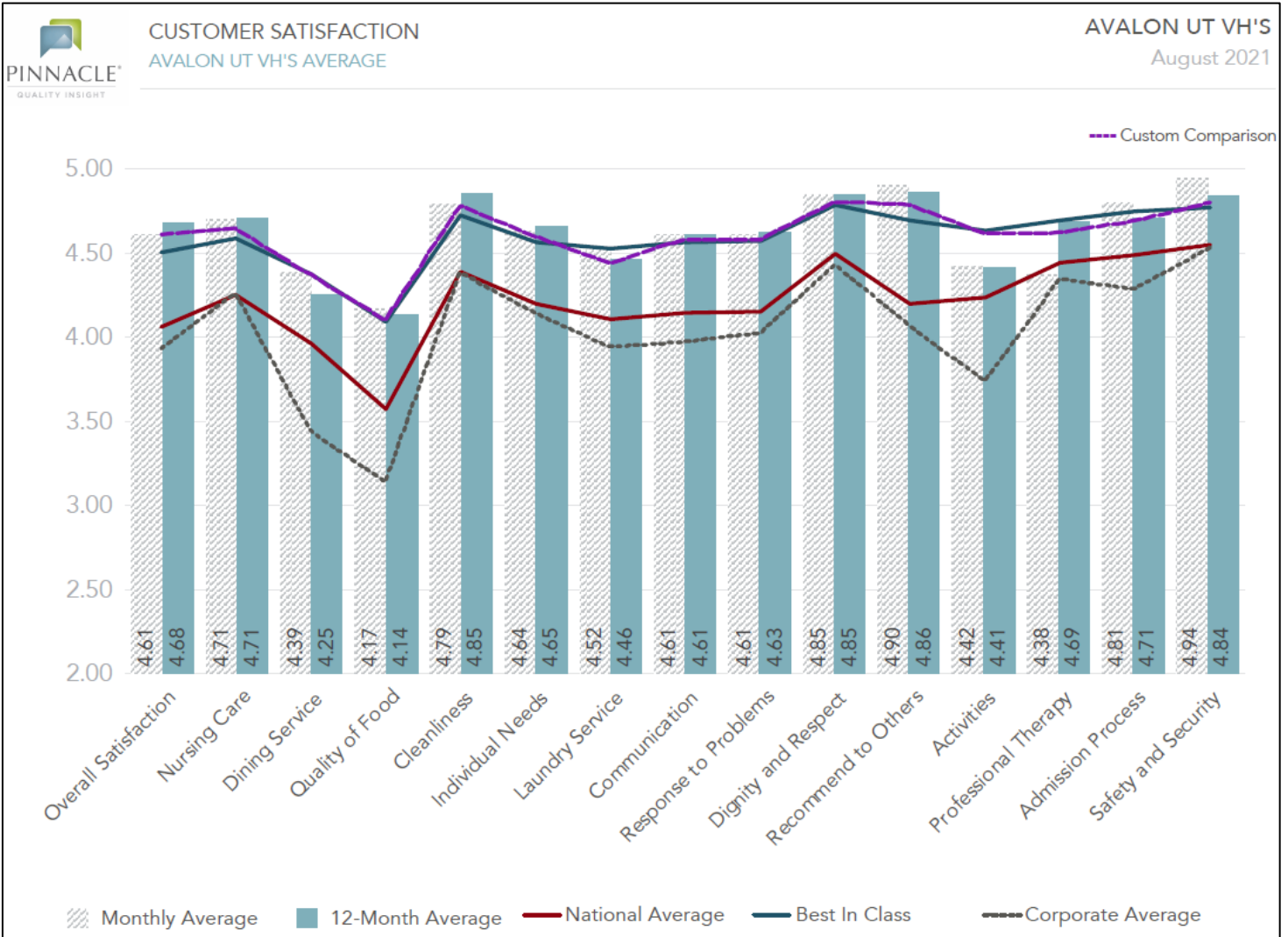
The continuum of care for veterans, ranked from most to least expensive, is:

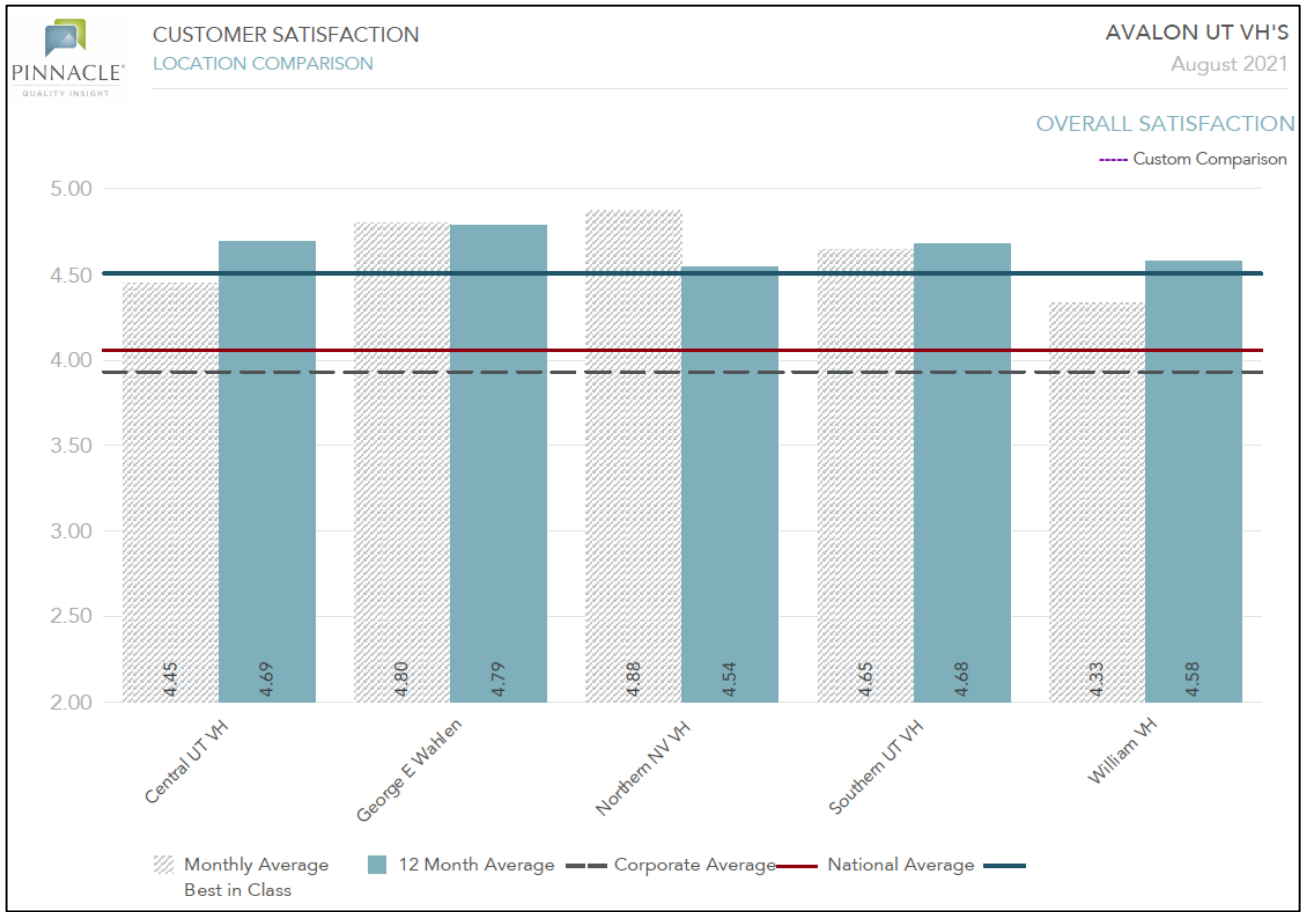
1. Acute Care (hospitals)
2. Skilled Nursing Facilities (community nursing homes and state veterans homes)
3. Assisted Living Facilities
4. Residential Care Facilities

The level of care provided at a state veteran home is significantly higher than what is provided at an assisted living facility. Many state nursing home residents have acute conditions and are near the end of life. State veteran homes traditionally offer private rooms, significantly higher staffing levels than assisted living centers, an assortment of recreation, and programming. The VA per diem allows the state to give veterans who need long-term care a favorable experience.

Customer Satisfaction

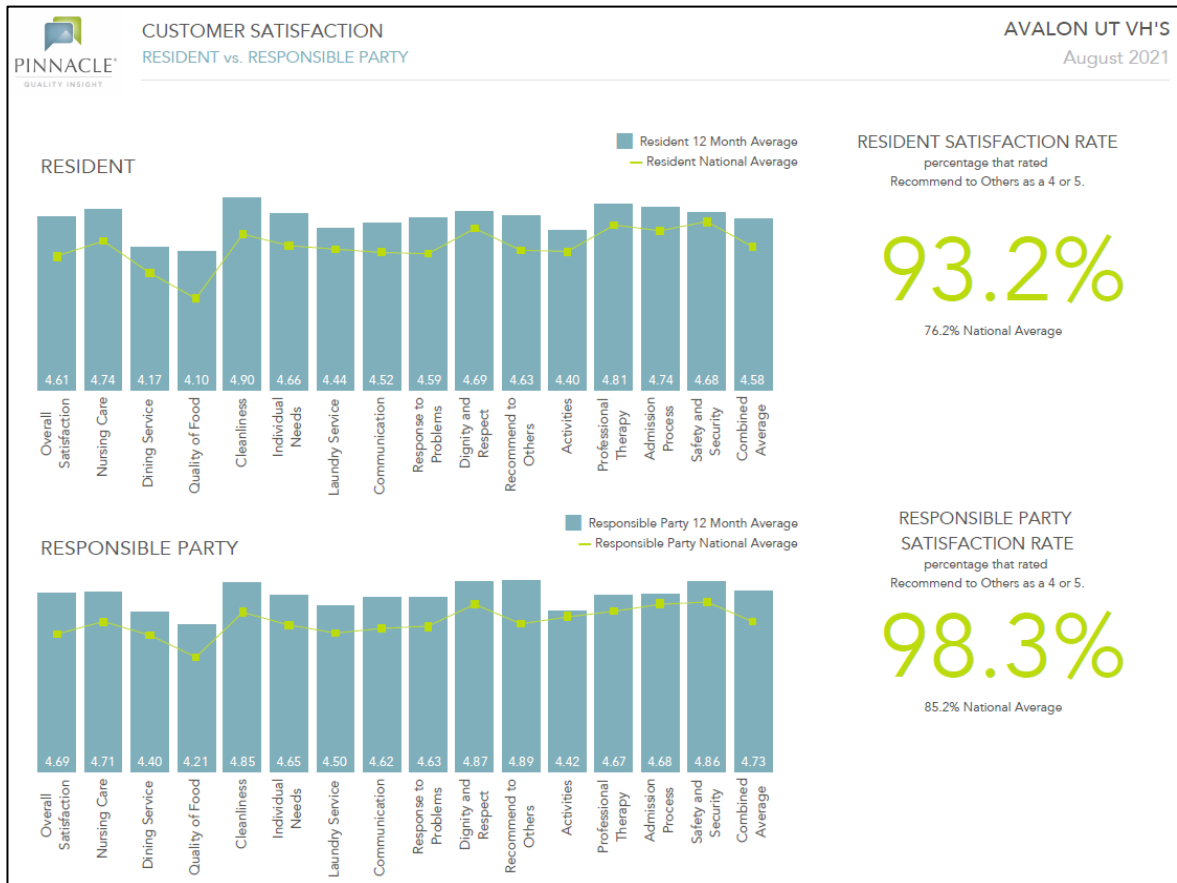
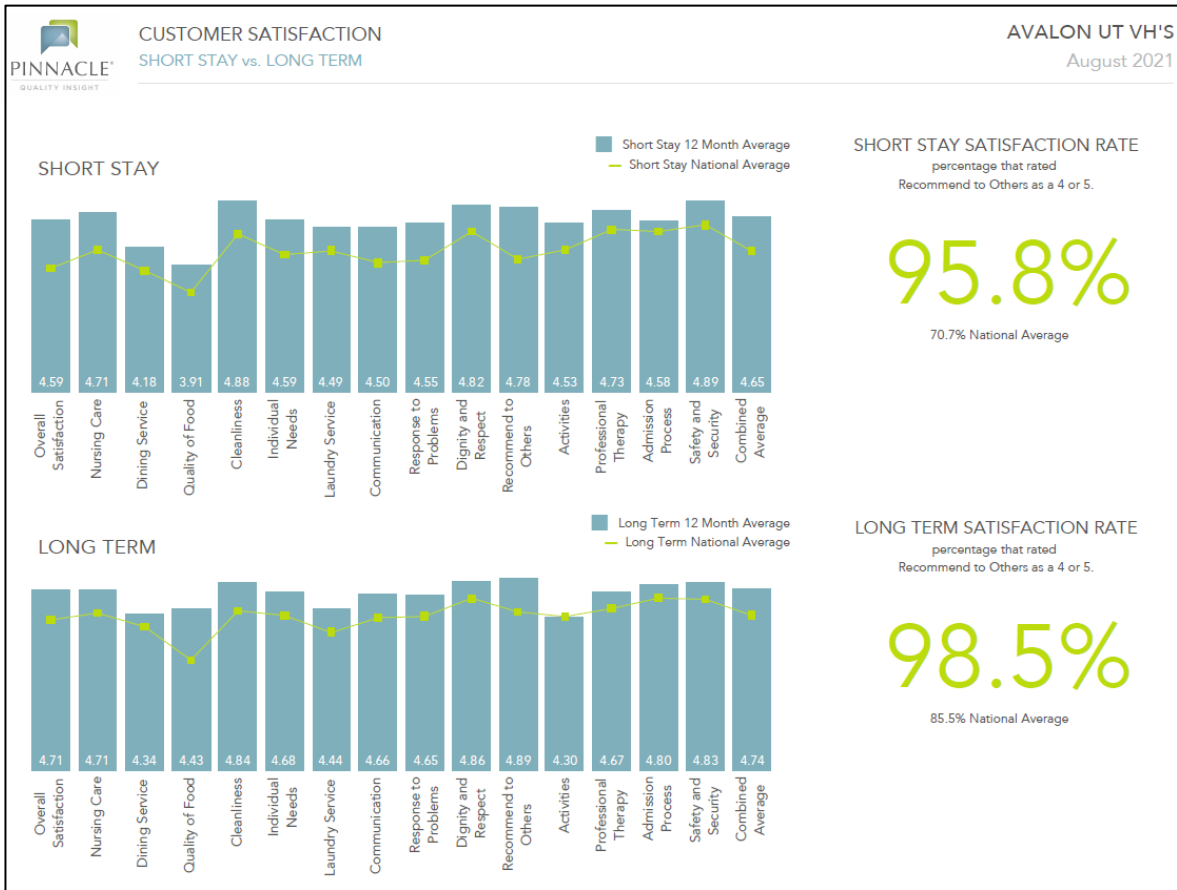
The department also contracts with Pinnacle Quality Insight to conduct customer satisfaction surveys of Avalon's services. Following is a selection of high-level reports from Pinnacle's most recent report in August 2021.











APPENDIX: BUDGET DEEP DIVE CHECKLISTS (SUBMITTED BY AGENCY)

Administration (JWA)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

Utah State Code Chapter 71

2. What other activities are undertaken without explicit authority?

Participation in local, regional and national associations, organizations, groups and agencies that support our activities

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

For many of our overall department activities, we coordinate and work with public and private organizations to accomplish our mission. For the administrative functions that we perform, the work supports the functions performed by the other department sections. Providing services to veterans is an inherent government function.

How We Are Organized

4. What organizations are associated with this function?

Administrative members work with a number of federal, state and local organizations, some by membership and others by attendance. We work very closely with the Utah Department of Government Operations for the performance of this mission (finance, purchasing, facilities, fleet, risk management, surplus property, record management, human resources and technical services). As a small department, we have dedicated staff for finance and IT functions, all other functions are performed as additional duties.

5. What are the missions of the organizations associated with that function?

The administrative section performs work relative to department management, budget, finance, constituent services, purchasing, contracting, risk management, IT, scheduling, communications, marketing, resourcing, personnel, on-boarding, strategic engagement, etc., that supports the work being performed by the other sections of the department. Some functions of the administrative section interface directly with our customers, such as communications, marketing and constituent services.

6. What outcomes are achieved by the organization associated with this function?

Ensuring accomplishment of the department overall mission and adherence to state policies and procedures

7. What data is collected/reported to document/demonstrate progress toward the outcome?

Regular reviews, audits and surveys.

8. How are appropriations structured to accomplish this function?

The overall budget for the department is organized in three funds: Fund 1000 (Administration, Cemetery, State Approving Agency, Military Affairs and Outreach); Fund 2380 – State Veterans Nursing Homes; and, Veteran Transportation.

9. In what units of measure are outputs reported, how and why have those outputs changed over time? N/A.

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

The administrative section is a small group. We follow state guidance relative to finance, budget, purchasing, risk management, travel, HR, technical services and other functions. We coordinate regularly with other state agencies that ensure our compliance with regulations and policy.

11. To whom is performance data reported?

State agencies, GOPB, legislature, fiscal analysts and State Auditor.

12. What decisions are based on reporting data?

Current procedures and any necessary modifications.

13. How might you recommend the authorization, mission, or performance measurement change?

With the continued growth of the department, additional reporting requirements, to ensure proper internal controls and to reduce single-point-of-failure, the administrative team needs to add an additional finance employee.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

Personnel: FY17 - \$391,262; FY18 - \$511,129; FY19 - \$532,062; FY20 - \$567,074; FY21 - \$560,686

15. How does this expenditure support the above justification/authorization?

The Admin Team supports the other sections of the department.

There are eight members of the administrative team (six full-time and two part-time).

Executive Director, Executive Assistant, Communications Director, Financial Manager and IT Team (2 FT and 2 PT).

16. What is that category of expenditure buying (how many/costs per unit)? N/A

17. How does the above relate to units of output? N/A

18. How has the expenditure changed over five years relative to the units of output?

Personnel: FY17 - \$391,262; FY18 - \$511,129; FY19 - \$532,062; FY20 - \$567,074; FY21 - \$560,686

19. Are there any outliers/anomalies in current or budgeted spending in this category? No.

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

No. Period 13 usually is the result of half a pay period being in both June and July for one pay period - this is usually the case annually

21. How might you recommend this expenditure category change based on the above?

Adjust funding for Military Affairs by moving \$10,000 Administrative funding to 1680.

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

The administrative function is supported by general fund (on-going and one-time) and dedicated credits (veterans license plate fees).

FY21 General Fund: \$667,900

Dedicated Credits: Estimate - \$199,000; Actual - \$227,663

DVMA ACCOUNTABLE BUDGET REVIEW

FY20 General Fund: \$459,300

Dedicated Credits: Estimate - \$199,000; Actual - \$213,391

FY19 General Fund: \$441,700

Dedicated Credits: Estimate - \$199,000; Actual - \$206,876

23. What are the revenue sources for that fund or account and what are their relative shares?

General Funds and Dedicated Credits (license plate fees)

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

FY21 Expenses: \$648,061

FY20 Expenses: \$636,880

FY19 Expenses: \$810,318

25. How has the source changed over time relative to expenditures and units of output?

General Fund has increased and Dedicated credit actuals have remained fairly steady

26. Are there any outliers/anomalies in current or budgeted periods for this source?

Military Affairs adjustments

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

Balance: FY19 - \$120,881

FY20 - \$23,419

FY21 - \$68,873

28. What is a reasonable balance and why? Five percent would allow some limited flexibility to accomplish the department activities

29. Is the availability of sources (grants or previous "building blocks"), rather than mission or objective, driving expenditures?

No. We have received additional pass-thru funding over the past several years, but overall funding has remained fairly consistent.

30. Are other sources available to support the same expenditure? No.

31. How might you recommend this revenue category change based on the above?

Adjustments to Military Affairs by moving \$10,000 from JWA to JWE

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

FY19: Funding - \$926,200

Expenses - \$810,318

FY20: Funding - \$860,300

Expenses - \$836,880

FY21: Funding - \$946,935

Expenses - \$878,061

33. Have all appropriated or authorized sources been expended at year-end?

No. We do typically have some amount of unexpired funds at the end of a fiscal year: 20% in FY19; 3% in FY20 and 10% in FY21%.

34. How have nonlapsing appropriation balances (if any) changed over time?

Balance: FY19 - \$120,881

FY20 - \$23,419

FY21 - \$68,873

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable?

General fund and license plate fees (dedicated credits)

Cemetery (JWB)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

Utah Code 71-7-3

38 CFR Chapter 39

2. What other activities are undertaken without explicit authority?

None

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

The Utah Veterans Cemetery and Memorial Park is a state owned facility supported by the Department of Veterans Affairs (VA) Veterans Cemetery Grant Program. The grant program assists states in providing gravesites for Veterans in the areas where VA's national cemeteries cannot fully satisfy their burial needs. VA grants are used only for the purpose of establishing, expanding or improving veterans cemeteries that are owned by the state. The State is responsible for the administration, operation and maintenance of the cemetery. The VA supports the daily operation of the facility by paying a burial fee of \$807 (FY21 rate) per burial.

How We Are Organized

4. What organizations are associated with this function?

The VA financially supports the development and expansions of the cemetery under the condition that the state will operate and maintain the cemetery to established VA standards.

The State of Utah (UDVMA) is responsible for the administration, operation and maintenance of the cemetery.

5. What are the missions of the organizations associated with that function?

The VA's mission is to support the State of Utah in providing gravesites for veterans in areas where VA's national cemeteries cannot fully satisfy their burial needs.

The UDVMA mission is to staff the operation of the facility, maintain VA standards and educate veterans on burial benefits.

6. What outcomes are achieved by the organization associated with this function?

A beautiful and sacred place of rest for the men and women who have served our country, some of whom made the ultimate sacrifice. Veterans can be buried at the cemetery free of charge.

7. What data is collected/reported to document/demonstrate progress toward the outcome?

VA participation and support (facility development and burial fees) is conditional on meeting the National Cemetery Administration's standards and guidelines. The VA makes periodic inspections to ensure that standards are met. In the event a standard is not being met, the facility is required to develop a plan of corrective action that will establish compliance to the standard.

8. How are appropriations structured to accomplish this function?

There is a state general fund appropriation of \$295,100 (FY2021) to support costs associated with administration, operation and maintenance. The VA also contributes to operational cost through a burial fee of \$807 (FY2021) per burial. Operational costs are also supported by dedicated credits earned through fees collected from spouse burials, an Honor Wall program, chapel use fees and the sale of vases.

9. In what units of measure are outputs reported, how and why have those outputs changed over time?

Outputs are measured in the number of burials per month, both veteran and spouses. Outputs are also measured in the type of burial such as casket, cremation and niche.

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

Similar outputs are tracked nationally. Specific to the Utah Veterans Cemetery and Memorial Park, in FY2019 there were 497 burials. In FY2020 there were 462 burials. In FY2021 there were 573 burials.

11. To whom is performance data reported?

Performance data is reported to the VA and the State (UDVMA).

12. What decisions are based on reporting data?

The data demonstrates the demand for burial plots and dictates the need for future expansion of the existing cemetery or the development of a new cemetery.

13. How might you recommend the authorization, mission, or performance measurement change?

Maintaining the cemetery to VA standards is required. More important is providing a beautiful and sacred place to honor the men and women who have served in our nation's armed forces. The state must ensure an adequate workforce to meet the VA standards. UDVMA is looking to add a second administrative/office person to promote better communication and overall coordination.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

Personnel:	FY19 - \$396,750	FY20 - \$475,385	FY21 - \$422,922
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15. How does this expenditure support the above justification/authorization?

The expense provides for facility administration and a ground crew needed to support the burial process and maintain the grounds to the VA standards.

16. What is that category of expenditure buying (how many/costs per unit)?

The cemetery crew is composed of 7 individuals. One of the 7 does the administrative work and the other 6, including the supervisor, maintain the grounds and prepare the burial sites. We are looking into adding an additional office person to better serve the public and coordinate burials.

17. How does the above relate to units of output?

In addition to coordinating the burials and maintaining the grounds, the crew is preparing and completing approximately 45 burial sites a month.

18. How has the expenditure changed over five years relative to the units of output?

FY17	422 Burials	\$404,009 Personnel Expense
FY18	456 Burials	\$416,857 Personnel Expense
FY19	497 Burials	\$396,751 Personnel Expense
FY20	462 Burials	\$475,386 Personnel Expense
FY21	573 Burials	\$422,922 Personnel Expense

19. Are there any outliers/anomalies in current or budgeted spending in this category?

UDVMA is making progress on adding a second State Veterans Cemetery in the Ogden area. A generous landowner is donating 120 acres of land for the pending site. DFCM is finalizing the title transfer. The National Cemetery Administration (VA) gave approval to submit an application for a grant. The intent is to file a formal application prior to July 1, 2022. The grant will cover the full cost of establishing the cemetery. The State will be responsible for the ongoing operation cost. UDVMA will be asking for an increase in state appropriation to support the pending new veterans cemetery in Ogden. This will be a great benefit for the veterans and their families who reside in the northern part of Utah.

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

No.

21. How might you recommend this expenditure category change based on the above?

I recommend that we increase the state appropriation to accommodate one additional employee to support administration at the current cemetery in Bluffdale. Currently one individual is doing the finance, the scheduling and front desk reception. Adding an FTE to the office will help with more timely submission of claims and better customer service specific to phone calls and walk-ins. UDVMA is also looking into establishing a state appropriation to support the pending new veterans cemetery in Ogden.

REPEAT 14-21 FOR OTHER SIGNIFICANT EXPENDITURE CATEGORIES FROM LARGEST TO SMALLEST

What We Are Buying (Operation Expense)

14b. What is the largest category of expenditure for the organization and how big is it?

The second largest category of expenses is operational expenses. For FY2021 operational expenses was \$207,411.

15b. How does this expenditure support the above justification/authorization?

The expenditures provide the material and equipment needed to support the burial process and maintain the grounds to the VA standards.

16b. What is that category of expenditure buying (how many/costs per unit)?

The operational expenses include cost associated with the operation and maintenance of multiple buildings, heavy equipment and material needed to maintain the grounds.

17b. How does the above relate to units of output?

The crew maintains the grounds to VA standards and prepares approximately 45 burial sites a month.

18b. How has the expenditure changed over five years relative to the units of output?

FY17	422 Burials	\$180,645 Operational Expense
FY18	456 Burials	\$173,935 Operational Expense
FY19	497 Burials	\$172,624 Operational Expense
FY20	462 Burials	\$191,513 Operational Expense
FY21	573 Burials	\$207,411 Operational Expense

19b. Are there any outliers/anomalies in current or budgeted spending in this category?

See question 19a specific to the pending State Veterans Cemetery in Ogden.

20b. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

No.

21b. How might you recommend this expenditure category change based on the above?

UDVMA will be asking for an increase in state appropriation to support the pending new veterans cemetery in Ogden (see question 19a above).

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

Fund 1000 (JWB)

23. What are the revenue sources for that fund or account and what are their relative shares?

FY2020

State Appropriation	\$292,800
Federal Burial Fees	\$253,021
Dedicated Credits	\$97,167

FY2021

State Appropriation	\$295,100
Federal Burial Fees	\$321,024
Dedicated Credits	\$119,626

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

Ongoing. Revenue has slightly exceeded expenses over the past 5 years.

(Northern Veteran Cemetery)

25. How has the source changed over time relative to expenditures and units of output?

Year	Burials	Total Expenditures
FY17	422	\$561,221
FY18	456	\$625,976
FY19	497	\$691,329
FY20	462	\$702,191
FY21	573	\$685,916

26. Are there any outliers/anomalies in current or budgeted periods for this source?

No.

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

UDVMA receives authority from the state legislature to spend the federal funds provided by the VA in support of operating and maintaining the VA cemetery.

28. What is a reasonable balance and why?

Annual expenses for the near future should fall between \$725,000 and \$775,000. This is if the facility runs at full staffing and an additional office person is approved and hired.

29. Is the availability of sources (grants or previous “building blocks”), rather than mission or objective, driving expenditures?

The mission is driving expenses. The cemetery must meet VA cemetery standards in order to receive VA funding support.

30. Are other sources available to support the same expenditure?

No.

31. How might you recommend this revenue category change based on the above?

In order to accommodate an additional FTE in the office, I recommend increasing the State Appropriation by \$60,000.

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

Year	Total Expenditures	Total Revenue	Difference
FY17	\$561,221	\$607,650	\$46,429
FY18	\$625,975	\$606,942	(\$19,033)
FY19	\$691,329	\$719,135	\$27,806
FY20	\$702,191	\$642,988	(\$59,203)
FY21	\$685,916	\$735,750	\$49,834

Specific to revenue, federal burial fees were not always collected in the FY that the claim was filed in. An additional office staff member, as requested, will support the timely filing of claims and better management of Accounts Receivable.

33. Have all appropriated or authorized sources been expended at year-end?

The difference over the past 5 years is a plus \$45,833

34. How have nonlapsing appropriation balances (if any) changed over time?

See answer to question 32.

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable?

The facility collects fees (dedicated credits) for spouse burials, chapel use, and vase purchases. The fee for a spouse burial is the same amount (\$807) that the VA pays the facility for each veteran burial. Dedicated credits for FY2021 added up to \$119,626 (approximately 16% of the total revenue).

State Approving Agency (JWD)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

Federal law (38 CFR) authorizes each state’s Governor to designate a State Approving Agency that oversees, reviews, evaluates and approves programs of education for use of the GI Bill®.

2. What other activities are undertaken without explicit authority?

Assist education institutions, Veterans, dependents, on –the job-training programs and apprenticeships with understanding federal and state educational laws. Assist educational institutions, Veterans, and dependents with certifying and receiving federal educational payments. Provide training to Educational institutions on all aspects of the approval process.

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

Multiple government and non-government resources exist to achieve these outcomes. Collaboration with the federal Department of Veterans Affairs (federal VA) and the National Association of State Approving Agencies (NASAA) assist the Utah State Approving Agency with achieving the listed outcomes. The Veterans Educational working group, consisting of both institutions of higher learning and technical colleges, identify opportunities and challenges facing Veterans and dependents in their educational goals.

Without the Utah State Approving Agency, the federal Department of Veterans Affairs would take over the duties of overseeing, reviewing, evaluating and approving programs of education. Essentially, the state would be removed from all aspects of Veteran and dependent educational training pertaining to the GI Bill®.

How We Are Organized

4. What organizations are associated with this function?

Utah Department of Veteran and Military Affairs

5. What are the missions of the organizations associated with that function?

- Ensure delivery of responsive, well-planned and effective services to veterans, military and their families through coordination with government agencies, academia, private partners and non-profit organizations
- Coordinate efforts to develop and expand workload on Utah’s military installations
- Improve the quality of life for Utah’s veterans, military and their families by increasing awareness and access to appropriate federal, state and local resources
- Work with federal, state and local officials to effectively advocate for initiatives and services
- Promote and coordinate events throughout the state which develop and build respect for those who have served
- Compete for national recognition as the leading innovator in the delivery of services to veterans, military and their families
- Build a strong network of partners, stakeholders and champions

6. What outcomes are achieved by the organization associated with this function

- Approve new educational and vocational programs to utilize Veteran’s Educational benefits.
- Re-authorize educational and vocational programs to utilize Veteran’s educational benefits.

- Conduct compliance survey's (audits) of educational institutions to ensure compliance with guidelines pertaining to GI Bill® educational benefits.
- Suspend and disapprove programs of education that are not in compliance with state and federal laws/regulations.
- Conduct technical, outreach, liaison and inspection visits to educational facilities.
- Track the number of educational and vocational facilities accepting GI Bill® benefits, as well as the number of students utilizing these benefits.
- Assist students and educational/vocational institutions with understanding, implementing and using Veteran educational benefits.

7. What data is collected/reported to document/demonstrate progress toward the outcome?

Performance metrics for the above outcomes are reported, through a compilation report, to the federal VA on a quarterly basis based on the cooperative agreement between the Utah State Approving Agency (Utah Department of Veterans and Military Affairs) and the federal VA. This information is also supplied to the Utah Department of Veterans and Military Affairs on a quarterly basis.

8. How are appropriations structured to accomplish this function?

Appropriations are structured in accordance with the cooperative agreement, which is fully funded by Federal monies. Line items include salary and fringe, travel and administration.

9. In what units of measure are outputs reported, how and why have those outputs changed over time?

All outputs are reported to the federal VA based on the cooperative agreement in a VA and SAA prescribed compilation report. This report is also submitted to the Utah State Approving Agency parent department, Utah Department of Veterans and Military Affairs. Outputs include number of approved programs, disapproved programs, withdrawn programs, compliance survey's conducted, technical assists, outreach activities, liaison activities and school visits.

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

All standards in the compilation report are required for all states and territories that currently have a State Approving Agency.

11. To whom is performance data reported?

Both the federal VA and the parent department (Utah Department of Veterans and Military Affairs) receive performance data on a quarterly basis.

12. What decisions are based on reporting data?

Reporting data is used to determine federal funding for the next federal fiscal year. Additionally, metrics are used to drive some Veteran education initiatives and state laws pertaining to Veterans education.

13. How might you recommend the authorization, mission, or performance measurement change?

The cooperative agreement drives authorization, mission, or performance measurements. No changes recommended.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

Current allocation for reimbursement: \$210,183.00; divided between Salary/Fringe: \$169,999.00 (the largest), Administrative Functions: \$30,665.00 and Travel: \$9,519.00. The allocation amount is based on the Federal cooperative agreement. The amount

has the ability to increase during the federal fiscal year pursuant to a federal Cost of Living Adjustment (COLA) granted to all State Approving Agencies under 38 U.S.C. § 3674(a)(5)(B).

15. How does this expenditure support the above justification/authorization?

Personnel, Travel and Administration are all line items in the Federal cooperative agreement.

16. What is that category of expenditure buying (how many/costs per unit)? N/A

17. How does the above relate to units of output? N/A

18. How has the expenditure changed over five years relative to the units of output?

Expenditure has increased based on salary and fringe increases for state employees and travel decreased last year due to COVID travel restrictions.

19. Are there any outliers/anomalies in current or budgeted spending in this category? No

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why? No

21. How might you recommend this expenditure category change based on the above? None

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

Fund:1000, Dept: 450, Unit 1650, Appr: JWD \$210,183.00 allocated for federal fiscal year 21 – this fund has been given Utah legislative spending authority since approximately 98% of the monies for this unit is from Federal monies.

23. What are the revenue sources for that fund or account and what are their relative shares?

All funding for the Utah State Approving Agency is refunded through the federal VA based on a cooperative agreement between the state of Utah and the federal government. Reimbursement is submitted to the federal VA quarterly. Payments are made after quarterly services have been rendered, based on the actual expenditures. The Federal fiscal year runs from October 1 to September 30.

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures? Ongoing

25. How has the source changed over time relative to expenditures and units of output? N/A

26. Are there any outliers/anomalies in current or budgeted periods for this source? N/A

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time? N/A

28. What is a reasonable balance and why? N/A

29. Is the availability of sources (grants or previous “building blocks”), rather than mission or objective, driving expenditures?

All sources are based in the Federal cooperative agreement.

30. Are other sources available to support the same expenditure? No.

31. How might you recommend this revenue category change based on the above? N/A

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

All expenditures are reimbursed by federal VA. Reimbursement is submitted to the federal VA quarterly. Payments are made after quarterly services have been rendered, based on the actual expenditures. The Federal fiscal year runs from October 1 to September 30. They equal each other.

33. Have all appropriated or authorized sources been expended at year-end?

No. Any remaining balance still remaining in the allocation is absorbed by the federal VA as outlined in the Federal cooperative agreement. Reimbursement is submitted to the federal VA quarterly. Payments are made after quarterly services have been rendered, based on the actual expenditures. The Federal fiscal year runs from October 1 to September 30.

34. How have nonlapsing appropriation balances (if any) changed over time? N/A

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable? N/A

Outreach Services (JWE)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

71-8-3 Duties of executive director -- Services to veterans.

The executive director shall:

- (1) be responsible for the administration and the operation or support of the following veteran related operations:
 - (a) Utah State Veterans Nursing Homes and Programs;
 - (b) Utah State Veterans Cemetery and Memorial Park;
 - (c) Title 71, Chapter 10, Veterans Preference;
 - (d) any locally or federally funded programs for homeless veterans within the state; and
 - (e) any federally funded education services for veterans within the state;
- (2) maintain liaison with local, state, and federal veterans agencies and with Utah veterans organizations;
- (3) provide current information so that veterans, their surviving spouses and family members, and Utah veterans organizations will be aware of benefits to which they are, or may become, entitled;
- (4) reach out and assist veterans and their families in applying for benefits and services;
- (5) develop and maintain a system for determining how many veterans are employed by the various government entities within the state and keeping track of them;
- (6) cooperate with other state entities in the receipt of information to create and maintain a record of veterans in Utah;
- (7) create and administer a veterans assistance registry, with recommendations from the council, that will provide contact information to the qualified donors of materials and labor for certain qualified recipients;
- (8) prepare an annual report for presentation not later than November 30 of each year to the Government Operations Interim Committee, which includes:
 - (a) all services provided to veterans;
 - (b) all services provided by third parties through the Veterans Assistance Registry; and
 - (c) the coordination of veterans services by government entities with the department;

71-8-5 Veterans services coordinator qualifications -- Duties.

- (1) The veterans services coordinator shall:
 - (a) be an individual who:....
 - (2) The veterans services coordinator shall be responsible to:
 - (a) identify all government entities that provide services for veterans;
 - (b) develop a process for coordination of veterans services across all government entities; and
 - (c) develop and provide training for veterans affairs specialists on the coordination of veterans services with the department.

2. What other activities are undertaken without explicit authority?

Coordination of Veteran Services as explained in Utah Code 71-8-5 and other activities across the state to assist and connect Veterans and Family members to the benefits and services they may have earned due to their military service.

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

The department works closely with Federal, State and Community partners to achieve the mission of the department and vision.

Federal Partners:

- o Congressional Delegation
- o Federal Veterans Affairs

Veterans Benefits Administration

Veterans Health Care system (Medical center and Veteran Clinics i.e., Logan, Ogden, South Jordan, and St. George.

Veterans Counseling Clinics (North Ogden, Salt Lake City, Orem, St. George, and Mobile Van)

- Small Business Administration
- Substance Abuse and Mental Health Services Administration (SAMHSA)

• **State Partners:**

- Utah Legislature
- Attorney General's Office
- Governor's Office of Economic Opportunity
- Utah National Guard
- Department of Workforce Services
- Other State Agencies

• **Community Partners:**

- Salt Lake Chamber of Commerce
- Ogden and Davis Chambers of Commerce
- Church of Jesus Christ of Latter-Day Saints

• **Service Organizations:**

- American Legion
- Disabled American Veterans
- Veterans of Foreign War
- Student Veterans of America
- The Elks
- Continue Mission
- National Ability Center
- Blue Star Families

• **Educational Partners:**

- Utah's eight public colleges and eight technical colleges
 - Support for Veterans Student Support Centers

• **Working Groups:**

- Mental Health Working Group
- Governors Challenge for Suicide Prevention
 - Depts of Health and Human Services
 - State Representative
 - Veterans Affairs (VBA and Health)
 - SAMHSA

- Education Partners

- Veterans Education and Training Working Group
- Utah Military & Veterans Employment Coalition (DWS, VMA, UTNG, DOL and Salt Lake Chamber)
- Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) Transition and Redeployment Focused
- Women’s Veteran Steering Committee
- **Utah Veterans Business Partnership:**
 - Salt Lake Chamber Chamber
 - Governor’s Office of Economic Opportunity
 - Salt Lake Community College
 - Small Business Development Centers (SBDC)
 - Small Business Administration
 - SLCC Veteran Business Resource Center @ the Larry H Miller Campus
- **Utah @ Ease Program in Partnership with Utah Attorney Generals Office**
 - Program assists in the coordination of Pro-Bono Attorney services for Veterans across the state.

How We Are Organized

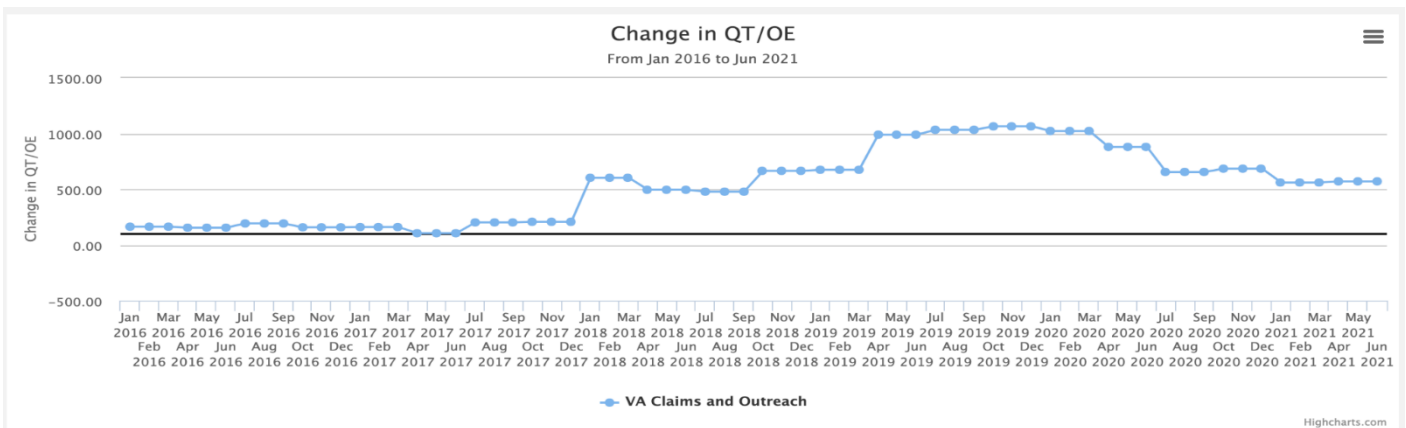
4. What organizations are associated with this function?
 - Outreach Services Division (JWE 1680)
5. What are the missions of the organizations associated with that function?

To assist veterans and their family members connect and learn about the world-class benefits and services they have earned due to their military service. In doing so we want to adhere to the highest standards of compassion, commitment, excellence, professionalism, integrity, accountability, and stewardship.
6. What outcomes are achieved by the organization associated with this function?
 - Veterans are Connected to information on benefits and services they may have earned due to their service.
 - Employment
 - Healthcare
 - State and Federal Benefits
 - Community Partners and Resources
 - Veterans Affairs Benefits Administration
 - Compensation Services
 - Pension and Fiduciary Services
 - Insurance Services
 - Loan Guarantee Program (VA Home Loan)
 - Education Services
 - Office of Transition and Economic Development

- Veterans Readiness & Employment Services
- Office of Administrative Review

7. What data is collected/reported to document/demonstrate progress toward the outcome?

- Data is collected using the Departments Veterans Information system
 - Veterans and Family members can self-register on our web page
 - Vetra Spec is a Case Management System (CSM)
 - Enter Veterans/Family Members Information
 - Filing claims i.e., compensation, pension, aid and attendance, enrollment in VA Healthcare System
- Utilizing these systems we track for Operational Excellence:
 - How many claims have been filed by Veterans or their Family Members
 - Claims
 - Fully Developed claims
 - Virtual Claims and Virtual Fully Developed Claims
 - Compensated Dollars received by Veterans\
 - Currently Program is 500% above our baseline used for the Operational Excellence Program
 - Baseline is July 2014 to June 2015
 - Claims 743
 - FDC 506
 - Contacts 11,114
 - Compensation \$21,306.00



8. How are appropriations structured to accomplish this function?

General Fund (Personnel, travel, supplies, IT, operating expenses and pass throughs)

9. In what units of measure are outputs reported, how and why have those outputs changed over time?

We routinely update a department data card (most recent attached) which provides measurements on a variety of functions performed or supported by the department (economic impact, employment, claims, education, contacts, specialized programs and others)

Governor’s Office of Planning and Budget:

- Claims: Regular and Fully Developed either in person or virtual
- Compensation coming to the state through benefits and services
- Contacts with Veterans and Family Members

State Legislature:

- Contacts with Veterans
- Employers participating in the Utah Patriot Partnership Program (Businesses and employers participate in the program to hire Veterans and Their family members.
- Veterans Receiving Unemployment Benefits

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this? No

- The Department tracks outcomes and compares other states utilizing the U.S. Veterans Administration’s National Center for Veterans Analysis and Statistics (www.va.gov/vetdata). One of those measurements is Compensation & Pension dollars coming into each state. Utah’s Comp & Pen dollars have continued to grow, especially over the past two years, rising by over \$50 million each year. The most recently released data for FY2020 lists Utah with over \$650 million.
- We are also mindful of other reports/studies that are released considering state programs and comparisons. The Military Times and Military Benefits.info has a tool available for veterans and their family members to compare state benefits.

www.military.com/benefits/veteran-state-benefits/state-veterans-benefits-directory.html

<https://militarybenefits.info/state-veterans-benefits>

11. To whom is performance data reported?

- Governor’s Office of Planning and Budget
- State Legislature
- Veterans and Military Affairs Commission
- Veterans Advisory Council

12. What decisions are based on reporting data?

Personnel and use of Veterans Initiative Funding

13. How might you recommend the authorization, mission, or performance measurement change?

We are considering requesting that the dedicated credits for license plates, currently in 1610/JWA, be moved to 1680/JWE.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

Personnel: 84% of the FY21 budget is for personnel (once pass-thrus are removed)

15. How does this expenditure support the above justification/authorization?

All of the personnel costs are for Veteran Service Officers who are accredited by the federal VA to assist a/o represent veterans/family members through the disability claims, pension, and veteran engagement. In doing so we are able to focus on areas of service i.e., Employment, Healthcare, Education, Homlessness, Veterans Courts, Recognition and Ceremonies, and benefits and resources available within the particular categories.

16. What is that category of expenditure buying (how many/costs per unit)?

There are 11 full-time employees, 3 part-time employees, and 2 Contractors supported by this expenditure

17. How does the above relate to units of output?

This is done through the Operational Excellence Program in the State. Please see Question #7

18. How has the expenditure changed over five years relative to the units of output?

FY17 - \$764,492 FY18 - \$756,295 FY19 - \$866,917 FY20 - \$1,119,543 FY21 - \$1,108,581

19. Are there any outliers/anomalies in current or budgeted spending in this category?

No.

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

No.

21. How might you recommend this expenditure category change based on the above?

We may want to consider moving dedicated credits for license fees since most of their use supports the Outreach function. Currently license plate fees are in JWA/1610.

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

General Fund

23. What are the revenue sources for that fund or account and what are their relative shares?

General Fund

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

Ongoing

25. How has the source changed over time relative to expenditures and units of output?

The funding has remained consistent with our mission and growth in the department

26. Are there any outliers/anomalies in current or budgeted periods for this source?

No.

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

No

28. What is a reasonable balance and why?

Five percent would allow flexibility in the function to bridge across fiscal years

29. Is the availability of sources (grants or previous "building blocks"), rather than mission or objective, driving expenditures?

We spend funds consistent with our mission, to assist veterans and their families to be successful.

30. Are other sources available to support the same expenditure?

No.

31. How might you recommend this revenue category change based on the above?

Movement of license fee dedicated credits from JWA to JWE

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

FY19:	Revenue - \$1,657,874	Expenses - \$1,546,249	Balance - \$111,624
FY20:	Revenue - \$2,137,490	Expenses - \$1,939,216	Balance - \$210,773
FY21:	Revenue - \$1,922,000	Expenses - \$1,797,659	Balance - \$164,340

33. Have all appropriated or authorized sources been expended at year-end?

No. See above.

34. How have nonlapsing appropriation balances (if any) changed over time?

Non-lapsing balances have fluctuated from 7% to 10%

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable?

No fees/dedicated credits are currently part of the Outreach function.

Military Affairs (JWF)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)? 71-8-3 Duties of Executive Director-Services to Veterans:
 - (9) advise the governor on matters pertaining to military affairs throughout Utah, including active duty servicemembers, reserve duty servicemembers, and veterans;
 - (10) identify military-related issues, challenges, and opportunities, and develop plans for addressing them;
 - (11) develop, coordinate, and maintain relationships with military leaders of Utah military installations, including the Utah National Guard;
 - (12) develop, coordinate, and maintain relationships with Utah's congressional delegation and military staffers;
 - (13) develop and maintain relationships with military-related organizations in Utah;
 - (14) conduct forums and meetings with stakeholders to identify military issues and challenges and to develop solutions to them; and
 - (15) perform other related duties as requested by the governor.
2. What other activities are undertaken without explicit authority? None
3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

There are currently no local government organizations providing these activities.

The Top of Utah Military Affairs Committee and the Salt Lake Chamber Military Affairs Committee provide quality of life initiatives to service members and their families.

Utah Defense Alliance strengthens and supports all governmental and private enterprises in their accomplishment of national defense objectives.

The Military Installation Development Authority was created by the Utah Legislature in 2007 to facilitate the development of military land in Utah. It serves a dual role of helping strengthen the military presence in Utah while stimulating the state's economy. The UDVMA Executive Director is a Governor-appointed MIDA board member.

We also coordinate with the aerospace and defense industry team at GOUTAH on projects and initiatives to support those industries.

Why is the state involved?

As a \$19.3 billion and growing industry in Utah, state leadership felt it was important to ensure the interests of the state as a whole, specifically the executive and legislative branches, were taken into consideration when decisions surrounding the industry were made. Prior to the implementation of the military affairs function much of the focus was on Hill AFB and the executive branch was oftentimes not in the decision making process on operational issues. Further, the other installations did not receive the consideration they deserved.

How We Are Organized

4. What organizations are associated with this function? See item 3
5. What are the missions of the organizations associated with that function? See item 3
6. What outcomes are achieved by the organization associated with this function?

The most visible unit of measure/outcomes are the economic impact studies conducted by the Gardner institute at the University of Utah. The 2017 study, based on 2015 data, showed the Economic Impacts of Military and Veterans as a \$9.2B industry.

The soon to be released 2021 study shows the impacts as a \$19.3B industry that directly and indirectly supported 10.3% of the state’s employment (211,000 jobs), 9.5% of its personal income, and 10.6% of its gross domestic product (GDP). With the awarding of the multi billion dollar GBSD program at Hill AFB in 2020 (after the data was pulled) we expect another large increase in the next study.

7. What data is collected/reported to document/demonstrate progress toward the outcome?

The Gardner Institute analyzed the impacts of current operations of Hill Air Force Base, Dugway Proving Ground, Tooele Army Depot, the Utah National Guard, reserves, recruiting, and ROTC. The Institute also examined pensions and services for veterans, pensions for defense civilian retirees, and Department of Defense and Department of Veterans Affairs contracts and grants in Utah.

8. How are appropriations structured to accomplish this function? All General Fund (Operations and pass-throughs).

9. In what units of measure are outputs reported, how and why have those outputs changed over time? Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

There are no defined industry standards; however, as recently as July of 2021, Utah’s military affairs function was identified as a national level best practice by the Association of Defense Communities. Further, Utah was one of the few states to complete the DoD’s 2021 State Policy Issues list and Roland Wright Air National Guard Base in Salt Lake and Hill AFB were two of three Air Force Bases ranked green in both child education and spouse employment and reciprocity out of 153 Air Force bases. Both of which are a direct result of the department’s efforts. In 2020 the Association of Defense Communities named Ogden and Weber Counties as Great American Defense community for their efforts in supporting Hill AFB.

10. To whom is performance data reported?

Office of the Governor, Legislature, Congressional Delegation, DoD and the General public.

11. What decisions are based on reporting data? Where to engage to enhance the accomplishment of the mission,

12. How might you recommend the authorization, mission, or performance measurement change? No changes.

What We Are Buying

13. What is the largest category of expenditure for the organization and how big is it?

Pass-thrus:	FY19 - \$660,000	FY20 - \$660,000	FY21 - \$660,000
Personnel:	FY19 - \$140,274	FY20 - \$116,193	FY21 - \$148,475

14. How does this expenditure support the above justification/authorization?

The Military Affairs unit is comprised of one employee and, in addition to their statutory duties, manages the pass-thru allocation to the Utah Defense Alliance and Western Regional Partnership

15. What is that category of expenditure buying (how many/costs per unit)?

One employee and two pass-thrus: Utah Defense Alliance and Western Regional Partnership

16. How does the above relate to units of output? This activity is completely focused on growth and sustainment of the military affairs

17. How has the expenditure changed over five years relative to the units of output?

FY17 - \$963,588	FY18 - \$810,066	FY19 - \$810,937	FY20 - \$689,485	FY21 - \$910,817
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18. Are there any outliers/anomalies in current or budgeted spending in this category? No.

19. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why? No.

20. How might you recommend this expenditure category change based on the above?

Additional authorization needs to be moved into this account from JWA/1610

How We Are Paying For It

21. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

All funding for Military Affairs comes from General Fund allocations with the majority of this General Fund allocation spent on the two Pass throughs totaling \$660,000 (UDA and WRP).

22. What are the revenue sources for that fund or account and what are their relative shares?

All funding for Military Affairs comes from General Fund allocations.

23. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

FY19: Total Funding \$801,300 (\$660,000 pass-thru)

FY20: Total Funding \$804,800 (\$660,000 pass-thru)

FY21: Total Funding \$909,100 (\$760,00 pass-thru and additional authorization)

Total FY21 Pass thrus = \$754,057

24. How has the source changed over time relative to expenditures and units of output?

Except for pass-thrus, the expenditure has remained consistent.

25. Are there any outliers/anomalies in current or budgeted periods for this source? No.

26. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

No.

27. What is a reasonable balance and why?

None

28. Is the availability of sources (grants or previous "building blocks"), rather than mission or objective, driving expenditures?

The Military Affairs function exists to enhance the activity on the military installations in Utah and by the military organizations in the state. There is one employee as part of this effort who is involved in a variety of efforts in partnership with the military units and numerous partners.

29. Are other sources available to support the same expenditure?

No. We do work very closely with both organizations that receive pass-through allocated funds to further the advocacy and support for the military mission in Utah.

30. How might you recommend this revenue category change based on the above? General Fund is appropriate.

Do We Balance?

31. What are total expenditures and total sources? Do they equal one another?

FY19: Funding - \$801,300 Expenses - \$810,937

FY20: Funding - \$804,800 Expenses - \$689,485

FY21: Funding - \$909,100 Expenses - \$910,817

32. Have all appropriated or authorized sources been expended at year-end?

Yes.

33. How have nonlapsing appropriation balances (if any) changed over time?

Balances: FY19: -\$9,637 FY20: \$21,257 FY21: -\$1,717

34. Are fees or taxes supporting a function, and are those fees or taxes reasonable?

No taxes or fees support this function.

Transportation to Memorials (JWG)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

71-14-102 Restricted Account.

- (1) As used in this section, "department" means the Department of Veterans and Military Affairs created in Section 71-8-2.
- (2) There is created in the General Fund a restricted account known as the "Transportation of Veterans to Memorials Support Restricted Account."
- (3) The account shall be funded by contributions deposited into the account in accordance with Section 41-1a-422.
- (4) Upon appropriation by the Legislature, the department shall distribute funds in the account to one or more charitable organizations that:
 - (a) qualify as being tax exempt under Section 501(c)(3) of the Internal Revenue Code; and
 - (b) have as a primary mission the transportation of veterans to Washington D.C. to visit memorials dedicated to honor the service and sacrifice of veterans.
- (5)(a) An organization described in Subsection (4) may apply to the department to receive a distribution in accordance with Subsection (4).
- (b) An organization that receives a distribution from the department in accordance with Subsection (4) shall expend the distribution only:
 - (i) to facilitate, coordinate, and cover costs of travel to visit veterans memorials in Washington D.C.; and
 - (ii) pay the costs of issuing or reordering Transportation of Veterans to Memorials Support special group license plate decals.
- (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the department may make rules providing procedures for an organization to apply to the department to receive a distribution as provided in this section.
- (6) In accordance with Section 63J-1-602.1, appropriations from the account are nonlapsing.

2. What other activities are undertaken without explicit authority? None.

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

The legislation was intended to generate funds through the fees from the sale of special group license plates focused on the transportation of veterans to view monuments in Washington, D.C. Unfortunately the pre-registered sales have not yet attained the level required for a license plate to be developed. The state has contributed \$12,500 annually for administration, which is held in the restricted fund.

The one group that does operate in this space, Utah Honor Flight, has not had trips since Fall of 2019. They do raise funds for their trips.

How We Are Organized

4. What organizations are associated with this function? The department.

5. What are the missions of the organizations associated with that function?

See 3 above.

6. What outcomes are achieved by the organization associated with this function?

See 3 above.

7. What data is collected/reported to document/demonstrate progress toward the outcome?

None at this point.

8. How are appropriations structured to accomplish this function?

\$12,500 placed into the created restricted account

9. In what units of measure are outputs reported, how and why have those outputs changed over time?

Sales of group license plates

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

None.

11. To whom is performance data reported?

Fiscal analysts and GOPB when requested.

12. What decisions are based on reporting data?

Distribution of funds.

13. How might you recommend the authorization, mission, or performance measurement change?

End the appropriation or modify it to just provide a pass-thru using one-time allocations.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

No expenditures at this point

15. How does this expenditure support the above justification/authorization?

When performing, the expenditure would directly support the effort.

16. What is that category of expenditure buying (how many/costs per unit)?

Individuals participating in the program

17. How does the above relate to units of output?

NA

18. How has the expenditure changed over five years relative to the units of output?

There is no activity, so the funds accumulate.

19. Are there any outliers/anomalies in current or budgeted spending in this category?

There is no current activity

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

NA. These would be grants.

21. How might you recommend this expenditure category change based on the above?

End the appropriation or modify it to just provide a pass-thru using one-time allocations.

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

General fund and proposed dedicated credits (license plate fees)

23. What are the revenue sources for that fund or account and what are their relative shares?

General fund and proposed dedicated credits (license plate fees)

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

Currently it is on-going for \$12,500

25. How has the source changed over time relative to expenditures and units of output?

No change.

26. Are there any outliers/anomalies in current or budgeted periods for this source?

The group license plates have not yet reached the required level

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

Yes. \$37,500

28. What is a reasonable balance and why?

None

29. Is the availability of sources (grants or previous "building blocks"), rather than mission or objective, driving expenditures?

No.

30. Are other sources available to support the same expenditure?

Private fund raising by the organizations.

31. How might you recommend this revenue category change based on the above?

End the appropriation or modify it to just provide a pass-thru using one-time allocations.

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

There is \$37,500 balance in the restricted fund

33. Have all appropriated or authorized sources been expended at year-end?

No.

34. How have nonlapsing appropriation balances (if any) changed over time?

Increase by \$12,500 annually

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable?

In addition to the state appropriation, future license plate fees are part of the funds

Veterans Nursing Home Fund (2380)

Budget Deep Dive Checklist

Purpose: Budget deep dives are intended to allow legislators a more thorough review of program outcomes, spending, and finance in the legislative interim session. But deep dives answer four broad questions: What are we in government attempting to accomplish? How are we organized to accomplish it? What are we buying? How are we paying for it?

What We Are Attempting to Accomplish

1. What authorizes delivery/provision of the function (statute, intent, rule)?

Title 71 Chapter 11 Utah Veterans Nursing Home Act

38 CFR Chapter 1 Part 51, 53, 59

2. What other activities are undertaken without explicit authority?

None

3. What alternative government and non-government resources exist to achieve these outcomes? Why is the state involved?

UDVMA has oversight of 4 state owned veterans' homes (SL, Ogden, Ivins and Payson). UDVMA contracts with a private health care provider, Avalon Health Care (Avalon), to operate and manage the homes. UDVMA has one full-time state employee at each home in an oversight role. Per contract, UDVMA is responsible for the purchase of new equipment and facility repairs that are over \$2,000. UDVMA is also responsible for a DFCM O&M contract.

The facilities are self-funded. The state does not appropriate any funds for the state personnel that work at the facilities or for the operation of the facilities. The facilities are funded through revenue received for services provided. The revenue sources are VA per diem, Medicare, Medicaid and Private Pay. With the exception of VA per diem, Avalon is responsible for collecting the revenue and paying the expenses.

VA per diem, approximately \$3,000,000 per month, is sent to UDVMA. UDVMA forwards the funds to Avalon for operations less a small hold back amount of approximately \$122,000 a month. This holdback, fund 2380, is an operational fund held by UDVMA to cover the cost of the state responsibilities for the homes. Again, these costs are associated with the state employees that serve in an oversight role, new equipment and repairs generally over \$2,000.00 and the DFCM O&M program. Fund 2380 also serves as a contingency fund in the event that a contract was terminated with the contracted healthcare provider and the state had to operate the facilities for a period of time.

Fund 2380 also includes approximately \$200,000 of donated (restricted) funds. These funds are donated by individuals, local businesses, veterans organizations and community groups in support of the veterans and are generally used to supplement the recreation budget at each facility.

How We Are Organized

4. What organizations are associated with this function?

The Veterans Administration (VA). The VA supports the facilities through the state veterans' home construction grant program by contributing 67% of expenses associated with new construction, additions and renovations with a total cost of at least \$400,000. The VA also subsidizes cost of care for each veteran with a daily per diem.

The Utah Department of Veterans & Military Affairs (UDVMA). The UDVMA is the state agency responsible for oversight of the four state veterans' homes. UDVMA employs a full time employee at each home to oversee the contract with the private health care provider that operates the homes.

Avalon Health Care (Avalon). Avalon is the private health care provider that has the contract with the state to manage and operate the veterans' homes.

5. What are the missions of the organizations associated with that function?

The mission of the VA is to support the States in developing and maintaining a quality long term care program for veterans that need the service. They support the state owned facilities through the state home construction grant program and a daily per diem program. They inspect/survey the facilities at least annually to ensure specific quality standards are being met.

The mission of the UDVMA is to coordinate and provide oversight on the private health care provider contract and ensure that the veterans receive the very best program possible. They liaison with the VA, supporting state agencies and the contract private health care provider.

The mission of Avalon is to use the financial resources available to implement and manage a quality long term care program that gives the veterans the best experience possible.

6. What outcomes are achieved by the organization associated with this function?

A quality long term care program for veterans that promotes both quality of care and quality of life.

7. What data is collected/reported to document/demonstrate progress toward the outcome?

Center for Medicare and Medicaid Services (CMS) 5-Star rating for Quality Measures.

CMS 5-Star rating for staffing.

CMS 5-Star rating for healthcare inspections.

Quarterly VA Analytics Reports

Monthly Pinnacle Customer Satisfaction Reports

Annual CMS Surveys

Annual VA Surveys

8. How are appropriations structured to accomplish this function?

There are no state appropriations for the state veteran’s home program. The facilities are self-funded. Revenues are generated through the VA per diem program, Medicare, Medicaid and private payments.

Funds accumulated in Fund 2380 are operational funds. UDVMA holds back up to \$10.00 per patient day from the monthly VA per diem payment to cover costs associated with the state employee (State Officer) in each facility and per contract, cost associated with the purchase of new equipment and facility repairs that generally exceed \$2,000, remodels, DFCM O&M program. The fund is also a contingency fund to cover costs in the event that a management contract is terminated.

The facilities do participate in the state capital improvements program.

There is a monthly pharmacy pass-through expense associated with fund 2380 that nets zero. For qualifying veterans, the VA covers the cost of emergency medication and the cost to repackage the VA provided medication in a unit dose format. The community pharmacy bills the facilities monthly for such medications. The facilities are reimbursed by the VA for the same amount.

9. In what units of measure are outputs reported, how and why have those outputs changed over time?

CMS conducts an annual survey of each facility to ensure CMS standards of care and life safety standards are being met. If a survey team cites a deficiency, the facility has to provide a correction plan to address the deficiency.

CMS rates every nursing facility in the country on a 5-star rating system to keep the public informed on facility performance. The areas rated are Quality Measures, Staffing and Facility Inspections.

The VA also inspects each state veterans home on an annual basis and has a set of standards (similar to CMS) that must be met. If the survey team cites a deficiency, the facility must provide a correction plan to address the deficiency.

10. Are there standards (industry, national, etc.) for output or output per unit of input? How do they compare to this?

N/A

11. To whom is performance data reported?

CMS

VA

UDVMA

12. What decisions are based on reporting data?

The VA standards for state veterans homes must be met in order to maintain certification to receive per diem payments for services provided. The CMS standards for a Long Term Care Facility must be met in order to participate in the Medicare and Medicaid program. Both the VA and CMS perform annual inspections to ensure compliance with all standards.

13. How might you recommend the authorization, mission, or performance measurement change?

The VA survey and the CMS survey for the most part review the same standards. The National Association of State Veterans Homes is working at the federal level to narrow it down to one survey which will save both money and time.

What We Are Buying

14. What is the largest category of expenditure for the organization and how big is it?

Fund 2380 is an operational contingency fund for all four homes. It covers expenses associated with new equipment and repairs that exceed \$2,000.00. It covers the expenses of the state oversight personnel (5 FTEs). It covers the cost of the DFCM O&M program. The largest expenditure would be associated with the purchase of equipment and facility physical plant repairs and improvements.

15. How does this expenditure support the above justification/authorization?

The funds our facility operational funds and not a state appropriation. The intent is to have operational funds available to keep the facilities in top condition as we work to honor veterans.

16. What is that category of expenditure buying (how many/costs per unit)?

N/A

17. How does the above relate to units of output?

N/A

18. How has the expenditure changed over five years relative to the units of output?

As the four facilities age, the cost to replace equipment and repair/renovate increases.

19. Are there any outliers/anomalies in current or budgeted spending in this category?

UDVMA has a goal to replace the existing Salt Lake Veterans Home with a new facility somewhere in the Salt Lake Valley. The intent is to provide a facility that offers private rooms, provides better protection against COVID type viruses and increases the capacity to better meet the demand in our largest market. UDVMA will file an application with the VA to support the new facility through their State Home Construction Grant Program. The VA traditionally covers two thirds of the construction cost up to a certain number of total beds. We would slightly exceed that number resulting in the VA covering approximately half of the construction cost. The State of Utah would be responsible for the other half of the construction cost. An early estimate on total cost for a new facility to serve veterans is approximately \$50,000,000 for a 108 bed facility.

20. Does the amount of expenditure for a category change significantly in accounting period 12 or 13? Why?

No.

21. How might you recommend this expenditure category change based on the above?

No recommendation for changes.

How We Are Paying For It

22. What is the largest fund or account from which resources are drawn to support the above expenditures and how big is it?

UDVMA contracts with a private health care provider (Avalon) to operate and manage the state veteran's homes. Outside of VA per diem, Avalon manages the revenue sources (Medicare, Medicaid, Private Pay). VA per diem (approximately \$3,026,000 a month) is paid to the UDVMA for services provided. UDVMA holds back up to \$10 per patient day (approximately \$122,000 a

month) in Fund 2380. The remaining funds are transferred to Avalon to support operational expenses. As previously stated, the hold back fund, fund 2380, covers the cost of the state employee (State Officer) at each facility, the cost of the Deputy Director – Facilities that oversees the state officers, Cost of new equipment and facility repairs over \$2,000.00 per contract terms and the cost of the DFCM O&M program. Fund 2380 also serves as a contingency fund for operations in the event a management contract is terminated.

23. What are the revenue sources for that fund or account and what are their relative shares?

As noted in question 22, Fund 2380 is a small portion of the VA per diem that is held back each month to cover costs that the state is responsible for and to serve as a contingency fund in the event of hardship or a contract termination. The amount held back has traditionally been \$10 per patient day (approximately \$122,000 a month). The fund also includes approximately \$200,000 in donated (restricted funds).

24. Is the source one-time or ongoing and do ongoing sources match or exceed ongoing expenditures?

The VA per diem is ongoing but is contingent on annual certification by the VA that the facility is meeting VA standards. The holdback fund, fund 2380, exceeds ongoing expenditures.

25. How has the source changed over time relative to expenditures and units of output?

The amount held back in fund 2380 is based on patient days (up to \$10 per patient day) and not total per diem received. The amount fluctuates with changes in census/census mix and changes in the number of days in a month.

26. Are there any outliers/anomalies in current or budgeted periods for this source?

No.

27. Are there unencumbered balances in a source that relate directly to his function/organization? If so, how have those balances changed over time?

UDVMA receives authority from the state legislature to spend the federal funds provided by the VA in support of operating and maintaining the facilities to the VA standards.

28. What is a reasonable balance and why?

The reasonable balance for fund 2380 is approximately \$16,000,000. As the facilities age, state expenses increase. The state is responsible to purchase/replace equipment and do facility repairs (everything over \$2,000). From a contingency standpoint, in the event that the health care provider failed and the contract was terminated, \$16,000,000 would cover approximately 4 months of overall expenses.

29. Is the availability of sources (grants or previous “building blocks”), rather than mission or objective, driving expenditures?

No.

30. Are other sources available to support the same expenditure?

No.

31. How might you recommend this revenue category change based on the above?

No recommendation for change.

Do We Balance?

32. What are total expenditures and total sources? Do they equal one another?

This fund requires a healthy balance to cover unforeseen costs. UDVMA is responsible for the purchase of new equipment and facility repairs that exceed \$2,000. The fund also serves as a contingency fund to cover costs in the event of a contract failure.

33. Have all appropriated or authorized sources been expended at year-end?

This fund, Fund 2380, is not appropriated. The fund is generated through nursing home services.

34. How have nonlapsing appropriation balances (if any) changed over time? NA.

35. Are fees or taxes supporting a function, and are those fees or taxes reasonable? No.