

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

## **Department of Veterans Services**

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## READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Department of Veterans Services (DVS), which includes the following four sections.

1. Overview: Provides a description of the Department's existing functions and staffing, and an overview of the Department's executive recommended budget for the FY 2014-FY 2015 biennium, and notes other important budgetary matters.
2. Facts and Figures: Includes information on the occupancy rates, per diem rates, and daily costs of the state of Ohio's two veterans' homes.
3. Analysis of Executive Proposal: Provides a detailed analysis of the Department's executive recommended budget, including the funding and purposes for each appropriated line item, and the services and activities that are financed by those appropriated moneys.
4. Attachments: Includes LSC's catalog of budget line items (COBLI), which describes each line item's purpose, revenue, and expenditures, and the LSC budget spreadsheet, which summarizes each line item's recent expenditure and appropriations history.

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## **ATTACHMENTS:**

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item



# Department of Veterans Services

- Veterans home residents total more than 700
- Volunteerism and partnerships contribute time and money
- Veterans Bonus Program winding down

## OVERVIEW

### Agency Overview

The Ohio Department of Veterans Services (DVS) was established by S.B. 289 of the 127th General Assembly and began functioning as an agency on August 21, 2008. When the Department was established, it merged operations from the Governor's Office of Veterans Affairs, the Ohio Veterans' Home Agency, and the Ohio State Approving Agency. The Ohio State Approving Agency was transferred from the Ohio Department of Education on October 1, 2008. Besides transferring and merging these operations, S.B. 289 also enacted several new duties and responsibilities, including additional outreach, advocacy, and expanded coordination with county veteran service commissions. Since its startup, the Department has also assumed responsibility for the administration of the Troops to Teachers and the Veterans Bonus programs.

The Department's mission is to actively identify, connect with, and advocate for veterans and their families. The Department also works to connect approximately 867,000 Ohio veterans and their families to programs and benefits to which they are entitled.

### Agency Sections

#### Veterans Services

This section is designed to connect veterans with the benefits that are available to them. Due to the complexity of these programs, it is often difficult for a veteran or a veteran's family to apply for benefits. In response to this fact, this section seeks to identify the veteran population and assist them in obtaining available benefits. The Department states that veterans can typically identify and receive more benefits by working with experienced organizations and staff, such as the county veteran officers, than by working alone.

This section is also responsible for assisting county veteran service commissions, which includes providing training, certification, and accreditation of more than 800 county veteran service officers, commissioners, and staff. Additionally, the section acts as a custodian of 1.9 million veterans' discharge records and converts these records from paper to an electronic format.

### **Ohio Veterans Homes**

The Department of Veterans Services operates two veterans homes in the state. The Department is the only state agency dedicated to providing long-term care solely to wartime veterans.

In 1888, the first veterans home in Ohio was opened in Sandusky to provide care for Civil War veterans who were unable to earn a living due to diseases or other disabilities. Since its founding in 1888, the Sandusky home has cared for tens of thousands of honorably discharged veterans from the Civil War, Spanish American War, World War I, World War II, Korean War, the Vietnam Conflict, and more recently the Gulf, Iraq, and Afghanistan conflicts. In November 2003, the second state-operated veterans home opened in Georgetown (Brown County). Combined, both homes currently provide services to over 730 veterans. Along with nursing home care, the homes also provide domiciliary living quarters as well as more advanced care for Alzheimer's, dementia, and hospice patients.

### **Veteran Educational Programs**

The State Approving Agency (SAA) section is responsible for approving and supervising programs of education for the training of veterans, eligible dependents, and eligible members of the National Guard and the reserves.

Last year, more than \$257 million in federal funds went to over 22,000 Ohio veterans and eligible family members to assist with education and training costs. The section also conducts compliance site visits, as well as administrative training for over 1,000 school and employment site officials. The Ohio Department of Education was responsible for these activities prior to October 2008.

This section is also responsible for administering Troops to Teachers, a program that encourages the recruitment of military personnel into the profession of teaching. The program is funded by the U.S. Department of Defense. Since 1994, over 10,000 veterans nationwide have utilized the Troops to Teachers Program.

### **Veterans Bonus Program**

The Veterans Bonus Program was approved by Ohio voters in November 2009. The program is designed to provide a bonus to qualifying veterans who served in the Persian Gulf, Iraq, and Afghanistan conflicts. The program was officially launched on August 24, 2010. As of June 30, 2012, approximately 58,000 applications from active duty service members, veterans, and their families have been submitted. More than \$47.8 million in bonus payments have been issued during this time period. Currently, the program is averaging roughly 200 applications per week.

## Staffing Levels

Table 1 below shows the Department's number of full-time equivalent (FTE) employees from FY 2009 projected through FY 2015. The majority of the Department's employees work at the veterans homes.

Work Location	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013*	FY 2014*	FY 2015*
Veterans Services – Columbus	11.0	16	16.0	16.0	14.4	17.0	17.0
Ohio Veterans Homes	797.1	768.7	768.7	822.1	830.9	837.9	837.9
Hall of Fame	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Veterans Approving Service	7.2	7.0	7.0	6.0	5.8	5.4	5.4
Troops to Teachers	1.0	1.0	1.0	1.0	1.2	1.0	1.0
Veterans Bonus Program	--	--	37.0	24.0	27.6	6.0	6.0
<b>TOTALS</b>	<b>817.3</b>	<b>793.7</b>	<b>830.7</b>	<b>870.1</b>	<b>880.9</b>	<b>868.3</b>	<b>868.3</b>

\*FY 2013-FY 2015 figures are estimates.

## Appropriation Overview

Table 2 below shows the executive budget recommendations, by fund group, for FY 2014 and FY 2015, as well as the FY 2013 estimates. The executive budget recommends an FY 2014 total appropriation of \$92.8 million, a decrease of \$11.1 million, or 10.7%, from FY 2013 total estimated expenditures of \$103.9 million. The executive budget recommends an FY 2015 total appropriation of \$91.0 million, a decrease of \$1.8 million, or 1.9%, from the FY 2014 recommendation.

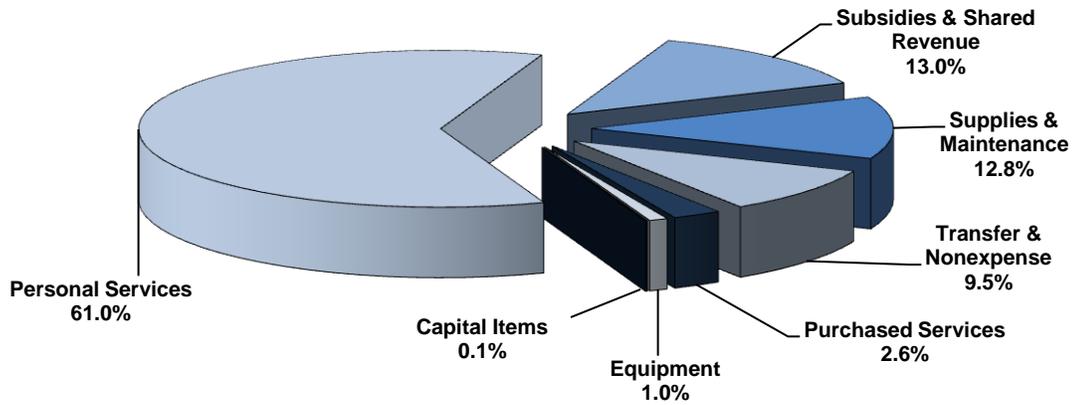
Fund Group	FY 2013*	FY 2014	% Change	FY 2015	% Change
General Revenue	\$39,590,944	\$37,021,444	-6.5%	\$39,393,644	6.4%
General Services	\$312,458	\$1,596,894	411.1%	\$1,596,894	0.0%
Federal Special Revenue	\$27,449,276	\$27,933,629	1.8%	\$28,693,984	2.7%
State Special Revenue	\$11,117,809	\$11,018,315	-0.9%	\$11,296,794	2.5%
Persian Gulf, Afghanistan, and Iraq Compensation	\$25,447,703	\$15,238,703	-40.1%	\$10,029,709	-34.2%
<b>TOTAL</b>	<b>\$103,918,190</b>	<b>\$92,808,985</b>	<b>-10.7%</b>	<b>\$91,011,025</b>	<b>-1.9%</b>

\*FY 2013 figures represent estimated levels of spending.

Chart 1 below shows the budget recommendations by expense category for the FY 2014-FY 2015 biennium. The Department's largest expense category – 61.0% – is personal services, which encompasses payroll-related expenses (wages, salaries, fringe benefits, and other payroll charges). The majority of these personal services expenses are associated with operations of the two veterans homes. The second largest expense

category – 13.0% – contains subsidies and shared revenue (related Veterans Bonus payments), followed by supplies and maintenance (12.8%), and Transfer & Nonexpense (9.5%).<sup>1</sup>

**Chart 1: Executive Budget Recommendations by Expense Category, FY 2014-FY 2015**



<sup>1</sup> The Transfer and Nonexpense category represents the debt service payments which will be made on the bonds used to finance the Veterans Bonus Program.

## FACTS AND FIGURES

### Levels of Care at Veterans Homes

As previously noted, the Department operates two veterans homes, one in Sandusky and the other in Georgetown. The Department is the only state agency dedicated to providing long-term care solely to wartime veterans.

The two veterans homes operate through a mix of state and federal funds, as well as through resident assessments. Each resident is assessed a monthly fee, which is based on the level of care provided (discussed in more detail below) and the resident's ability to pay. Table 3 below displays the current monthly assessments for the type of care provided.

Type of Care	Current Monthly Assessment*
Domiciliary	\$521
Domiciliary Plus (DOM Plus)	\$1,460
Nursing Home Regular Care	\$2,030
Nursing Home Special Care	\$2,700

\*There is an incremental assessment for those residents who cannot qualify for VA per diem reimbursement.

**Sandusky.** The 94-acre campus in Sandusky has 300 beds in the Veterans Hall Domiciliary (7 of these beds are reserved for visiting family and guests). The Domiciliary provides independence and freedom comparable to community living for residents who do not require hospital or nursing home care. The Secrest-Giffin Nursing Home, also in Sandusky, has 427 beds and provides nursing care and Alzheimer's and other dementia care for residents. The Sandusky facility also offers skilled care and hospice care for residents in need of those services.

**Georgetown.** The Georgetown facility is a 35-acre campus with 168 nursing home beds, 42 of which are dedicated to Alzheimer's and dementia patients. The Georgetown facility offers skilled care and hospice care for residents in need of those services.

### Nursing Home

The nursing home level of care provides long-term care for elderly, chronically ill, and disabled veterans in a homelike environment that allows them to achieve their highest level of functional ability. There are three levels of care in the nursing homes: standard care, skilled care, and special care. Standard care is provided to nursing home residents who do not have Alzheimer's or dementia. Skilled care is provided when medically necessary. Special care is for residents with Alzheimer's and dementia. All

levels of care provide shelter, food, housekeeping, medical assistance, laundry, pharmacy services, and nursing care.

The nursing homes must comply with Ohio Department of Health and U.S. Department of Health and Human Services' Centers for Medicare and Medicaid regulations and guidelines. Additionally, the U.S. Department of Veterans Affairs Standards for State Veterans Homes regulations and guidelines must be followed. The Sandusky and Georgetown nursing homes are inspected by the Ohio Department of Health and the U.S. Department of Veterans Affairs on an annual basis. The Ohio Department of Aging also conducts satisfaction surveys with residents and families. These findings are published on the Department of Aging's web site.

### **Domiciliary**

The domiciliary level of care provides two levels of service to residents at the Sandusky Veterans Hall Domiciliary: Domiciliary (DOM) and Domiciliary Plus (DOM-Plus). The Georgetown facility does not provide domiciliary services.

The Sandusky DOM provides shelter, food, and necessary medical care on an ambulatory self-care basis to assist eligible veterans who are suffering from a disability, disease, or defect of such a degree that incapacitates the veteran from earning a living. The veterans are not in need of hospitalization or nursing home care and are capable of independent living. The DOM level program provides room, meals, linens, custodial services, and limited medical care on an ambulatory self-care basis.

There are also two 42-bed DOM-Plus wings, which provide a higher level of care to the residents who are veterans of World War II, Korea, Vietnam, and more recently the Persian Gulf, Iraq, and Afghanistan conflicts. The DOM-Plus level provides additional assistance, such as reminders to take medicine and limited help with the activities of daily living. Individuals eligible for DOM-Plus do not require hospital or nursing home care, but are not capable of fully independent living.

### **Occupancy Rates for the Veterans Homes**

Since 1999, the Secrest-Giffin Nursing Home, which is located in Sandusky, has been operating at almost full occupancy. The Veterans Hall Domiciliary has ranged from a high of 81% in 2000 and 2002 to a low of 57% in 2013. Since 2005, the occupancy rate at the Georgetown Veterans Home has ranged from 30% to 82%. Table 4 shows the occupancy rates by year. The Georgetown facility did not open until November 2003.

Table 4. Veterans Home Population Count and Occupancy Rates by Year								
Year	Secrest-Giffin Nursing Home		Veterans Hall Domiciliary		Ohio Veterans Home Sandusky Total		Georgetown Veterans Home Total	
	# of Residents	% Occupancy	# of Residents	% Occupancy	# of Residents	% Occupancy	# of Residents	% Occupancy
1996	342	80%	193	66%	535	74%	--	--
1997	371	87%	203	69%	574	79%	--	--
1998	372	87%	224	77%	596	82%	--	--
1999	424	99%	235	80%	659	91%	--	--
2000	425	99%	236	81%	661	92%	--	--
2001	427	100%	221	76%	648	90%	--	--
2002	425	99%	236	81%	661	92%	--	--
2003	427	100%	221	76%	648	90%	--	--
2004	425	99%	189	64%	614	85%	50	30%
2005	427	100%	196	67%	623	87%	90	54%
2006	423	99%	194	65%	617	85%	114	68%
2007	425	99%	184	61%	609	84%	120	71%
2008	422	99%	193	66%	615	85%	117	70%
2009	419	98%	201	67%	620	85%	116	69%
2010	418	98%	184	61%	602	83%	114	68%
2011	422	99%	185	63%	607	84%	117	70%
2012	425	99%	177	60%	602	84%	131	78%
2013*	415	97%	168	57%	583	81%	137	82%

\*As of February 2013.

### Federal Veterans Administration Per Diem Rates for Veterans Homes

Ohio's two veterans homes receive per diem reimbursements from the federal Department of Veterans Affairs (VA) via a formula grant. These rates are adjusted annually. The grant requires a 50% match from nonfederal funds. Table 5 below shows the VA per diem rates each year from 1993 to 2013.

Nursing homes are highly regulated and subject to medical inflation rates for goods and services that exceed consumer inflation rates. Since minimum staffing rates are required, any reduction in funding would result in fewer veterans receiving care. In order to more effectively leverage existing resources, the Department has partnered with other organizations to generate additional funds internally and to increase volunteer hours which help to free existing staff to concentrate on offering direct care to the residents.

**Table 5. Veterans Administration Per Diem Rates\***

Federal Fiscal Year	Nursing Home Resident	Domiciliary Resident
1993	\$31.03	\$13.25
1994	\$35.37	\$15.11
1995	\$37.56	\$15.33
1996	\$39.74	\$16.13
1997	\$40.00	\$17.78
1998	\$43.92	\$19.52
1999	\$50.55	\$21.43
2000	\$51.38	\$22.93
2001	\$53.17	\$24.40
2002	\$56.24	\$26.97
2003	\$57.78	\$27.19
2004	\$59.36	\$27.44
2005	\$63.40	\$29.31
2006	\$67.71	\$31.30
2007	\$71.42	\$33.01
2008	\$74.42	\$34.40
2009	\$77.53	\$35.84
2010	\$94.59	\$38.90
2011	\$95.82	\$39.90
2012	\$97.07	\$41.10
2013	TBD	TBD

\*Rates effective October 1.

**Average Daily Costs at Veterans Homes**

Table 6 below shows the average daily costs per year.

**Table 6. Average Daily Cost of Care**

Fiscal Year	Veterans Hall Domiciliary	Percent Change	Secrest-Giffin Nursing Home	Percent Change	Georgetown Veterans Home*	Percent Change
1996	\$63.79	N/A	\$147.80	N/A	--	--
1997	\$63.09	-1.1%	\$150.91	2.1%	--	--
1998	\$64.82	2.7%	\$156.36	3.6%	--	--
1999	\$63.57	-1.9%	\$159.61	2.1%	--	--
2000	\$72.60	14.2%	\$170.34	6.7%	--	--
2001	\$78.20	7.7%	\$174.11	2.2%	--	--
2002	\$84.77	8.4%	\$177.79	2.1%	--	--
2003	\$95.29	12.4%	\$198.88	11.9%	--	--
2004	\$98.12	3.0%	\$200.92	1.0%	\$677.99	N/A
2005	\$110.16	12.3%	\$218.23	8.6%	\$324.30	-52.2%
2006	\$109.69	-0.4%	\$216.86	-0.6%	\$268.63	-17.2%
2007	\$109.00	-0.6%	\$215.00	-0.9%	\$252.00	-6.2%
2008	\$95.13	-12.7%	\$222.49	3.5%	\$240.55	-4.5%

<b>Fiscal Year</b>	<b>Veterans Hall Domiciliary</b>	<b>Percent Change</b>	<b>Secrest-Giffin Nursing Home</b>	<b>Percent Change</b>	<b>Georgetown Veterans Home*</b>	<b>Percent Change</b>
2009	\$108.23	13.8%	\$247.09	11.1%	\$280.51	16.6%
2010	\$116.18	7.3%	\$235.89	-4.5%	\$273.23	-2.6%
2011	\$130.99	12.7%	\$248.91	5.5%	\$288.13	5.5%
2012	\$139.48	6.5%	\$256.80	3.2%	\$273.75	-5.0%
2013**	\$156.92	12.5%	\$285.70	11.3%	\$287.62	5.1%

\*Georgetown facility did not open until November 2003.

\*\*As of February 2013.

## **FY 2012-FY 2013 Highlights**

### **Veterans Bonus Program**

The Veterans Bonus Program was approved by Ohio voters in November 2009. The program is designed to provide a bonus to the estimated 200,000 qualifying Ohio veterans who served in the Persian Gulf, Iraq, and Afghanistan conflicts. The program is established in the Ohio Constitution (Section 2r of Article VIII) and authorizes the issuance of \$200 million in bonds to pay for the bonuses as well as the administrative costs of the program. The program launched in August 2010.

An initial \$50 million in cash was generated by a bond sale in August 2010 and deposited in the Persian Gulf, Afghanistan, and Iraq Conflicts Compensation Fund (Fund 7041). Since then, an additional \$17 million has been generated in bond sales. The Department does not envision the full \$200 million amount being needed at this time.

As of June 30, 2012, approximately 58,000 applications from active duty service members, veterans and their families have been submitted. More than \$47.8 million in bonus payments have been issued during this time period. Currently, the program is averaging roughly 200 applications per week.

### **Nursing Home Initiatives**

#### **Georgetown Veterans Home**

On January 27, 2011, the Department of Veterans Services opened a new hospice unit using unfilled nursing home beds at the Veterans Home in Georgetown, making the home the first in the nation to house a dedicated wing for the purpose of providing end of life care. The unit is funded by federal per diem grants for veterans care and resident fees.<sup>2</sup> The unit will accept any eligible veteran in Ohio who qualifies for hospice care. The veteran does not need to be a current resident of the home.

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<sup>2</sup> Residents of the state veterans homes may be assessed a fee to pay a portion of the expense of their support, dependent upon their ability to pay.

The 22-bed hospice unit in Georgetown is located in what had been a vacant unit within the facility. Through a public-private partnership, Stein Hospice, a not-for-profit organization based in Ohio, provides the necessary professional staff to operate the unit. Stein was already offering hospice services at the Sandusky Veterans Home, but on an as needed basis.

### **Sandusky Veterans Home**

On May 7, 2012, the Controlling Board approved the Department's request for an increase in state non-GRF and federal funds totaling \$1.35 million to renovate existing unoccupied space located at the Veterans Home in Sandusky. This renovation doubled the number of DOM-Plus beds, from 42 to 84. The DOM-Plus bed expansion helped alleviate the current waiting list for services.

### **Other Measures**

According to the Department's budget submission, measures have and will continue to be taken to reduce costs associated with the operation of the state's two veterans homes. The Department has realized significant cost savings by purchasing pharmaceuticals and medical supplies through contracts negotiated by the federal Department of Veterans Affairs. Volunteerism is continuing to save both time and money, as well as improving the quality of life of the veteran residents. In the past, veteran and other organizations have purchased vehicles for the homes, funded pavilions, and performed building renovations.

In the past year, the homes have benefited from a total of 47,200 volunteer hours as follows:

- Sandusky had 350 volunteers contributing a total of 30,000 hours. Approximately 70% of these volunteers were affiliated with veterans organizations.
- Georgetown had 250 volunteers contributing a total of 17,200 hours. Of these volunteers, 40% were affiliated with veterans organizations.
- The average age of these volunteers was 76.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Introduction

This section provides an analysis of the executive recommended funding for each line item in the Department's FY 2014-FY 2015 budget. In this analysis, the Department's line items are grouped into four major categories. For each category, a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. The five categories used in this analysis are as follows:

1. Ohio Veterans Homes;
2. Veterans Services;
3. Veterans Hall of Fame;
4. Veterans Educational Activities; and
5. Veterans Bonus Program.

To aid the reader in finding each item in the analysis, the following table shows the category in which each line item has been placed, listing the line items in order within their respective fund groups and funds. This is the same order that the line items appear in the budget bill.

Table 7. Categorization of Line Items for Analysis of Executive Proposal		
Fund	ALI and Name	Category
<b>General Revenue Fund</b>		
GRF 900321	Veterans' Homes	1: Ohio Veterans Homes
GRF 900402	Hall of Fame	3: Veterans Hall of Fame
GRF 900408	Department of Veterans Services	2: Veterans Services
GRF 900901	Persian Gulf, Afghanistan, and Iraq Compensation Debt Service	5: Veterans Bonus Program
<b>General Services Fund Group</b>		
4840 900603	Veterans' Home Services	1: Ohio Veterans Homes
<b>Federal Special Revenue Fund Group</b>		
3680 900614	Veterans Training	4: Veterans Educational Activities
3740 900606	Troops to Teachers	4: Veterans Educational Activities
3BX0 900609	Medicare Services	1: Ohio Veterans Homes
3L20 900601	Veterans' Homes Operations – Federal	1: Ohio Veterans Homes
<b>State Special Revenue Fund Group</b>		
4E20 900602	Veterans' Homes Operating	1: Ohio Veterans Homes
6040 900604	Veterans' Homes Improvement	1: Ohio Veterans Homes
<b>Persian Gulf, Afghanistan, and Iraq Compensation</b>		
7041 900615	Veterans Bonus Program – Administration	5: Veterans Bonus Program
7041 900641	Persian Gulf, Afghanistan, and Iraq Compensation	5: Veterans Bonus Program

## Category 1: Ohio Veterans Homes

The appropriations in this category provide funding for the operation of two veterans homes – one in Sandusky and one in Georgetown. The Sandusky facility provides nursing facility and domiciliary care, while the Georgetown facility provides only nursing facility care.

<b>Table 8. Executive Recommended Amounts for Ohio Veterans Homes</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>General Revenue Fund</b>				
GRF	900321	Veterans' Homes	\$27,369,946	\$27,369,946
<b>General Revenue Fund Subtotal</b>			<b>\$27,369,946</b>	<b>\$27,369,946</b>
<b>General Services Fund Group</b>				
4840	900603	Veterans' Homes Services	\$1,596,894	\$1,596,894
<b>General Services Fund Group Subtotal</b>			<b>\$1,596,894</b>	<b>\$1,596,894</b>
<b>Federal Special Revenue Fund Group</b>				
3BX0	900609	Medicare Services	\$2,250,000	\$2,250,000
3L20	900601	Veterans' Homes Operations – Federal	\$24,887,790	\$25,634,423
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$27,137,790</b>	<b>\$27,884,423</b>
<b>State Special Revenue Fund Group</b>				
4E20	900602	Veterans' Homes Operating	\$10,614,652	\$10,837,435
6040	900604	Veterans' Homes Improvement	\$403,663	\$459,359
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$11,018,315</b>	<b>\$11,296,794</b>
<b>Total Funding: Ohio Veterans Homes</b>			<b>\$67,122,945</b>	<b>\$68,148,057</b>

### Ohio Veterans Homes Line Items

**GRF line item 900321, Veterans' Homes**, is used for payroll, personal services contracts, supplies and maintenance, and equipment costs incurred in the administration and operation of the two state veterans homes. For this line item, the executive budget recommends funding of \$27,369,946 in FY 2014 and FY 2015, which is equal to the FY 2013 estimated level of spending. Prior to FY 2011, these expenses were covered by GRF line items 900100, Personal Services, and 900200, Maintenance.

**GSF line item 900603, Veterans' Homes Services**, is used to purchase food products and medication services and to maintain the areas of the veterans homes that are rented or leased. The Veterans Home Rental and Service Revenue Fund (Fund 4840), which provides the money for the line item's appropriation, consists of reimbursements from hospice, third-party pharmacy receipts, as well as money from leases, rentals, and meals.

For this GSF line item, the executive budget recommends funding of \$1,596,894 in FY 2014 and FY 2015. This represents an increase of \$1,284,436, or 411.1%, from the FY 2013 estimate of \$312,458. This increase is partially due to changes in the way that reimbursements for hospice care are administered. Previously, these reimbursements were deposited to the credit of a mix of funds, specifically funds 4E20, 6040, and 4840. During the upcoming biennium, all reimbursements will be deposited to the credit of Fund 4840.

**Federally funded line item 900609, Medicare Services**, is used to provide Medicare-related and other services to eligible veterans. These services include physical therapy, IV medication, skilled nursing care, medical care, room, board, and other Medicare required goods and services. Funds are used to purchase Medicare allowable equipment.

The Medicare Services Fund (Fund 3BX0), which provides the money for the line item's appropriation, consists of Medicare Part A and B reimbursements for skilled nursing care services. The fund's revenues can fluctuate based on rates established by the U.S. Department of Health and Human Services Centers for Medicare and Medicaid, the number of residents that require skilled care, and the level of treatment that these residents require.

For this federal line item, the executive budget recommends funding of \$2,250,000 in FY 2014 and FY 2015, a decrease of \$240,169, or 9.6%, from the FY 2013 estimate of \$2,490,169.

**Federally funded line item 900601, Veterans' Homes Operations – Federal**, is used to pay for the operating expenses of the two state veterans homes. The Federal Grants Fund (Fund 3L20) which provides the money for the line item's appropriation, consists of moneys received from the U.S. Department of Veterans Affairs for per diem rates. The fund's revenues are dependent upon the number of days of care provided to nursing home and domiciliary residents and the per diem rates established by the U.S. Department of Veterans Affairs. The per diem rate effective on October 1, 2012, is \$97.07 for nursing home residents and \$41.10 for domiciliary residents.

For this federal line item, the executive budget recommends funding of \$24,887,790 in FY 2014, an increase of \$816,521, or 3.4%, from the FY 2013 estimate of \$24,071,269. For FY 2015, the executive budget recommends funding of \$25,634,423, an increase of \$746,633, or 3.0%, over the FY 2014 recommendation.

**State Special Revenue line item 900602, Veterans' Homes Operating**, is also used to cover operating expenses at the veterans homes. The Veterans' Home Operating Fund (Fund 4E20), which provides the money for the line item's appropriation, consists of 80% of the revenues collected from resident assessments. The fund's revenues are dependent upon the occupancy rate of the facilities, the residents' ability to pay, and the

assessment charged. The Department anticipates annual increases in these resident assessments.

For this SSR line item, the executive budget recommends funding of \$10,614,652 in FY 2014, a decrease of \$24,426, or 0.2%, from the FY 2013 estimate of \$10,639,078. For FY 2015, the executive budget recommends funding of \$10,837,435, an increase of \$222,783, or 2.1%, from the FY 2014 recommendation.

**State Special Revenue line item 900604, Veterans' Homes Improvement**, is used to pay for the costs of equipment and capital improvements. The Ohio Veterans Home Improvement Fund (Fund 6040), which provides the money for the line item's appropriation, consists of 20% of the revenues collected from resident assessments. The fund's revenues are dependent upon the occupancy rate of the facilities, the residents' ability to pay, and the assessment charged. The Department anticipates annual increases in these resident assessments.

For this SSR line item, the executive budget recommends funding of \$403,663 in FY 2014, a decrease of \$75,068, or 15.7%, from the FY 2013 estimate of \$478,731. For FY 2015, the executive budget recommends funding of \$459,359, an increase of \$55,696, or 13.8%, over the FY 2014 recommendation.

## Category 2: Veterans Services

The appropriations in this category help to connect veterans with their benefits and provide training to county veterans' service officers and county veteran service commissions.

<b>Table 9. Executive Recommended Amounts for Veterans Services</b>				
<b>Fund</b>		<b>ALI and Name</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>General Revenue Fund</b>				
GRF	900408	Department of Veterans Services	\$2,001,823	\$2,001,823
<b>General Revenue Fund Subtotal</b>			<b>\$2,001,823</b>	<b>\$2,001,823</b>
<b>Total Funding: Veterans Services</b>			<b>\$2,001,823</b>	<b>\$2,001,823</b>

### Department of Veterans Services (GRF line item 900408)

This GRF line item is used to pay the operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) that the Department incurs in performing its mission to identify, connect with, and advocate for veterans and their families. It also pays for operating expenses related to the Veterans' Record System, which contains digitized copies of discharge and separation information on Ohio veterans.

For FY 2014, the executive recommends the line item receive funding of \$2,001,823 in each fiscal year, which is equal to the FY 2013 estimated level of spending. This level of funding will allow the Department to maintain current service levels.

An ongoing departmental priority is, budget permitting, to improve the benefits delivery system through public awareness, outreach and education, staff training, and streamlining the application process. A notable accomplishment in this regard from the Department's perspective is a joint effort with the Cleveland V.A. Regional Benefits Office that resulted in a significant improvement in claims processing for Ohio's veterans through systemic changes, training, and enhanced communications. Also of importance to the Department is reducing unemployment in the veteran's community, an effort that currently includes collaboration with Ohio's Adjutant General, the Department of Job and Family Services and the Office of the Governor.

### Category 3: Veterans Hall of Fame

This category of appropriations provides funds for the Veterans Hall of Fame, which recognizes veterans' accomplishments to the community.

<b>Table 10. Executive Recommended Amounts for Veterans Hall of Fame</b>					
<b>Fund</b>		<b>ALI and Name</b>		<b>FY 2014</b>	<b>FY 2015</b>
<b>General Revenue Fund</b>					
GRF	900402	Hall of Fame		\$107,075	\$107,075
<b>General Revenue Fund Subtotal</b>				<b>\$107,075</b>	<b>\$107,075</b>
<b>Total Funding: Veterans Hall of Fame</b>				<b>\$107,075</b>	<b>\$107,075</b>

#### Hall of Fame (GRF line item 900402)

This GRF line item pays for expenses relating to the Veterans Hall of Fame. The Hall of Fame recognizes veterans for their significant contributions they have made, or are making, to their community, state, and nation after serving honorably in the armed services. This program was created in 1992 and was the first of its kind in the nation. In 2012, 145 nomination packets were received. Of those, 15 were inducted into the Hall of Fame.

For the line item, the executive budget recommends funding of \$107,075 in both FY 2014 and FY 2015, which is equal to the FY 2013 estimated level of spending. These funds are typically allocated for payroll and maintenance and supplies.

## Category 4: Veterans Educational Activities

This category of appropriations provides funds for the approval and supervision of educational programs for veterans and their dependents, as well as funds to encourage veterans to enter the teaching profession.

<b>Table 11. Executive Recommended Amounts for Veterans Educational Activities</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2014</b>	<b>FY 2015</b>
<b>Federal Special Revenue Fund Group</b>				
3680	900614	Veterans Training	\$684,017	\$697,682
3740	900606	Troops to Teachers	\$111,822	\$111,879
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$795,839</b>	<b>\$809,561</b>
<b>Total Funding: Veterans Educational Activities</b>			<b>\$795,839</b>	<b>\$809,561</b>

### Veterans Training (federal line item 900614)

This federally funded line item provides money for the approval and supervision of educational programs for veterans and their dependents. The Veterans Training Fund (Fund 3680), which provides the money for the line item's appropriation, receives revenues that are determined by funding levels established by Congress and allocated by the U.S. Department of Veterans Affairs. The amount of federal funds allocated to each state is dependent upon the number of active sites within that state.

For this line item, the executive budget recommends funding of \$684,017 in FY 2014, a decrease of \$70,360, or 9.3%, from the FY 2013 estimate of \$754,377. For FY 2015, the executive budget recommends funding of \$697,682, an increase of \$13,665, or 2.0%, from the FY 2014 recommendation. Most of this funding is typically allocated for payroll-related expenses.

### Troops to Teachers (federal line item 900606)

This federally funded line item pays for Troops to Teachers, a program for the recruitment of military personnel into the profession of teaching. The line item's appropriation is supported by money from the Defense Activity for Non-Traditional Education Support (DANTES) Program administered by the U.S. Department of Defense. Federal funds originate with the U.S. Department of Education and are then transferred to the U.S. Department of Defense.

For this line item, the executive budget recommends funding of \$111,822 in FY 2014, a decrease of \$21,639, or 16.2%, from the FY 2013 estimate of \$133,461. For FY 2015, the executive budget recommends funding of \$111,879, an increase of \$57, or 0.1%, from the FY 2014 recommendation. These funds are typically allocated for payroll-related expenses and secondary supplies and maintenance.

Activities related to the program were previously funded through the Ohio Department of Education's GRF line item 200647, Troops to Teachers. The Ohio Department of Veterans Services took over the program in FY 2010.

## Category 5: Veterans Bonus Program

This category of appropriations provides funds for the support of the Veterans Bonus Program, which was approved by Ohio voters in November 2009. It is funded through the issuance of bonds. Eligible service members, veterans, or qualifying family members may be eligible for up to \$1,500 in bonus payments based upon length and location of the qualifying service. Family members of those killed in action, missing in action, or prisoners of war may be eligible for a bonus of \$5,000. Between September 2010, the date on which applications began to be accepted, and July 2012, nearly \$47.8 million has been paid to 57,055 qualifying applicants.

**Table 12. Executive Recommended Amounts for Veterans Bonus Program**

Fund		ALI and Name	FY 2014	FY 2015
<b>General Revenue Fund</b>				
GRF	900901	Persian Gulf, Afghanistan, and Iraq Compensation Debt Service	\$7,542,600	\$9,914,800
<b>General Revenue Fund Subtotal</b>			<b>\$7,542,600</b>	<b>\$9,914,800</b>
<b>Persian Gulf, Afghanistan, and Iraq Compensation Fund Group</b>				
7041	900615	Veterans Bonus Program - Administration	\$738,703	\$629,709
7041	900641	Persian Gulf, Afghanistan, and Iraq Compensation	\$14,500,000	\$9,400,000
<b>Persian Gulf, Afghanistan, and Iraq Compensation Fund Group Subtotal</b>			<b>\$15,238,703</b>	<b>\$10,029,709</b>
<b>Total Funding: Veterans Bonus Program</b>			<b>\$22,781,303</b>	<b>\$19,944,509</b>

### Veterans Bonus Program Line Items

**GRF line item 900901, Persian Gulf, Afghanistan, and Iraq Compensation Debt Service**, is used to pay all debt service and related financing costs on obligations issued for Persian Gulf, Afghanistan, and Iraq compensation purposes under R.C. sections 151.01 and 151.12. For FY 2014, the executive budget recommends funding of \$7,542,600 and, in FY 2015, funding of \$9,914,800.

**Line item 900615, Veterans Bonus Program – Administration**, is used to pay the operating expenses (payroll, personal services contracts, supplies and maintenance, and equipment costs) incurred to administer the Veterans Bonus Program.

For FY 2014, the executive budget recommends funding of \$738,703, a decrease of \$409,000, or 35.6%, from the FY 2013 estimate of \$1,147,703. For FY 2015, the executive budget recommends funding of \$629,709, a decrease of \$108,994, or 14.8%, from the FY 2014 recommendation. These decreases reflect staff reductions as the number of new applications decrease.

**Line item 900641, Persian Gulf, Afghanistan, and Iraq Compensation**, is used to make bonus payments to qualified Ohio veterans of the Persian Gulf, Afghanistan, and Iraq conflicts. Depending upon specified circumstances of their military service, the maximum benefit for an eligible veteran is \$500, \$1,000, or \$1,500.

For FY 2014, the executive budget recommends funding of \$14,500,000, a decrease of \$9,800,000, or 40.3%, from the FY 2013 estimate of \$24,200,000. For FY 2015, the executive budget recommends funding of \$9,400,000, a decrease of \$5,100,000, or 35.2%, from the FY 2014 recommendation. This funding decrease is indicative of the Department's expectation that applications to the bonus program will be decreasing as these conflicts come to an end.

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## Department of Veterans Services

### General Revenue Fund

#### GRF 900100 Personal Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$22,459,274	\$246,037	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-98.9%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services and merged the Ohio Veterans' Home Agency into the Department, including the Agency's responsibility for administration and operation of state veterans' homes)

**Purpose:** This line item was created, effective August 2008, to pay for the personal services expenses (payroll and purchased personal services) incurred in administration and operation of state veterans' homes. Effective FY 2011, the line item's funding and related purpose were merged into newly created GRF line item 900321, Veterans' Homes. Prior to August 2008, these personal services expenses were paid from the Ohio Veterans' Home Agency's GRF line item 430100, Personal Services.

#### GRF 900200 Maintenance

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$4,537,015	\$293,894	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-93.5%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services and merged the Ohio Veterans' Home Agency into the Department, including the Agency's responsibility for administration and operation of state veterans' homes)

**Purpose:** This line item was created, effective August 2008, to pay for the supplies and maintenance expenses incurred in administration and operation of state veterans' homes. Effective FY 2011, the line item's funding and related purpose were merged into newly created GRF line item 900321, Veterans' Homes. Prior to August 2008, these supplies and maintenance expenses were paid from the Ohio Veterans' Home Agency's GRF line item 430200, Maintenance.

## Department of Veterans Services

### GRF 900321 Veterans' Homes

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$27,087,282	\$25,913,818	\$27,369,946	<b>\$27,369,946</b>	<b>\$27,369,946</b>
	N/A	-4.3%	5.6%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Section 3 of Sub. H.B. 449 of the 128th G.A.)

**Purpose:** This line item is used to pay for the operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) incurred in administration and operation of the state veterans' homes. Prior to FY 2011, these expenses were paid by GRF line items 900100, Personal Services, and 900200, Maintenance.

### GRF 900402 Hall of Fame

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$100,837	\$111,647	\$98,920	\$107,075	<b>\$107,075</b>	<b>\$107,075</b>
	10.7%	-11.4%	8.2%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services and merged the Ohio Veterans' Home Agency into the Department, including the Agency's responsibility for the Ohio Veterans Hall of Fame)

**Purpose:** This line item is used for payroll and maintenance expenses incurred to operate the Ohio Veterans Hall of Fame. Prior to August 2008, these expenses were paid from the Ohio Veterans' Home Agency's GRF line item 430402, Hall of Fame.

## Department of Veterans Services

### GRF 900403 Veteran Record Conversion

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$14,297	\$12,657	\$0	\$0	\$0	\$0
	-11.5%	-100%	N/A	N/A	N/A

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Section 409.10 of Am. Sub. H.B. 1 of the 128th G.A.)

**Purpose:** This line item was used to pay for operating expenses incurred to maintain the Veterans' Record System, which contains digitized copies of discharge and separation information on Ohio veterans for the purpose of helping authorized organizations and veterans and their families in applying for various benefits, aid, and assistance for which veterans or their dependents or survivors may be eligible. Effective FY 2012, these expenses are being paid from GRF line item 900408, Department of Veterans Service. Prior to FY 2010, these expenses were paid from the Department of Administrative Services' GRF line item 100410, Veterans' Records Conversion.

### GRF 900408 Department of Veterans Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$1,261,302	\$1,582,370	\$1,814,442	\$2,001,823	\$2,001,823	\$2,001,823
	25.5%	14.7%	10.3%	0.0%	0.0%

**Source:** General Revenue Fund

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services and transferred the duties of the Governor's Office of Veterans Affairs and its Director to the Department and its Director)

**Purpose:** This line item is used to pay the operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) that the Department incurs in performing its mission to identify, connect with, and advocate for veterans and their families. Prior to August 2008, these expenses were paid from the Office of the Governor's GRF line item 040408, Office of Veterans' Affairs. Effective FY 2012, the line item is also paying for the operating expenses related to the Veterans' Record System, which were previously paid from GRF line item 900403, Veteran Record Conversion, which has been discontinued.

## Department of Veterans Services

### GRF 900901 Persian Gulf, Afghanistan, and Iraq Compensation Debt Service

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$0	\$4,151,478	\$10,112,100	<b>\$7,542,600</b>	<b>\$9,914,800</b>
	N/A	N/A	143.6%	-25.4%	31.5%

**Source:** General Revenue Fund

**Legal Basis:** Section 2r, Article VIII, of the Ohio Constitution; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A.

**Purpose:** This line item funds debt service payments to the Ohio Public Facilities Commission to retire debt borrowed to finance veterans bonus payments and the program's administration.

## General Services Fund Group

### 4840 900603 Veterans' Homes Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$762,854	\$908,762	\$275,082	\$312,458	<b>\$1,596,894</b>	<b>\$1,596,894</b>
	19.1%	-69.7%	13.6%	<b>411.1%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: (1) Hospice reimbursements, (2) temporary use agreements for veterans' home buildings and grounds, (3) sale of meals at a home's dining halls, (4) pharmacy revenues, and (5) rental, lease, or sharing agreements for the use of facilities, supplies, equipment, utilities, or services provided by a home

**Legal Basis:** ORC 5907.15; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services; line item subsequently renamed by Section 5 of Am. Sub. H.B. 48 of the 128th G.A.)

**Purpose:** The statutory purpose of this fund and related line item is to pay for maintenance costs of state veterans' homes and for the purchase of medications, medication services, medical supplies, and medical equipment by the homes. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Veterans' Home Agency.

## Department of Veterans Services

### Federal Special Revenue Fund Group

#### 3680 900614 Veterans Training

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$499,539	\$592,271	\$545,883	\$754,377	<b>\$684,017</b>	<b>\$697,682</b>
	18.6%	-7.8%	38.2%	<b>-9.3%</b>	<b>2.0%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 64.124, All-Volunteer Force Educational Assistance, administered by the U.S. Department of Veterans Affairs

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Section 409.10 of Am. Sub. H.B. 1 of the 128th G.A.)

**Purpose:** This line item is used to pay the operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) that the Department incurs to supervise and approve schools, apprenticeships, and on-the-job training programs offering vocational, educational, and professional services to veterans and their eligible dependents. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Department of Education.

#### 3740 900606 Troops to Teachers

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$37,389	\$101,068	\$116,576	\$133,461	<b>\$111,822</b>	<b>\$111,879</b>
	170.3%	15.3%	14.5%	<b>-16.2%</b>	<b>0.1%</b>

**Source:** Federal Special Revenue Fund Group: Federal funding from the Defense Activity for Non-Traditional Education Support (DANTES) program administered by the U.S. Department of Defense (funds originate with the U.S. Department of Education and are then transferred to the U.S. Department of Defense)

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Section 409.10 of Am. Sub. H.B. 1 of the 128th G.A.)

**Purpose:** This line item is used for operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) that the Department incurs for outreach and recruitment of military personnel to enter the teaching profession.

## Department of Veterans Services

### 3BX0 900609 Medicare Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$2,084,843	\$2,078,311	\$2,289,432	\$2,490,169	<b>\$2,250,000</b>	<b>\$2,250,000</b>
	-0.3%	10.2%	8.8%	<b>-9.6%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: Federal reimbursement by the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services, for Medicare services provided at state veterans' homes

**Legal Basis:** ORC 5907.16; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services)

**Purpose:** The statutory purpose of this fund and related line item is to provide Medicare-related and other services to eligible veterans, including physical therapy, IV medication, skilled nursing care, medical care, room, board, and other Medicare required goods and services. It is also used to purchase medical equipment to provide the services and other Medicare allowable equipment. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Veterans' Home Agency.

### 3L20 900601 Veterans' Homes Operations - Federal

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$16,196,395	\$16,324,772	\$21,750,696	\$24,071,269	<b>\$24,887,790</b>	<b>\$25,634,423</b>
	0.8%	33.2%	10.7%	<b>3.4%</b>	<b>3.0%</b>

**Source:** Federal Special Revenue Fund Group: CFDA 64.014, Veterans State Domiciliary Care, and CFDA 64.015, Veterans State Nursing Home Care, both administered by the U.S. Department of Veterans Affairs

**Legal Basis:** ORC 5907.141(A); Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services; line item subsequently renamed by Section 5 of Am. Sub. H.B. 48 of the 128th G.A.)

**Purpose:** The statutory purpose of this fund and related line item is to pay for the operating costs of state veterans' homes. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Veterans' Home Agency.

## Department of Veterans Services

### State Special Revenue Fund Group

#### 4E20 900602 Veterans' Homes Operating

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$8,604,650	\$9,862,748	\$8,462,411	\$10,639,078	<b>\$10,614,652</b>	<b>\$10,837,435</b>
	14.6%	-14.2%	25.7%	<b>-0.2%</b>	<b>2.1%</b>

**Source:** State Special Revenue Fund Group: 80% of the fees residents of a state veterans' home assessed for expenses of support, dependent upon their ability to pay, plus any interest earned on those fees (ORC 5907.13)

**Legal Basis:** ORC 5907.131; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services; line item subsequently renamed by Section 5 of Am. Sub. H.B. 48 of the 128th G.A.)

**Purpose:** The statutory purpose of this fund and related line item is to pay the operating costs of state veterans' homes. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Veterans' Home Agency.

#### 6040 900604 Veterans' Homes Improvement

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$639,694	\$875,262	\$1,441,000	\$478,731	<b>\$403,663</b>	<b>\$459,359</b>
	36.8%	64.6%	-66.8%	<b>-15.7%</b>	<b>13.8%</b>

**Source:** State Special Revenue Fund Group: 20% of the fees residents of a state veterans' home assessed for expenses of support, dependent upon their ability to pay, plus any interest earned on those fees (ORC 5907.13)

**Legal Basis:** ORC 5907.14; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Am. Sub. S.B. 289 of the 127th G.A., which created the Department of Veterans Services; line item subsequently renamed by Section 5 of Am. Sub. H.B. 48 of the 128th G.A.)

**Purpose:** The statutory purpose of this fund and related line item is to pay for: (1) the cost of capital facilities or equipment purchases for veterans' homes, and (2) participation in capital facilities for veterans' homes with the federal government, municipal corporations, counties, or other governmental agencies. Prior to the creation of the Department of Veterans Services, the fund was administered by the Ohio Veterans' Home Agency.

## Department of Veterans Services

### Persian Gulf, Afghanistan, and Iraq Compensation Fund

#### 7041 900615 Veteran Bonus Program - Administration

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$126,705	\$2,350,022	\$665,866	\$1,147,703	<b>\$738,703</b>	<b>\$629,709</b>
	1,754.7%	-71.7%	72.4%	<b>-35.6%</b>	<b>-14.8%</b>

**Source:** Persian Gulf, Afghanistan, and Iraq Compensation Fund: Proceeds of bond sales authorized under Section 2r, Article VIII, of the Ohio Constitution (total authorized amount \$200 million)

**Legal Basis:** Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A. (originally established by Controlling Board on March 22, 2010)

**Purpose:** This line item is used to pay the operating expenses (payroll, purchased personal services, supplies and maintenance, and equipment) incurred to administer the Veterans Bonus Program, which awards monetary bonuses to eligible Ohio veterans if they served on active duty with U.S. armed forces, including the Ohio National Guard, anywhere in the world during specified periods of time.

#### 7041 900641 Persian Gulf, Afghanistan, and Iraq Compensation

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$35,047,997	\$12,719,705	\$24,300,000	<b>\$14,500,000</b>	<b>\$9,400,000</b>
	N/A	-63.7%	91.0%	<b>-40.3%</b>	<b>-35.2%</b>

**Source:** Persian Gulf, Afghanistan, and Iraq Compensation Fund: Proceeds of bond sales authorized under Section 2r, Article VIII, of the Ohio Constitution (total authorized amount \$200 million)

**Legal Basis:** Section 2r, Article VIII, of the Ohio Constitution; Section 411.10 of Am. Sub. H.B. 153 of the 129th G.A.

**Purpose:** This line item is used to fund the payments made for the Veterans Bonus Program, which was authorized by voters in November 2009. The constitutional amendment authorized the issuance of \$200 million in bonds to pay for bonuses to certain eligible veterans of the Persian Gulf, Afghanistan and Iraq conflicts. Depending upon specified circumstances of their military service, the maximum benefit for an eligible veteran is \$500, \$1,000, or \$1,500.

# FY 2014 - FY 2015 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			FY 2012	Estimate FY 2013	Introduced FY 2014	FY 2013 to FY 2014 % Change	Introduced FY 2015	FY 2014 to FY 2015 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>DVS Department of Veterans Services</b>								
GRF	900321	Veterans' Homes	\$ 25,913,818	\$ 27,369,946	\$ 27,369,946	0.00%	\$ 27,369,946	0.00%
GRF	900402	Hall of Fame	\$ 98,920	\$ 107,075	\$ 107,075	0.00%	\$ 107,075	0.00%
GRF	900408	Department of Veterans Services	\$ 1,814,442	\$ 2,001,823	\$ 2,001,823	0.00%	\$ 2,001,823	0.00%
GRF	900901	Persian Gulf, Afghanistan, and Iraq Compensation Debt Service	\$ 4,151,478	\$ 10,112,100	\$ 7,542,600	-25.41%	\$ 9,914,800	31.45%
<b>General Revenue Fund Total</b>			<b>\$ 31,978,657</b>	<b>\$ 39,590,944</b>	<b>\$ 37,021,444</b>	<b>-6.49%</b>	<b>\$ 39,393,644</b>	<b>6.41%</b>
4840	900603	Veterans' Homes Services	\$ 275,082	\$ 312,458	\$ 1,596,894	411.07%	\$ 1,596,894	0.00%
<b>General Services Fund Group Total</b>			<b>\$ 275,082</b>	<b>\$ 312,458</b>	<b>\$ 1,596,894</b>	<b>411.07%</b>	<b>\$ 1,596,894</b>	<b>0.00%</b>
3680	900614	Veterans Training	\$ 545,883	\$ 754,377	\$ 684,017	-9.33%	\$ 697,682	2.00%
3740	900606	Troops to Teachers	\$ 116,576	\$ 133,461	\$ 111,822	-16.21%	\$ 111,879	0.05%
3BX0	900609	Medicare Services	\$ 2,289,432	\$ 2,490,169	\$ 2,250,000	-9.64%	\$ 2,250,000	0.00%
3L20	900601	Veterans' Homes Operations - Federal	\$ 21,750,696	\$ 24,071,269	\$ 24,887,790	3.39%	\$ 25,634,423	3.00%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 24,702,587</b>	<b>\$ 27,449,276</b>	<b>\$ 27,933,629</b>	<b>1.76%</b>	<b>\$ 28,693,984</b>	<b>2.72%</b>
4E20	900602	Veterans' Homes Operating	\$ 8,462,411	\$ 10,639,078	\$ 10,614,652	-0.23%	\$ 10,837,435	2.10%
6040	900604	Veterans' Homes Improvement	\$ 1,441,000	\$ 478,731	\$ 403,663	-15.68%	\$ 459,359	13.80%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 9,903,411</b>	<b>\$ 11,117,809</b>	<b>\$ 11,018,315</b>	<b>-0.89%</b>	<b>\$ 11,296,794</b>	<b>2.53%</b>
7041	900615	Veteran Bonus Program - Administration	\$ 665,866	\$ 1,147,703	\$ 738,703	-35.64%	\$ 629,709	-14.75%
7041	900641	Persian Gulf, Afghanistan, and Iraq Compensation	\$ 12,719,705	\$ 24,300,000	\$ 14,500,000	-40.33%	\$ 9,400,000	-35.17%
<b>Persian Gulf, Afghanistan, and Iraq Compensation Fund Total</b>			<b>\$ 13,385,571</b>	<b>\$ 25,447,703</b>	<b>\$ 15,238,703</b>	<b>-40.12%</b>	<b>\$ 10,029,709</b>	<b>-34.18%</b>
<b>Department of Veterans Services Total</b>			<b>\$ 80,245,308</b>	<b>\$ 103,918,190</b>	<b>\$ 92,808,985</b>	<b>-10.69%</b>	<b>\$ 91,011,025</b>	<b>-1.94%</b>