

KANSAS COMMISSION ON VETERANS AFFAIRS OFFICE

FY 2023 – FY 2025 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2023 – FY 2025

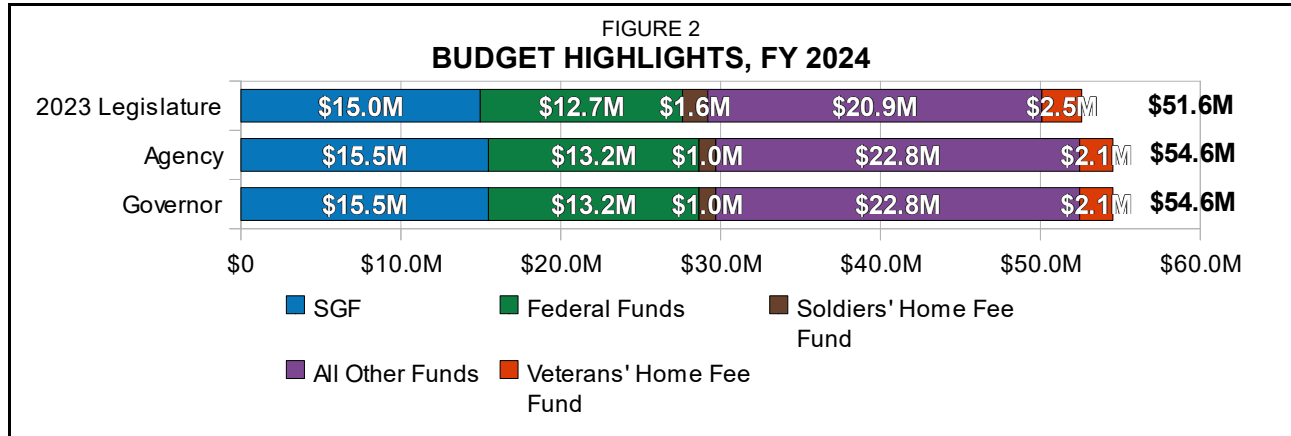
	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Operating Expenditures:					
State General Fund	\$ 10,777,520	\$ 15,061,138	\$ 15,061,138	\$ 14,641,700	\$ 14,469,950
Federal Funds	12,659,312	12,716,613	12,716,613	13,165,160	13,165,160
All Other Funds	5,187,326	4,876,399	4,876,399	5,866,786	5,866,786
<i>Subtotal</i>	<u>\$ 28,624,158</u>	<u>\$ 32,654,150</u>	<u>\$ 32,654,150</u>	<u>\$ 33,673,646</u>	<u>\$ 33,501,896</u>
Capital Improvements:					
State General Fund	\$ 61,941	\$ 413,939	\$ 413,939	\$ 201,980	\$ 201,980
Federal Funds	-	460,000	460,000	89,911	89,911
All Other Funds	2,364,005	21,052,942	21,052,942	2,983,054	3,583,054
<i>Subtotal</i>	<u>\$ 2,425,946</u>	<u>\$ 21,926,881</u>	<u>\$ 21,926,881</u>	<u>\$ 3,274,945</u>	<u>\$ 3,874,945</u>
TOTAL	<u>\$ 31,050,104</u>	<u>\$ 54,581,031</u>	<u>\$ 54,581,031</u>	<u>\$ 36,948,591</u>	<u>\$ 37,376,841</u>
Percentage Change:					
State General Fund	76.6 %	42.8 %	42.8 %	(4.1) %	(5.2) %
All Funds	15.0 %	75.8 %	75.8 %	(32.3) %	(31.5) %
FTE Positions	375.0	376.0	376.0	376.0	376.0

The Kansas Commission on Veterans Affairs Office (KCVAO) provides veterans and veterans' families in Kansas with advice and assistance in obtaining veterans' benefits and services that are intended to improve the quality of their lives. Aside from assisting veterans in obtaining benefits, including internment benefits, the KCVAO operates two veterans' homes that provide long-term and domiciliary care to veterans and, on occasion, family of veterans: the Kansas Veterans' Home (KVH) and the Kansas Soldiers' Home (KSH). The 2023 Legislature appropriated from the State Institutions Building Fund (SIBF) \$17.2 million for the construction of a third veterans' home to be located in Northeast Kansas. Several of the programs the agency administers, including the veterans' homes programs, existed in various forms for decades prior to the statutory creation of KCVAO in 1986 and the subsequent reorganization of the agency in 2014.

Though the KCVAO is within the executive branch of state government, the agency must also adhere to the rules and regulations of the U.S. Department of Veterans Affairs (VA). The Director of the KCVAO, who must be a veteran, is appointed by the Governor and subject to confirmation by the Kansas Senate. The Director of KCVAO appoints one Superintendent of the KVH, one Superintendent of the KSH, and one Deputy Director of Veterans Services. The Deputy Director of Veterans Services serves as the Chairperson of the Veterans Claims Assistance Program (VCAP) Advisory Board, which exists to advise the Director of KCVAO on all veterans services. The VCAP Advisory Board consists of at least seven members, including two state legislators, who meet a minimum of four times a year to improve the coordination of counseling veterans. The VCAP Advisory Board routinely works with KCVAO to guarantee that veterans are able to obtain the benefits to which they are entitled.

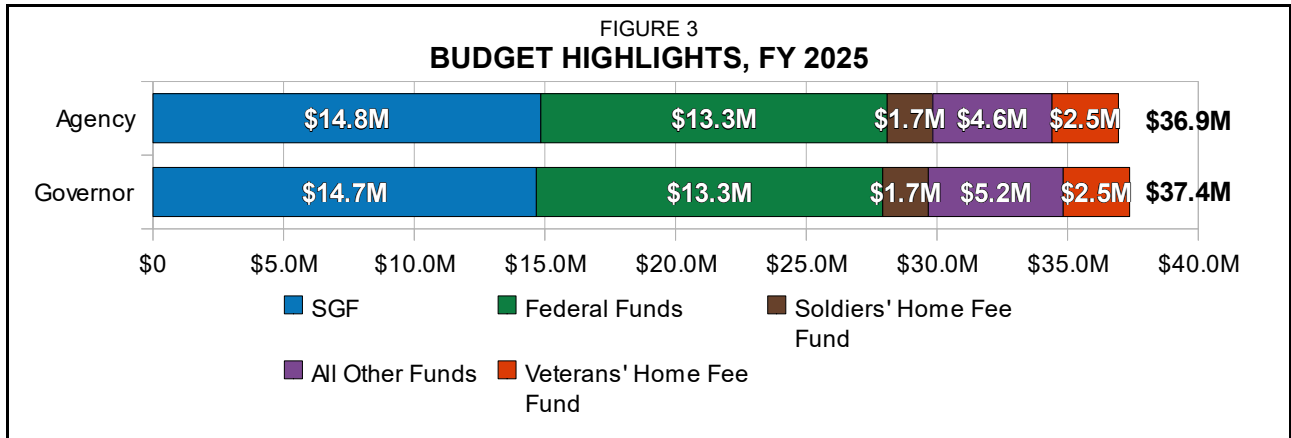
EXECUTIVE SUMMARY

The 2023 Legislature approved a budget of \$51.6 million, including \$14.0 million from the State General Fund (SGF), and 376.0 FTE positions for the Kansas Commission on Veterans Affairs Office for FY 2024. One adjustment has been made subsequently to that amount that changes the current year approved amount without any legislative action required. The agency reappropriated \$1.0 million SGF in unspent moneys from FY 2023 into FY 2024, giving the agency a revised approved budget of \$52.6 million in FY 2024.



The **agency** requests a revised estimate of \$54.6 million, including \$15.5 million SGF, in expenditures and 376.0 FTE positions in FY 2024. This increase of \$2.0 million, or 3.8 percent, above the FY 2024 approved amount is primarily due to a variety of supplemental requests and other adjustments by the agency. (*Note:* For more information on the supplemental requests, see the Supplemental and Enhancement Request section.) Moreover, the agency's reappropriation of \$1.7 million in unspent SIBF moneys from FY 2023 into FY 2024 also contributes to the revised estimate.

The **Governor** concurs with the agency's revised estimate in FY 2024.



The **agency** requests \$36.9 million, including \$14.8 million SGF, in expenditures and 376.0 FTE positions for FY 2025. This all funds decrease of \$17.6 million, or 32.3 percent, including an SGF decrease of \$631,397, or 4.1 percent, below the FY 2023 revised estimate is due to the agency not requesting monies for the construction of the new Northeast Kansas Veterans' Home for FY 2025. However, the decrease is partially offset by several enhancement requests for FY 2025. (Note: For more information on the enhancement requests, see the Supplemental and Enhancement Request section.)

The **Governor** recommends a budget of \$37.4 million, including \$14.7 million SGF, in expenditures and 376.0 FTE positions for FY 2025. This is an all funds increase of \$428,250, or 1.2 percent, above the FY 2025 agency request, and an SGF decrease of \$208,000, or 0.8 percent, below the FY 2025 agency request. The Governor concurs in full or in part with the agency's enhancement requests, and recommends an additional \$636,250 in state funds for two additional enhancements. (Note: For more information on the enhancement requests, see the Supplemental and Enhancement Request section.)

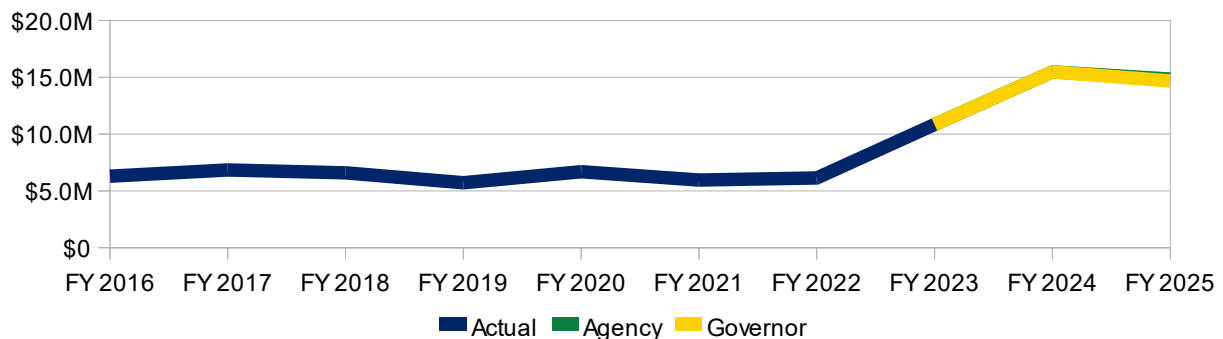
EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2023 – FY 2025

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Category of Expenditure:					
Salaries and Wages	\$ 19,338,258	\$ 25,866,644	\$ 25,866,644	\$ 27,128,743	\$ 26,920,743
Contractual Services	7,323,277	2,810,477	2,810,477	2,738,214	2,738,214
Commodities	2,441,356	2,314,878	2,314,878	2,452,467	2,488,717
Capital Outlay	779,665	1,011,315	1,011,315	727,327	727,327
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 29,882,556</u>	<u>\$ 32,003,314</u>	<u>\$ 32,003,314</u>	<u>\$ 33,046,751</u>	<u>\$ 32,875,001</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	705,360	1,155,417	1,155,417	1,005,417	1,005,417
<i>Subtotal—Operating</i>	<u>\$ 30,587,916</u>	<u>\$ 33,158,731</u>	<u>\$ 33,158,731</u>	<u>\$ 34,052,168</u>	<u>\$ 33,880,418</u>
Capital Improvements	462,188	21,422,300	21,422,300	2,896,423	3,496,423
Debt Service Principal	-	-	-	-	-
TOTAL	<u>\$ 31,050,104</u>	<u>\$ 54,581,031</u>	<u>\$ 54,581,031</u>	<u>\$ 36,948,591</u>	<u>\$ 37,376,841</u>
Financing:					
State General Fund	\$ 10,839,461	\$ 15,475,077	\$ 15,475,077	\$ 14,843,680	\$ 14,671,930
Veterans' Home Fee Fund	2,459,359	2,082,170	2,082,170	2,544,448	2,544,448
Soldiers' Home Fee Fund	1,186,647	1,046,235	1,046,235	1,748,563	1,748,563
Federal Funds	12,659,312	13,176,613	13,176,613	13,255,071	13,255,071
All Other Funds	3,905,325	22,800,936	22,800,936	4,556,829	5,156,829
TOTAL	<u>\$ 31,050,104</u>	<u>\$ 54,581,031</u>	<u>\$ 54,581,031</u>	<u>\$ 36,948,591</u>	<u>\$ 37,376,841</u>
FTE Positions	375.0	376.0	376.0	376.0	376.0

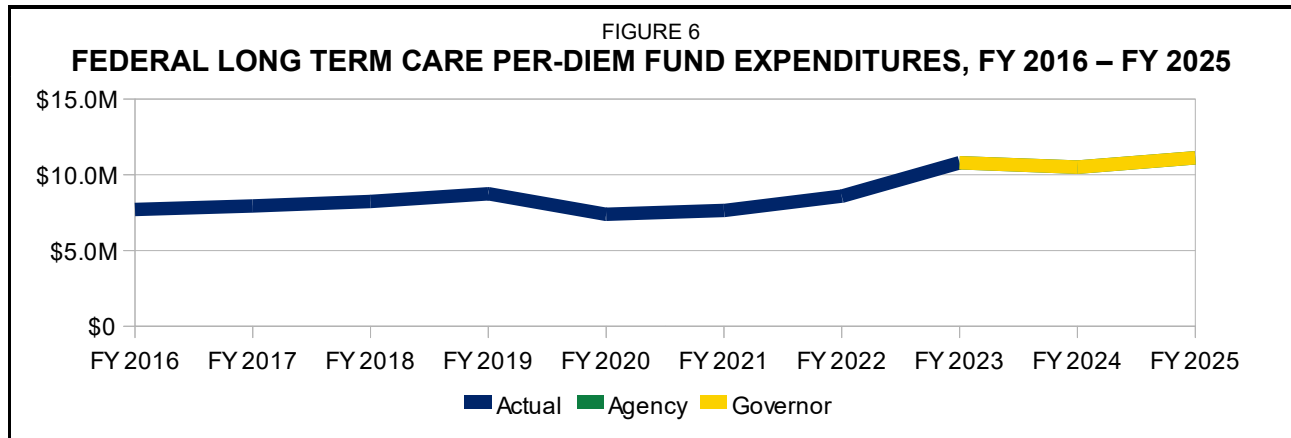
STATE GENERAL FUND

FIGURE 5
STATE GENERAL FUND EXPENDITURES, FY 2016 – FY 2025



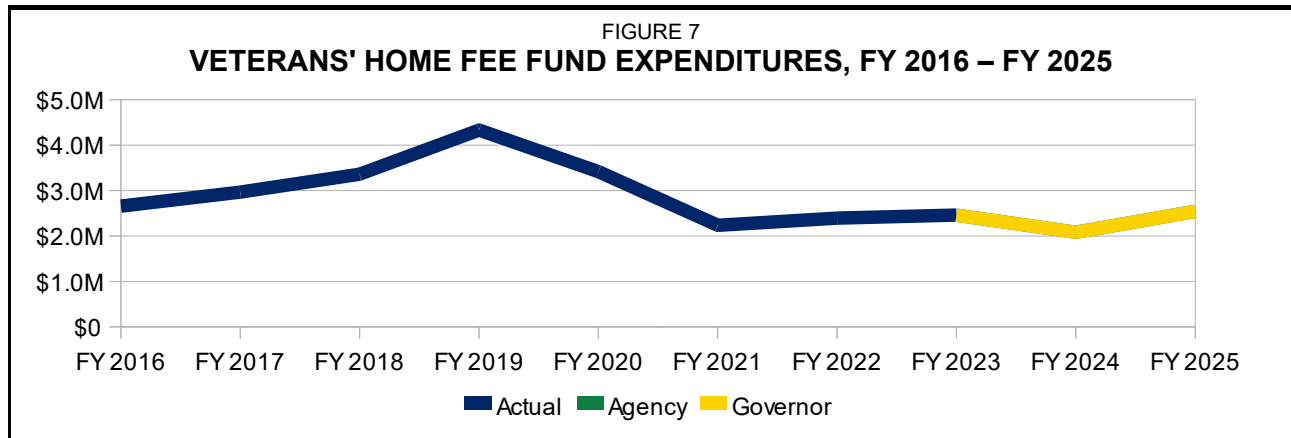
For the Kansas Commission on Veterans Affairs Office, SGF expenditures averaged \$6.9 million from FY 2016 through FY 2023. The increase in SGF expenditures from FY 2022 into the current fiscal year is due to a variety of supplemental and enhancement requests by the agency. Notable items contained in the requests include funding for leadership positions within the agency, and additional moneys for VCAP to account for the federal government's recent expansion of the Promise to Address Comprehensive Toxics (PACT) Act. (Note: For more information on the supplemental requests and enhancement requests, see the Supplemental and Enhancement Request section.)

FEDERAL LONG TERM CARE PER-DIEM FUND



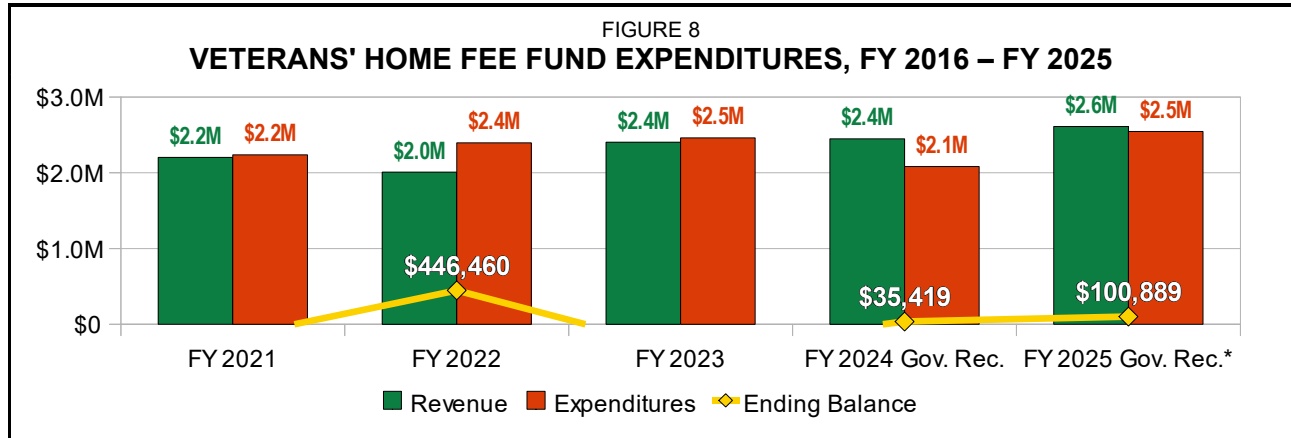
The Federal Long Term Care Per-Diem Fund includes the Veteran's Home Federal Fund Long Term Care account and the Soldiers' Home Federal Fund Long Term Care account. 38 Code of Federal Regulations, Part 17, Subpart 51.40, promulgates that the VA will pay per diem for long-term nursing care and domiciliary care provided to an eligible veteran in a facility recognized as a State Home for Veterans. Per diem payments are paid to the KVH and the KSH on a monthly basis. In order to qualify for the per diem, each home must be surveyed annually by the supporting VA Medical Center for adherence to health and safety standards established by the VA. The current VA per diem basic rate per veteran is \$129.97, whereas the current VA per diem rate per veteran who has a service-connected disability of 70.0 percent or more is \$442.42. The KCVAO anticipates a slight increase in the census for long-term care, which would lead to increased expenditures and higher revenue projections in both FY 2024 and FY 2025.

VETERANS' HOME FEE FUND



The Veterans' Home Fee Fund is authorized by KSA 76-1952, as amended by 2014 Sub. for HB 2681, and is a main source of funds for the KVH, located in Winfield, Kansas. Expenditures from this fund go toward providing long-term care to veterans who require skilled or intermediate nursing care, and toward providing domiciliary care to assist veterans who are disabled but not in need of hospitalization or nursing care services. The agency notes that the nursing staff shortage throughout the state has caused the KVH to hire nurses on a temporary basis through temporary staffing agencies, which is more costly than hiring directly. In addition, the agency anticipates that admissions to the KVH will continue to increase over the next couple of years, which will require more resources.

VETERANS' HOME FEE FUND

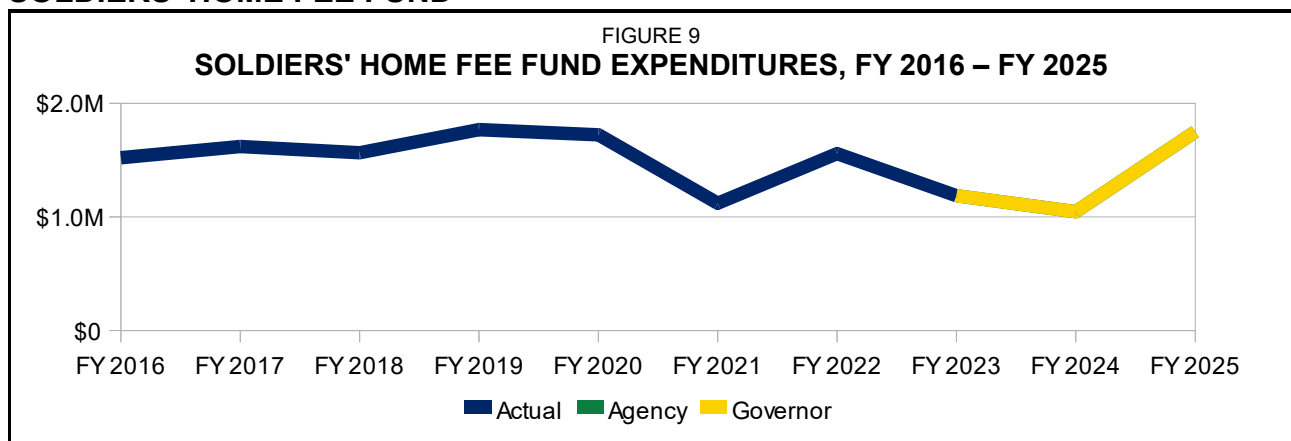


* For FY 2025, the lowest month ending balance for the Veterans' Home Fee Fund will occur in July, with a negative balance of **\$(303,578)**.

The Veterans' Home Fee Fund includes revenues in the form of monthly reimbursements from resident fees, interest, rent of unimproved lands, oil royalties, and other miscellaneous sources. Although the agency is reimbursed for certain costs, it notes that the difficulty of predicting when a reimbursement will be received can cause an uneven flow of receipts into the Veterans' Home Fee Fund. (Note: Veterans who have a service-connected disability of 70.0 percent or more do not pay resident fees because the VA reimburses KCVAO for their costs through the Federal Long Term Care Per-Diem Fund.) In FY 2020, the agency indicated it had double counted and encumbered some of its expenditures during the accounting process, which resulted in the funds showing a negative ending balance. The actual expenditures from the Veterans' Home Fee Fund averaged \$2.9 million from FY 2015 to FY 2022.

In FY 2021, the agency raised the monthly room rate by 5.0 percent due to an increase in the overall cost of care. However, determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of their financial status. As such, actual fund balances at the beginning of a fiscal year can reflect dramatic variances when compared with original estimates. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, and any VA pension or compensation program.

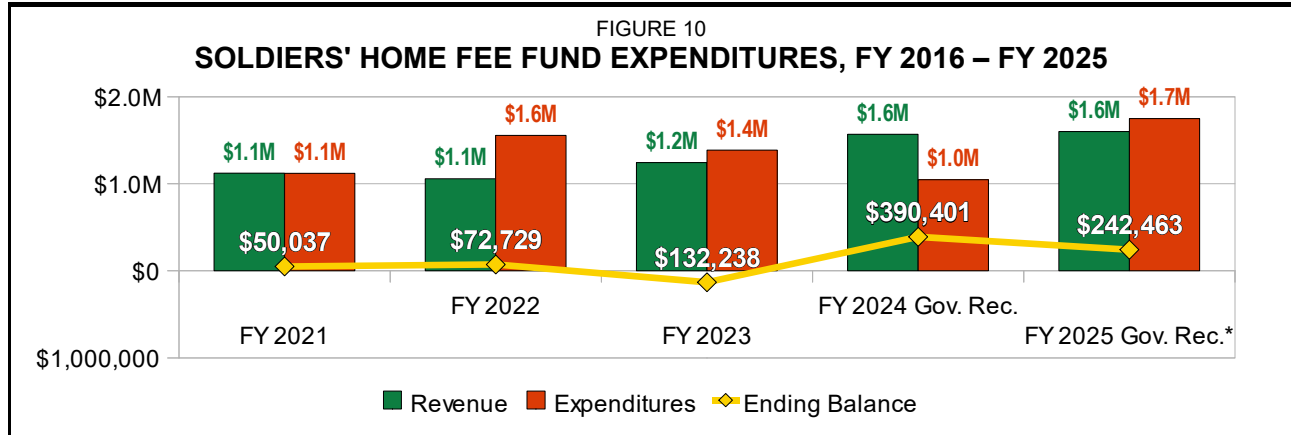
SOLDIERS' HOME FEE FUND



The Soldiers' Home Fee Fund is authorized by KSA 76-1952, as amended by 2014 Sub. for HB 2681, and is a main source of funds for the KSH, located on Fort Dodge near Dodge City, Kansas. Expenditures from this fund go toward providing long-term care to veterans who require skilled or

intermediate nursing care, and toward providing domiciliary and cottage care to assist veterans who are disabled but not in need of hospitalization or nursing care services. The agency notes that the nursing staff shortage throughout the state has caused the KSH to hire nurses on a temporary basis through temporary staffing agencies, which is more costly than hiring directly. In addition, the agency anticipates that with the public's renewed interest in long-term care for their loved ones, admissions to the KSH will continue to increase over the next few years, which will require more resources.

SOLDIERS' HOME FEE FUND



* For FY 2025, the lowest month ending balance for the Soldiers' Home Fee Fund will occur in July, with a negative balance of **\$(55,717)**.

The Soldiers' Home Fee Fund includes revenues in the form of monthly reimbursements from resident fees and other miscellaneous revenues, such as farm and garage rentals, interest, and obsolete equipment and material sales. Although the agency is reimbursed for certain costs, it notes that the difficulty of predicting when a reimbursement will be received can cause an uneven flow of receipts into the Soldiers' Home Fee Fund. (Note: Veterans who have a service-connected disability of 70.0 percent or more do not pay resident fees because the VA reimburses KCVAO for their costs through the Federal Long Term Care Per-Diem Fund.) In FY 2020, the agency indicated it had double counted and encumbered some of its expenditures during the accounting process, which resulted in the funds showing a negative balance. The actual expenditures from the Soldiers' Home Fee Fund averaged \$1.6 million from FY 2015 to FY 2022.

Since FY 2010, the agency has raised the monthly room rate by a total of 20.0 percent due to an increase in the overall cost of care. KCVAO states that compared with other facilities in the region, the fees for the KSH remain lower than other facilities that provide the same services. However, determination of charges to veterans and eligible dependents is based on the ability to pay. No veteran or eligible dependent is denied admission because of their financial status. As such, actual fund balances at the beginning of a fiscal year can reflect dramatic variances when compared with original estimates. Veterans and eligible dependents with limited resources are required to apply to programs for which they are eligible, including Medicaid, Medicare, Social Security, and any VA pension or compensation program.

FY 2024 ANALYSIS

FIGURE 11

SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	All Funds	FTE
Legislative Approved:			
Amount Approved by 2023 Legislature	\$ 13,962,791	\$ 51,588,435	376.0
1. SGF Reappropriation	1,002,022	1,002,022	--
<i>Subtotal—Legislative Approved</i>	\$ 14,964,813	\$ 52,590,457	376.0
Agency Revised Estimate:			
Supplemental Requests:			
2. KVH and KSH IT Support	\$ 151,536	\$ 151,536	--
3. Veterans Claims Assistance	150,000	150,000	--
4. KVH Transit Van	107,945	107,945	--
5. Pay Plan Shortfall	100,783	100,783	--
<i>Subtotal—Supplemental Requests Only</i>	\$ 510,264	\$ 510,264	--
6. SIBF Reappropriation	\$ -	\$ 1,719,470	--
7. All Other Adjustments	-	(239,160)	--
<i>Subtotal—Agency Revised Estimate</i>	\$ 15,475,077	\$ 54,581,031	376.0
Governor's Recommendation:			
8. No Changes	\$ -	\$ -	--
TOTAL	\$ 15,475,077	\$ 54,581,031	376.0

LEGISLATIVE APPROVED

Subsequent to the 2023 Session, one adjustment was made to the \$52.6 million in on-budget expenditures appropriated to the Kansas Commission on Veterans Affairs Office for FY 2024. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATION.** The agency reappropriated \$1.0 million in unspent SGF moneys from FY 2023 into FY 2024. According to the agency, the reappropriation is associated with vacant positions as well as delays in rehabilitation projects at the Kansas Veterans' Cemetery at Fort Dodge due to the lack of contractors in that area of the state. This reappropriated amount gives the agency an approved budget of \$52.6 million, including \$15.0 million SGF, in FY 2024.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$54.6 million, including \$15.5 million SGF and \$21.0 million SIBF, in FY 2024. This is an all funds increase of \$2.0 million, or 3.8 percent, above the amount approved by the 2023 Legislature. Included within this is an SGF increase of \$510,264, or 3.4 percent, and an SIBF increase of \$1.7 million, or 8.9 percent, above the FY 2024 approved amount.

The revised estimate includes \$510,264 for the following supplemental requests:

2. **KVH AND KSH IT SUPPORT.** The revised estimate includes a supplemental request of \$151,536 SGF to transition to Office 365 services, including email for the KVH and KSH, that are managed by the Office of Information and Technology Services (OITS) in FY 2024. KCVAO notes that the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.

3. **VETERANS CLAIMS ASSISTANCE.** The revised estimates includes a supplemental request of \$150,000 SGF for the VCAP in FY 2024. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year.
4. **KVH TRANSIT VAN.** The revised estimate also includes a supplemental request of \$107,945 SGF for the KVH to purchase one new transit van equipped with a wheelchair lift in FY 2024. The current mini-bus is 20 years old, has 112,315 miles on it, and does not have a wheelchair lift for handicapped veterans.
5. **PAY PLAN SHORTFALL.** The revised estimate also includes \$100,783 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KCVAO, a supplemental appropriation of \$100,783 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

Absent the supplemental requests, the revised estimate includes an all-funds increase of \$1.5 million in base budget expenditures. Significant adjustments are as follows:

6. **SIBF REAPPROPRIATION.** The agency reappropriated \$1.7 million in unspent SIBF moneys from FY 2023 into FY 2024. According to the agency, the reappropriation is associated with delays in construction and rehabilitation projects at the KVH and the KSH due to the lack of contractors in that area of the state.
7. **ALL OTHER ADJUSTMENTS.** The revised estimate includes a decrease of \$239,160 SGF in other adjustments in FY 2024. The adjustment relates to contractual services provided at the KVH and the KSH. For example, the agency spent less on utilities, such as electricity and gas, and professional fees than it initially budgeted. The decrease is offset by increases in other contractual services, including computer program services and building and grounds services.

The **agency's** revised estimate also includes 376.0 FTE positions in FY 2024, which is the same as the number of positions approved by the 2023 Legislature.

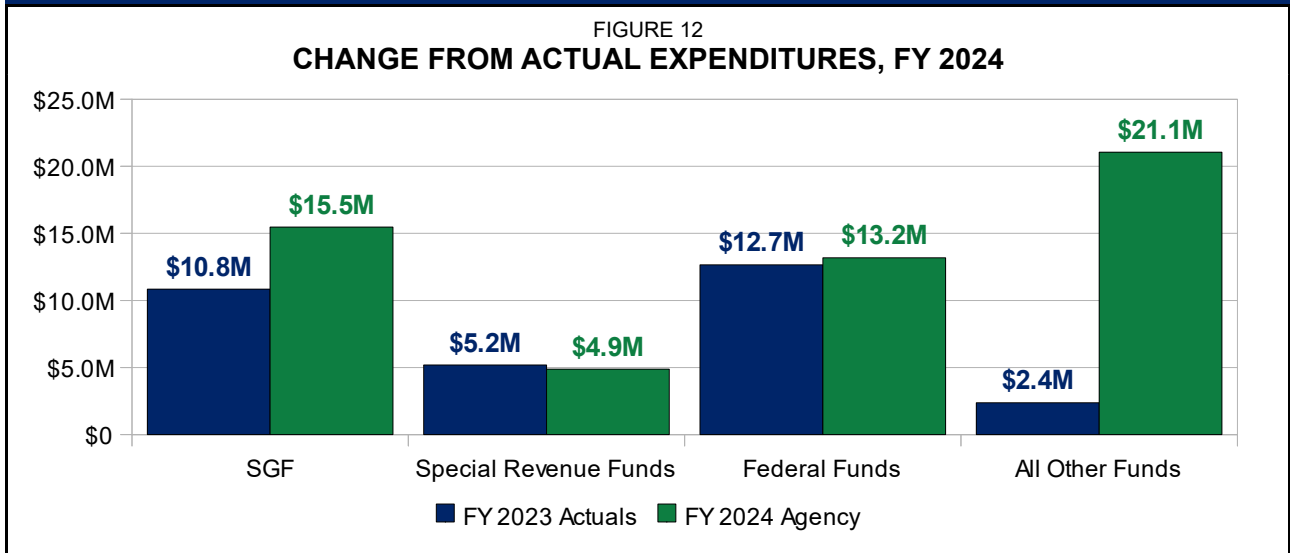
GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate of \$54.6 million, including \$15.5 million SGF, in FY 2024.

8. **NO CHANGES.** The Governor does not recommend any changes to the agency's revised estimate in FY 2024.

The **Governor's** recommendation also includes 376.0 FTE positions in FY 2024, which is the same as the number of positions in the agency's revised estimate.

FY 2024 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$54.6 million, including \$15.5 million SGF, in FY 2024. This is an all-funds increase of \$23.5 million, or 75.8 percent, and an SGF increase of \$4.6 million, or 42.8 percent, above the FY 2023 actual expenditures. The uptick in expenditures from FY 2023 into FY 2024 is primarily due to the 2023 Legislature's appropriation of \$17.2 million SIBF for the construction of the new Northeast Kansas Veterans' Home in FY 2024. The increase is also due to the agency's supplemental requests, increases in pay of regular and temporary unclassified employees and differential pay of unclassified employees, and employer contributions for fringe benefits, such as group health insurance.

FY 2025 ANALYSIS

FIGURE 13

SUMMARY OF BUDGET REQUEST, FY 2025

	SGF	All Funds	FTE
Agency Request:			
Request without Major Changes	\$ 14,075,388	\$ 54,204,180	376.0
Enhancement Requests:			
1. KVH and KSH IT Support	\$ 156,792	\$ 156,792	--
2. Veterans Claims Assistance	150,000	150,000	--
3. Funding for Leadership Positions	461,500	461,500	--
<i>Subtotal—Enhancement Requests Only</i>	\$ 768,292	\$ 768,292	--
4. SIBF – NE Veterans’ Home	\$ -	\$ (18,023,881)	--
<i>Subtotal—Agency Request</i>	\$ 14,843,680	\$ 36,948,591	376.0
Governor’s Recommendation:			
5. Enhancement -- Funding for Leadership Positions (Partially Recommended)	\$ (208,000)	\$ (208,000)	--
6. Direct Care Allowance	36,250	36,250	--
7. Fort Dodge Structures	-	600,000	--
TOTAL	\$ 14,671,930	\$ 37,376,841	376.0

AGENCY REQUEST

The **agency** requests \$37.0 million, including \$14.8 million SGF and \$3.0 million SIBF, for FY 2025. This is an all funds decrease of \$17.6 million, or 32.3 percent, below the FY 2024 revised estimate. Included within this is an SGF decrease of \$631,397, or 4.1 percent, and an SIBF decrease of \$18.0 million, or 85.8 percent, below the FY 2024 revised estimate. The reduction of funds is primarily due to the agency not requesting a continuation in funding for the construction of the new Northeast Kansas Veterans' Home.

The request includes \$768,292 for the following enhancement requests:

1. **KVH AND KSH IT SUPPORT.** The request includes \$156,792 SGF to support OITS-managed Office 365 services, including email for the KVH and the KSH, for FY 2025. KCVAO notes that the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.
2. **VETERANS CLAIMS ASSISTANCE.** The request includes \$150,000 SGF for the VCAP for FY 2025. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year.
3. **FUNDING FOR LEADERSHIP POSITIONS.** The request also includes \$461,000 SGF to fund four leadership positions within the agency for FY 2025. Two positions, a Procurement Officer (\$91,000) and a Director of the Kansas Veterans' Homes (\$162,500), would be stationed at the KCVAO central office in Topeka, Kansas. The other two positions, an Operations Officer of the Kansas Soldiers' Home (\$104,000) and an Operations Officer of the Kansas Veterans' Home (\$104,000), would be stationed at their respective veterans' home, either on Fort Dodge or in Winfield.

Significant other adjustments are as follows:

4. **SIBF – NE VETERANS’ HOME.** The request also deletes \$18.0 million in SIBF funding largely related to construction of the Northeast Kansas Veterans’ Home.

The **agency’s** request also includes 376.0 FTE positions for FY 2025, which is the same as the number in the agency’s revised estimate.

GOVERNOR’S RECOMMENDATION

The **Governor** recommends \$37.4 million, including \$14.7 million SGF, for FY 2025. This is an all funds increase of \$428,250, or 1.2 percent, as well as an SIBF increase of \$600,000, or 20.1 percent, above the agency’s request. Included within this is an SGF decrease of \$171,750, or 1.2 percent, below the agency’s request. The SGF reduction is due to the Governor’s partial recommendation of the agency’s enhancement request for leadership positions, though this is offset by the Governor’s recommendation of an increase in SIBF moneys for capital improvement projects.

The **Governor’s** recommendation includes the following adjustments:

5. **FUNDING FOR LEADERSHIP POSITIONS.** The Governor partially recommends the agency’s enhancement requests for leadership positions for FY 2025. Specifically, the Governor recommends that the agency fund the positions of Procurement Officer (\$91,000) and Director of Kansas Veterans’ Homes (\$162,500).
6. **DIRECT CARE ALLOWANCE.** The Governor recommends \$36,250 SGF for direct care workers at the KVH and the KSH to use as an allowance to buy shoes for FY 2025.
7. **FORT DODGE STRUCTURES.** The Governor recommends \$600,000 SIBF for the demolition of the Junior Officers Quarters and Walt Hall capital improvement projects at the KSH on Fort Dodge for FY 2025.

The **Governor’s** recommendation also includes 376.0 FTE positions for FY 2025, which is the same as the number of positions in the agency’s request.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

FIGURE 14
SUPPLEMENTAL AND ENHANCEMENT REQUESTS, FY 2024 – FY 2025

Request	Agency			Governor		
	SGF	All Funds	FTE	SGF	All Funds	FTE
FY 2024 Supplementals:						
1. KVH and KSH IT Support	\$ 151,536	\$ 151,536	-	\$ 151,536	\$ 151,536	-
2. Veterans Claims Assistance	150,000	150,000	-	150,000	150,000	-
3. KVH Transit Van	107,945	107,945	-	107,945	107,945	-
4. Pay Plan Shortfall	100,783	100,783	-	100,783	100,783	-
TOTAL	\$ 510,264	\$ 510,264	-	\$ 510,264	\$ 510,264	-
FY 2025 Enhancements:						
5. KVH and KSH IT Support	\$ 156,792	\$ 156,792	-	\$ 156,792	\$ 156,792	-
6. Veterans Claims Assistance	150,000	150,000	-	150,000	150,000	-
7. Funding for Leadership Positions	461,500	461,500	-	253,500	253,500	-
8. Direct Care Allowance	-	-	-	36,250	36,250	-
9. Fort Dodge Structures	-	-	-	-	600,000	-
TOTAL	\$ 768,292	\$ 768,292	-	\$ 596,542	\$ 1,196,542	-

- KVH AND KSH IT SUPPORT.** The revised estimate includes a supplemental request of \$151,536 SGF to transition to Office 365 services, including email for the KVH and the KSH, that are managed by the Office of Information and Technology Services (OITS) in FY 2024. The current email exchange servers used by the two Veterans' Homes are no longer supported, and the agency states it would cost approximately \$250,000 to replace the servers. KCVAO notes the services provided by OITS would allow the entire agency to be on the same domain, including the same email servers, and would allow the agency to comply with the federal requirement that servers have off-site storage capacity.

The Governor recommends adoption of this request.

- VETERANS CLAIMS ASSISTANCE.** The revised estimates includes a supplemental request of \$150,000 SGF for the VCAP in FY 2024. The request for increased funding is based on the agency's need for more service representatives due to the greater volume of veteran engagements stemming from the expansion of the federal PACT Act this past year. The Veteran Service Representatives work for Veterans Service Organizations, such as the American Legion and the Veterans' of Foreign Wars, which are awarded annual grants through contract agreements entered into with KCVAO at the beginning of each fiscal year. The additional service representatives would be placed at the VA Regional Office in Wichita, as well as the VA hospitals in Leavenworth, Topeka, and Wichita, to ensure veterans receive counseling and assistance in respect to their claims for benefits.

The Governor recommends adoption of this request.

- KVH TRANSIT VAN.** The revised estimate also includes a supplemental request of \$107,945 SGF for the KVH to purchase one new transit van equipped with a wheelchair lift in FY 2024. The current mini-bus is 20 years old, has 112,315 miles on it, and does not have a wheelchair lift for handicapped veterans. The KVH uses buses and vans to transport residents to medical appointments in areas surrounding Wichita, as well as

the VA Hospital in Wichita. In FY 2023, residents were transported to 679 out-of-town appointments.

The Governor recommends adoption of this request.

4. **PAY PLAN SHORTFALL.** The revised estimate also includes \$100,783 SGF in FY 2024 to account for a shortfall in appropriations for the Legislative Pay Plan in 2023 SB 25. The 2023 Legislature appropriated \$120.0 million, including \$46.0 million SGF, across all state agencies to provide salary adjustments for FY 2024 based on the Department of Administration Market Survey. This total amount was short by approximately \$11.8 million, including \$11.4 million SGF, statewide in FY 2024. To account for this, the State Finance Council prorated agency distribution of the available appropriations by approximately 20.0 percent. For KCVAO, a supplemental appropriation of \$100,783 SGF in FY 2024 is required to achieve the intended effect of the Legislative Pay Plan in 2023 SB 25.

The Governor recommends adoption of this request.

5. **KVH AND KSH IT SUPPORT.** The request includes an enhancement of \$156,792 SGF to support OITS-managed Office 365 services, including email for the KVH and the KSH, for FY 2025. (*Note:* For additional information, see Item 1.)

The Governor recommends adoption of this request.

6. **VETERANS CLAIMS ASSISTANCE.** The request includes an enhancement of \$150,000 SGF for the VCAP for FY 2025. (*Note:* For additional information, see Item 2.)

The Governor recommends adoption of this request.

7. **FUNDING FOR LEADERSHIP POSITIONS.** The request includes an enhancement of \$461,000 SGF to fund four leadership positions within the agency for FY 2025:
 - **Procurement Officer.** The agency requests \$91,000 SGF to fund a Procurement Officer position for FY 2025. The Procurement Officer would oversee and assist with all contracts and purchases/procurements within the agency.

The Governor recommends adoption of this request.

- **Director of the Kansas Veterans' Homes.** The agency requests \$162,500 SGF to fund a Director of the Kansas Veterans' Homes position for FY 2025. The agency notes that once the new Northeast Kansas Veterans' Home is constructed and opened, the agency will have outgrown its ability to provide oversight to the new home without a director of all veterans' homes. This position would coordinate with the superintendents of each veterans' home to provide oversight for daily operation and regulatory compliance, as well as participate in the management of all veterans' homes.

The Governor recommends adoption of this request.

- **Operations Officer of the Kansas Veterans' Home.** The agency requests \$104,000 SGF to fund an Operations Officer of the Kansas Veterans' Home position for FY 2025. This position would report directly to the Kansas Veterans' Home Superintendent, and would be responsible for the day-to-day operations of the entire KVH campus in Winfield, Kansas.

The Governor does not recommend adoption of this request.

- **Operations Officer of the Kansas Soldiers' Home.** The agency requests \$104,000 SGF to fund an Operations Officer of the Kansas Soldiers' Home position for FY 2025. This position would report directly to the Kansas Soldiers' Home Superintendent, and would be responsible for the day-to-day operations of the entire KSH campus on Fort Dodge, near Dodge City, Kansas.

The Governor does not recommend adoption of this request.

8. **DIRECT CARE ALLOWANCE.** The Governor recommends \$36,250 SGF for direct care workers at the KVH and the KSH to use as an allowance to buy shoes for FY 2025.

The Governor recommends adoption of this request.

9. **FORT DODGE STRUCTURES.** The Governor recommends \$600,000 SIBF for the demolition of the Junior Officers Quarters and Walt Hall at the KSH on Fort Dodge for FY 2025.

The Governor recommends adoption of this request.

SPECIAL TOPICS

NORTHEAST KANSAS VETERANS' HOME

In March 2021, the Governor signed Executive Order No. 21-07, which directs KCVAO to submit an application to the VA for partial funding of a new veterans' home that would be located in Northeast Kansas. The 2021 Legislature authorized the issuance of bonds for the construction of a new home contingent on the federal government covering 65.0 percent of the costs. KCVAO submitted an application to the VA in July 2022 with the commitment that the State would cover \$17.2 million, or 35.0 percent, of the costs.

In January 2023, it was announced that the new Northeast Kansas Veterans' Home would be built in Topeka, Kansas, on the plot of land near the Colmery-O'Neil Veterans' Administration Medical Center. The 2023 Legislature authorized this site and appropriated \$17.2 million, or 35.0 percent of the total cost of construction, to KCVAO for FY 2024.

In June 2023, the agency learned that the construction of the new home was placed in VA Priority Group 8, meaning that the VA has not approved construction of the new home nor appropriated funds to the KCVAO for the construction of the new home. The agency notes that the VA has not denied the State's application to build a new veterans' home. Rather, the construction of a new veterans' home in Kansas is not among the immediate priorities for the VA. KCVAO will not know whether the new Northeast Kansas Veterans' Home will be more of a priority for the federal government until Spring 2024, when the VA releases the priority groupings. As such, the \$17.2 million SIBF appropriated to the agency in FY 2024 will likely be carried over to the next fiscal year in case the VA approves the KCVAO's application to construct a new Northeast Kansas Veterans' Home.

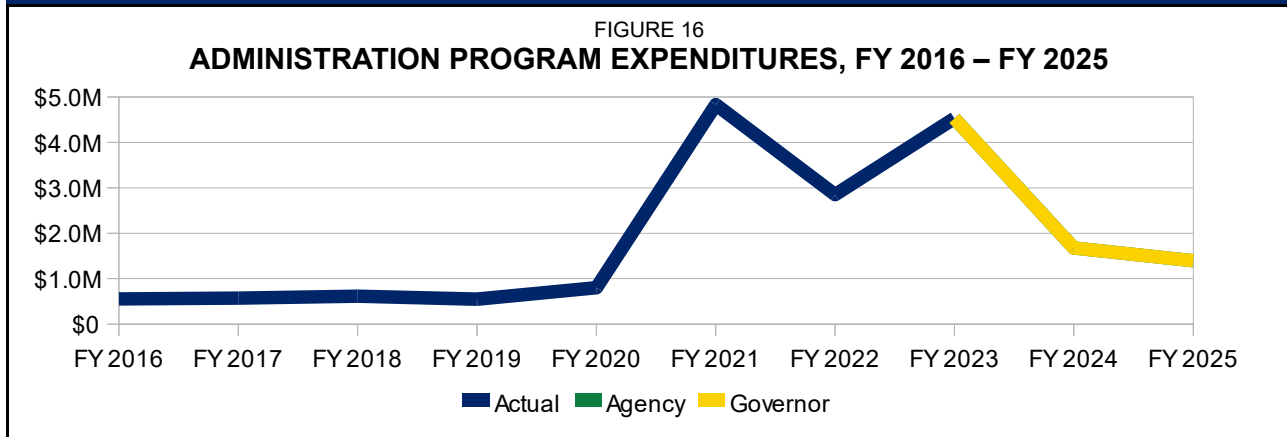
PROGRAM OVERVIEW

FIGURE 15
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2023 – FY 2025

Programs	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Expenditures:					
Administration Program	\$ 4,532,442	\$ 1,677,315	\$ 1,677,315	\$ 1,394,420	\$ 1,394,420
Veterans' Services Program	2,823,110	3,982,156	3,982,156	3,845,064	3,845,064
Kansas Veterans' Home Program	11,857,945	14,634,036	14,634,036	15,331,559	15,250,559
Kansas Soldiers' Home Program	8,061,372	10,867,973	10,867,973	11,573,332	11,482,582
Veterans' Cemeteries Program	1,349,289	1,492,670	1,492,670	1,529,271	1,529,271
Capital Improvements Program	2,425,946	21,926,881	21,926,881	3,274,945	3,874,945
TOTAL—ON-BUDGET	\$ 31,050,104	\$ 54,581,031	\$ 54,581,031	\$ 36,948,591	\$ 37,376,841
Off-Budget*	2,571,736	4,022,022	4,022,022	3,894,385	3,894,385
GRAND TOTAL	\$ 33,621,840	\$ 58,603,053	\$ 58,603,053	\$ 40,842,976	\$ 41,271,226
FTE Positions:					
Administration Program	10.0	10.0	10.0	10.0	10.0
Veterans' Services Program	34.0	34.0	34.0	34.0	34.0
Kansas Veterans' Home Program	196.0	196.0	196.0	196.0	196.0
Kansas Soldiers' Home Program	117.0	117.0	117.0	117.0	117.0
Veterans' Cemeteries Program	18.0	19.0	19.0	19.0	19.0
Capital Improvements Program	-	-	-	-	-
TOTAL	375.0	376.0	376.0	376.0	376.0

*Note: The KCVAO receives reimbursed Medicaid funds from the Kansas Department for Aging and Disability Services (KDADS). KCVAO expenditures funded with Medicaid monies are treated as non-reportable because the disbursement of funds is considered an expenditure for KDADS.

ADMINISTRATION PROGRAM



STATUTORY BASIS: • KSA 73-1208e and KSA 73-1209.

- PROGRAM GOALS:**
- Provide information and advocacy to Kansas veterans in obtaining all applicable federal benefits and state benefits.
 - Continue education and assistance for the public, governmental agencies, and elected officials regarding veterans' services, programs, initiatives, and policy.
 - Provide fiscal, human resources, and information technology services to other programs within the agency.

The Administration Program provides guidance and oversight for the veterans programs and support staff. There are five divisions within the Administration Program: Operations, Fiscal, Public Affairs, Human Resources, and Information Technology.

OPERATIONS DIVISION

The Operations Division is responsible for leading KCVAO and state cross-functional teams to plan and coordinate the strategic mission to increase efficiency and generate executive, legislative, and public support for agency priorities and goals. The Director of Operations must maintain effective relationships with federal and state agencies to integrate and synchronize the effects of available resources to provide optimal services to veterans.

FISCAL DIVISION

The Fiscal Division is charged with providing accounting and reporting services to the agency and the Division of the Budget, as well as coordinating the agency's budget. It provides for reporting of federal fund expenditures, as well as applying for and overseeing federal grant awards. The Fiscal Division provides budgetary oversight for the Central Office in Topeka and the two veterans' homes.

PUBLIC AFFAIRS AND OUTREACH

The Public Affairs Division is responsible for all KCVAO communications strategies. The Division coordinates agency outreach activities and develops and maintains stakeholder relationships and key partnerships with external organizations.

HUMAN RESOURCES DIVISION

The Human Resources Division provides guidance and oversight of the human resources staff members at the two veterans' homes, and manages the agency-wide personnel program. It works to establish and increase efficiency, uniformity, and fairness in employment policies, procedures, and practices across the diverse program areas.

INFORMATION TECHNOLOGY DIVISION

The Information Technology Division coordinates and provides support for the information technology and telecommunications needs and services for the Central Office, the veterans' homes, the veterans' cemeteries, and the Veterans Services offices throughout the state. It also provides support for the KCVAO Quality Assurance Office, located at the Wichita VA Medical/Regional Office, and the Veteran Services Mobile Office program.

FIGURE 17
ADMINISTRATION PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 874,821	\$ 1,177,315	\$ 1,177,315	\$ 1,394,420	\$ 1,394,420
Federal Funds	3,657,621	500,000	500,000	-	-
All Other Funds	-	-	-	-	-
TOTAL	\$ 4,532,442	\$ 1,677,315	\$ 1,677,315	\$ 1,394,420	\$ 1,394,420
Percent Change:					
SGF	3.0 %	34.6 %	-- %	18.4 %	-- %
All Funds	0.1 %	(63.0) %	-- %	(16.9) %	-- %
FTE Positions	10.0	10.0	10.0	10.0	10.0

BUDGET ANALYSIS

The Administration Program currently funds the salaries of the Central Office staff, in addition to travel for staff and office rental and equipment rental. The program is normally funded mostly or entirely by the SGF. However, in recent years, the Administration Program was appropriated a significant amount of federal funds as a result of the additional moneys that were appropriated in response to the COVID-19 pandemic. Notably, the expiration date to utilize most American Rescue Plan Act (ARPA) funds has passed, which is why the requested amounts for FY 2024 and FY 2025 are less than the actual expenditures in FY 2023.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$1.7 million, including \$1.2 million SGF, and 10.0 FTE positions for the Administration Program in FY 2024. This is an all funds decrease of \$2.9 million, or 63.0 percent, and an SGF decrease of \$382,398, or 34.6 percent, below the FY 2023 actual expenditures. The decrease is primarily due to the expiration of special funds appropriated during the COVID-19 pandemic.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.7 million, including \$1.2 million SGF, and 10.0 FTE positions for the Administration Program in FY 2024.

FY 2025

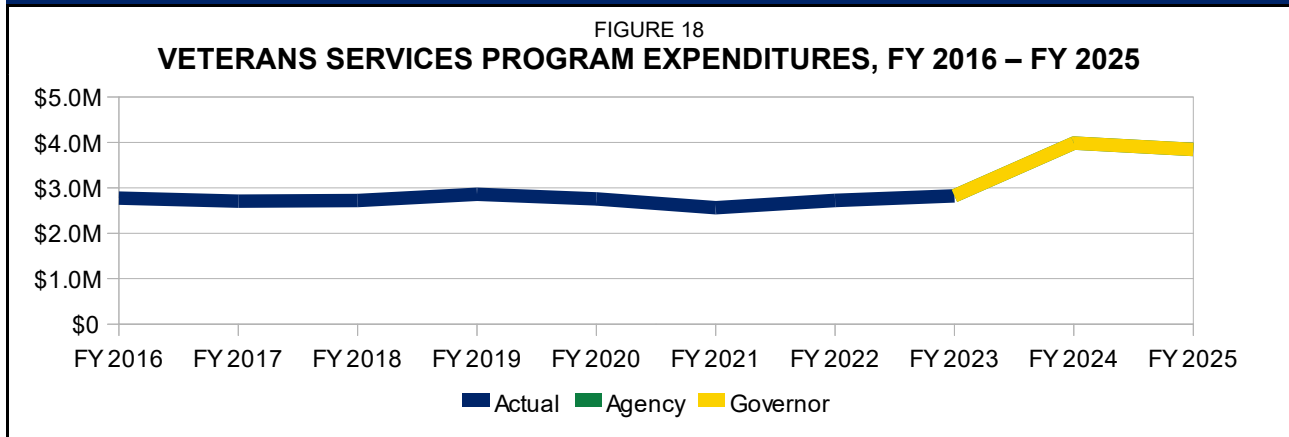
AGENCY'S REQUEST

The agency's request includes \$1.4 million SGF and 10.0 FTE positions for the Administration Program for FY 2025. This is an all funds decrease of \$282,895, or 16.9 percent, below the FY 2024 revised estimate, and an SGF increase of \$217,105, or 18.4 percent, above the FY 2024 revised estimate. The overall decrease is due to the expiration of ARPA funding, whereas the SGF increase is due to greater employer contributions for fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.4 million SGF and 10.0 FTE positions for the Administration Program for FY 2025.

VETERANS SERVICES PROGRAM



STATUTORY BASIS: • KSA 73-1208f, KSA 73-1209, KSA 73-1234, KSA 73-1238, and KSA 74-8724.

PROGRAM GOALS: • Provide information and advocacy to Kansas veterans and eligible family members by assisting them in obtaining all applicable federal and state benefits in order to improve quality of life.

The Veterans Services Program exists to serve Kansas veterans, their families, and survivors by advocating for them, providing information on benefits, and assisting them in securing their rightful benefits as provided for by state and federal law. Veterans Services uses outreach to expand visibility and awareness statewide of the many programs and services available to Kansas veterans and their families.

During FY 2023 and continuing into FY 2024, the Veterans Services Program has focused on the implementation of the PACT Act, which expanded and extended eligibility for VA health care to veterans of certain wars and to veterans who were exposed to toxicities.

There are three main subprograms within the Veterans Services Program: Veterans Field Services, Veterans Claims Assistance, and the State Approving Agency. Several miscellaneous subprograms also fall within the scope of the Veterans Services Program.

VETERANS FIELD SERVICES

The Veterans Field Services Program is the face of the agency, with Veteran Service Representatives located in 15 field offices throughout the state. Veteran Service Representatives work for Veterans Service Organizations, such as the American Legion and the Veterans of Foreign Wars, which are

awarded annual grants through contract agreements entered into with KCVAO at the beginning of each fiscal year. Veteran Service Representatives are advocates who specialize in providing information and assistance to veterans in obtaining their applicable benefits. In FY 2023, the Veterans Services Program assisted in submitting more than 14,750 claim submissions to the VA. This resulted in more than \$275 million being paid to Kansas veterans and family members.

VETERANS ENHANCED FIELD SERVICE DELIVERY

In addition to the field services, KCVAO offers a mobile office program known as the Veterans Enhanced Field Service Delivery Program to provide services to veterans residing in rural areas and support services to all district field offices. The mobile offices participate in community outreach events and routinely partner with the VA, Veterans Service Organizations, various state agencies, and community leaders to identify the needs of veterans and to assist them in filing claims and obtaining benefits.

VETERANS CLAIMS ASSISTANCE PROGRAM

The Veterans Claims Assistance Program (VCAP) was established to improve the coordination of veterans’ benefits counseling in Kansas in order to maximize the effective and

efficient use of taxpayer dollars and to ensure that every veteran is served and receives claims counseling and assistance.

VETERANS CLAIMS ASSISTANCE GRANT

One component of the Veterans Services Program is to provide service grants to eligible Veterans Service Organizations, which are used to train the Veteran Service Representatives who provide support at the VA hospitals and the VA Regional Office. KCVAO is required to annually solicit participation from all Veterans Service Organizations that have a presence in the VA Regional Office in Wichita. Two chartered Veterans Service Organizations elected to participate in the VCAP in FY 2024: the American Legion and the Veterans of Foreign Wars.

To participate in the grant program, Veterans Service Organizations must meet minimum requirements as promulgated in KSA 73-1234(f). The VCAP Grant funding was raised in FY 2023 based on the need for more service representatives at the VA hospitals and the VA Regional Office because of an increase in veteran engagements that resulted from the PACT Act expansion. Veteran Service Representatives inform veterans of eligible benefits and assist them in applying for applicable benefits.

VETERANS CLAIMS QUALITY ASSURANCE

Within the VCAP program is the Quality Assurance subprogram, which exists to review claims for benefits from KCVAO district office staff and VCAP participants. The Quality Assurance staff conduct reviews of all benefit claims paperwork in order to ensure veterans' claims meet the standards for development, accuracy, and completeness in hopes of facilitating a faster response from the VA Regional Office regarding eligibility for benefits. In addition, the Quality Assurance staff is tasked with training all Veteran Service Representatives.

STATE APPROVING AGENCY

The State Approving Agency was established in 1945 to assist with the implementation of the original GI Bill. In FY 1946, the responsibility of the State Approving Agency was transferred to what is now the KCVAO. The program exists to

provide veterans and community members with information on work programs available to veterans in hopes of improving their career and education opportunities. Public Service Administrators within the State Approving Agency work with businesses to provide them with information on programs available to their employees who are veterans and to develop on-the-job training and apprenticeship programs for veterans.

The State Approving Agency subprogram is operated under a contractual agreement between the VA and KCVAO. Veterans only receive reimbursement for programs reviewed by the State Approving Agency and approved for reimbursement under the GI Bill. KCVAO is designated by the Governor as the State Approving Agency for the State of Kansas. Annual grants from the VA are calculated by the number of active veteran programs within the state. The State Approving Agency Program is reviewed each year by the Joint Peer Review Group, which is composed of other states' approving agencies and the VA. An unsatisfactory performance can result in termination of future contracts with the Kansas State Approving Agency.

MISCELLANEOUS SERVICE PROGRAMS

There are several miscellaneous programs and duties that fall under the Veterans Services Program. A few of those programs and duties include:

Vietnam Veterans Medallion: The Vietnam Era Veterans Medallion program provides a Vietnam Era Medallion, Medal, and Certificate of Appreciation from the State of Kansas to Veterans who served on active duty in the U.S. military at any time between February 28, 1961, and May 7, 1975. The program is funded through SGF appropriations. The agency receives approximately ten applications per month for a medallion, and has awarded over 8,100 Vietnam Era Medallions since the program's inception.

Hunting and Fishing License: The agency is responsible for verifying that veterans who seek benefits from other state agencies are *bona fide* veterans and, in some cases, have a service-connected disability. For example,

KCVAO routinely verifies veteran status for the following state agencies:

- **Kansas Department of Wildlife and Parks**, to ensure that veterans who are seeking a free service-connected hunting and fishing license have a 30.0 percent or greater service-connected disability;
- **Kansas Department of Transportation**, to verify that a veteran is eligible to be commemorated as a veteran through designated signage along state-owned roads; and

- **Kansas Department of Administration**, to certify that a veteran-owned small business competing for "Disabled Veteran Owned Business" status is, in fact, owned by a veteran with a service-connected disability.

Veterans Treatment Courts: KCVAO provides assistance and mentorship to the Kansas Veterans Treatment Courts to identify veterans who would be better suited for treatment and court supervision rather than incarceration.

FIGURE 19
VETERANS SERVICES PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,457,891	\$ 2,855,574	\$ 2,855,574	\$ 2,711,600	\$ 2,711,600
Federal Funds	164,660	189,434	189,434	189,689	189,689
All Other Funds	200,559	937,148	937,148	943,775	943,775
TOTAL	\$ 2,823,110	\$ 3,982,156	\$ 3,982,156	\$ 3,845,064	\$ 3,845,064
Percent Change:					
SGF	30.9 %	16.2 %	-- %	(5.0) %	-- %
All Funds	3.7 %	41.1 %	-- %	(3.4) %	-- %
FTE Positions	34.0	34.0	34.0	34.0	34.0

BUDGET ANALYSIS

The Veterans Services Program is funded almost entirely by the SGF, though the agency anticipates that the special revenue funds will earn a significant amount of revenue in the coming years.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$4.0 million, including \$2.9 million SGF, and 34.0 FTE positions for the Veterans Services Program in FY 2024. This is an all funds increase of \$1.2 million, or 41.1 percent, and an SGF increase of \$397,683, or 16.2 percent, above the FY 2023 actual expenditures. The increase is due to grant award payments through the VCAP and to an increase in employer contributions for fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$4.0 million, including \$2.9

million SGF, and 34.0 FTE positions for the Veterans Services Program in FY 2024.

FY 2025

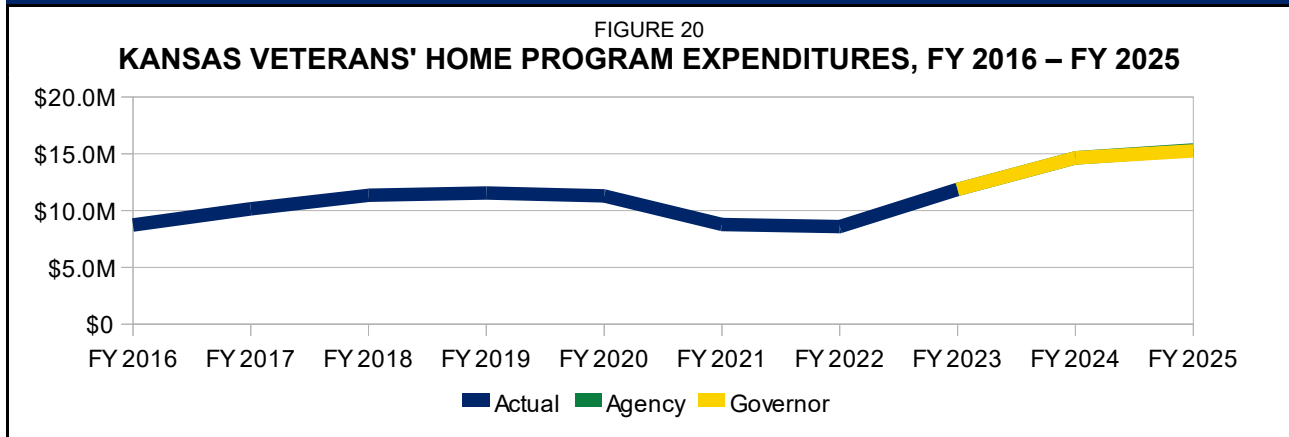
AGENCY'S REQUEST

The agency's request includes \$3.8 million, including \$2.7 million SGF, and 34.0 FTE positions for the Veterans Services Program for FY 2025. This is an all funds decrease of \$137,092, or 3.4 percent, and an SGF decrease of \$143,974, or 5.0 percent, below the agency's FY 2024 revised estimate. The reduction is primarily due to less money requested for grant award payments.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's request of \$3.8 million, including \$2.7 million SGF, and 34.0 FTE positions for the Veterans Services Program for FY 2025.

KANSAS VETERANS' HOME PROGRAM



STATUTORY BASIS: • KSA 76-1951 *et seq.*

PROGRAM GOALS:

- Maintain and support resident census with adequate staffing of qualified employees in all programs and ensure the safety and comfort of residents, visitors, and staff at the Kansas Veterans' Home.
- Encourage interest in the Kansas Veterans' Home and Kansas Soldiers' Home and their missions.
- Make the public aware of the facilities and other benefits and services available to veterans by maintaining good relationships with organizations and local communities that are able to assist with the missions of the homes.

The Kansas Veterans' Home Program is tasked with managing and operating the KVH campus located in Winfield, Kansas. The KVH serves veterans who have been discharged under conditions other than dishonorable who may be disabled to such an extent that they are unable to earn a living. The KVH provides nursing home care and domiciliary care to veterans and, on a space-available basis, to their family members. It has five main buildings and connected structures that house a 48-bed domiciliary unit, 73-bed long-term care unit, and 18-bed special care unit for Alzheimer's patients and those with related dementia.

The primary purpose of the KVH is to care for any person who served in active military duty for the United States during any period of war, or who served in active military duty during peacetime and is entitled to VA hospitalization or domiciliary care. To achieve this purpose, KVH provides long-term care and related medical services to veterans who require skilled or intermediate nursing care. The care and medical services must be prescribed by and performed under the general direction of persons duly licensed to provide such care, including registered professional nurses.

The secondary purpose of the KVH is to provide domiciliary care, such as shelter, food, and necessary medical care, on an ambulatory self-care basis to assist eligible veterans. Veterans who are suffering from a disability that incapacitates them from earning a living but who are not in need of hospitalization or nursing care services are eligible for domiciliary care. The goal is to attain physical, mental, and social well-being through a coordinated treatment plan to restore the residents to, or maintain the residents at, their highest-functioning level.

The KVH saw an increase in admissions in FY 2023 that the agency believes is partially due to a decline in COVID-19 positive test results. As such, the census grew and the agency is optimistic that admissions will continue to increase over the next few years. However, the agency notes that the KVH is still suffering from a shortage of nurses despite an increase in staffing numbers. Due to the shortage, KCVAO contracts with temporary staffing agencies to hire nurses on a temporary basis.

FIGURE 21
KANSAS VETERANS' HOME PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 4,158,814	\$ 4,993,166	\$ 4,993,166	\$ 5,009,519	\$ 4,928,519
Federal Funds	4,997,038	7,393,309	7,393,309	7,612,201	7,612,201
All Other Funds	2,702,093	2,247,561	2,247,561	2,709,839	2,709,839
TOTAL	\$ 11,857,945	\$ 14,634,036	\$ 14,634,036	\$ 15,331,559	\$ 15,250,559
Percent Change:					
SGF	317.0 %	20.1 %	-- %	0.3 %	(1.6) %
All Funds	38.1 %	23.4 %	-- %	4.8 %	(0.5) %
FTE Positions	196.0	196.0	196.0	196.0	196.0

BUDGET ANALYSIS

The Kansas Veterans' Home Program earns revenue through monthly reimbursements, as well as appropriations from state funds. The agency notes there is, at times, an uneven flow of receipts into each fund since the agency does not control when reimbursements are submitted. KCVAO fiscal staff continually monitor each fund to see where sufficient balances are available to pay due bills.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$14.6 million, including \$5.0 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program in FY 2024. This is an all funds increase of \$2.8 million, or 23.4 percent, and an SGF increase of \$834,352, or 20.1 percent, above the FY 2023 actual expenditures. The increase is primarily due to an increase in salaries and wages and commodities.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$14.6 million, including \$5.0 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program in FY 2024.

FY 2025

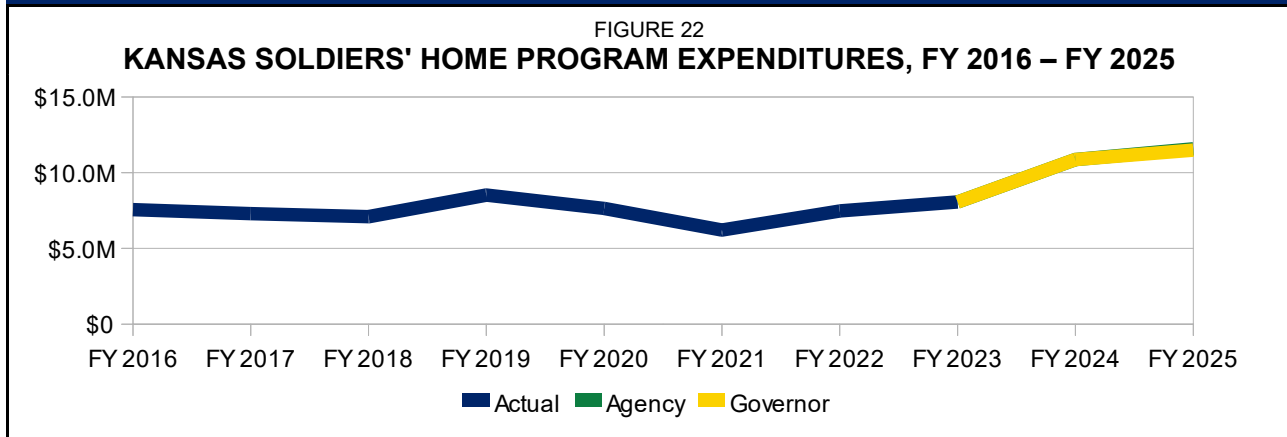
AGENCY'S REQUEST

The agency requests \$15.3 million, including \$5.0 million SGF, and 196.0 FTE positions for the Veterans' Home Program for FY 2025. This is an all funds increase of \$697,523, or 4.8 percent, and an SGF increase of \$16,353, or 0.3 percent, above the FY 2024 revised estimate. The increase is primarily due to the agency's enhancement request to fund leadership positions, including the position of Operations Officer of the Kansas Veterans' Home. The increase is also attributable to other adjustments made to salaries and wages, such as employer contributions for fringe benefits.

GOVERNOR'S RECOMMENDATION

The Governor recommends \$15.3 million, including \$4.9 million SGF, and 196.0 FTE positions for the Kansas Veterans' Home Program for FY 2025. This is an all funds decrease of \$81,000, or 0.5 percent, and an SGF decrease of the same amount, or 1.6 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's enhancement request for an Operations Officer of the Kansas Veterans' Home. However, this is partially offset by the Governor's recommendation of \$23,000 SGF for direct care workers at the KVH to use as an allowance to buy shoes for FY 2025.

KANSAS SOLDIERS' HOME PROGRAM



STATUTORY BASIS: • KSA 76-1901 *et seq.*

PROGRAM GOALS:

- Maintain and support resident census with adequate staffing of qualified employees in all programs and ensure the safety and comfort of residents, visitors, and staff at the Kansas Soldiers' Home.
- Encourage interest in the Kansas Veterans' Home and Kansas Soldiers' Home and their missions.
- Make the public aware of the facilities and other benefits and services available to veterans by maintaining good relationships with organizations and local communities that are able to assist with the missions of the homes.

The Kansas Soldiers' Home Program is tasked with managing and operating the Kansas Soldiers' Home (KSH) campus, located on Fort Dodge near Dodge City, Kansas. The KSH serves veterans who have been discharged under conditions other than dishonorable who may be disabled to such an extent that they are unable to earn a living. The KSH provides nursing home care and domiciliary and cottage care to veterans and, on a space-available basis, to their family members. The KSH consists of three domiciliary buildings, a long-term care facility, 65 cottages, and numerous ancillary buildings.

The primary purpose of the KSH is to care for any person who served in active military duty for the United States during any period of war, or who served in active military duty during peacetime and is entitled to VA hospitalization or domiciliary care. To achieve this purpose, the KSH provides nursing care and related medical services to veterans who require skilled or intermediate nursing care. The care and medical services must be prescribed by and performed under the general direction of persons duly licensed to provide such care, including registered professional nurses.

The secondary purpose of the KSH is to provide domiciliary or cottage care, as well as necessary medical care, on an ambulatory self-care basis to assist eligible veterans. Veterans who are suffering from a disability that incapacitates them from earning a living but who are not in need of hospitalization or nursing care services are eligible for domiciliary care. The goal is to attain physical, mental, and social well-being through a coordinated treatment plan to restore the residents to, or maintain the residents at, their highest functioning level. Eligible applicants may apply for cottage living at the KSH if they are capable of handling the day-to-day routine of independent living and maintaining the upkeep of the residences.

The KSH saw an increase in admissions in FY 2023 that the agency believes is partially due to a decline in COVID-19 positive test results. As such, the census grew, and the agency is optimistic that admissions will continue to increase over the next few years. However, the agency notes that the KSH is still suffering from a shortage of nurses despite an increase in staffing numbers. Due to the shortage, KCVAO contracts with temporary staffing agencies to hire nurses on a temporary basis.

FIGURE 23
KANSAS SOLDIERS' HOME PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 2,650,268	\$ 5,250,198	\$ 5,250,198	\$ 4,589,696	\$ 4,498,946
Federal Funds	3,533,809	4,377,143	4,377,143	4,994,669	4,994,669
All Other Funds	1,877,295	1,240,632	1,240,632	1,988,967	1,988,967
TOTAL	\$ 8,061,372	\$ 10,867,973	\$ 10,867,973	\$ 11,573,332	\$ 11,482,582
Percent Change:					
SGF	45.0 %	98.1 %	-- %	(12.6) %	(2.0) %
All Funds	7.9 %	34.8 %	-- %	6.5 %	(0.8) %
FTE Positions	117.0	117.0	117.0	117.0	117.0

BUDGET ANALYSIS

The Kansas Soldiers' Home Program earns revenue through monthly reimbursements, as well as appropriations from state funds. The agency notes there is, at times, an uneven flow of receipts into each fund since the agency does not control when reimbursements are submitted. KCVAO fiscal staff continually monitor each fund to see where sufficient balances are available to pay the due bills.

FY 2024

AGENCY'S REVISED ESTIMATE

The agency's revised estimate includes \$10.9 million, including \$5.3 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program in FY 2024. This is an all funds increase of \$2.8 million, or 34.8 percent, and an SGF increase of \$2.6 million, or 98.1 percent, above the FY 2023 actual expenditures. This is due to an increase in pay of regular unclassified employees and additional employer contributions to fringe benefits, such as group health insurance.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$10.9 million, including \$5.3 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program in FY 2024.

FY 2025

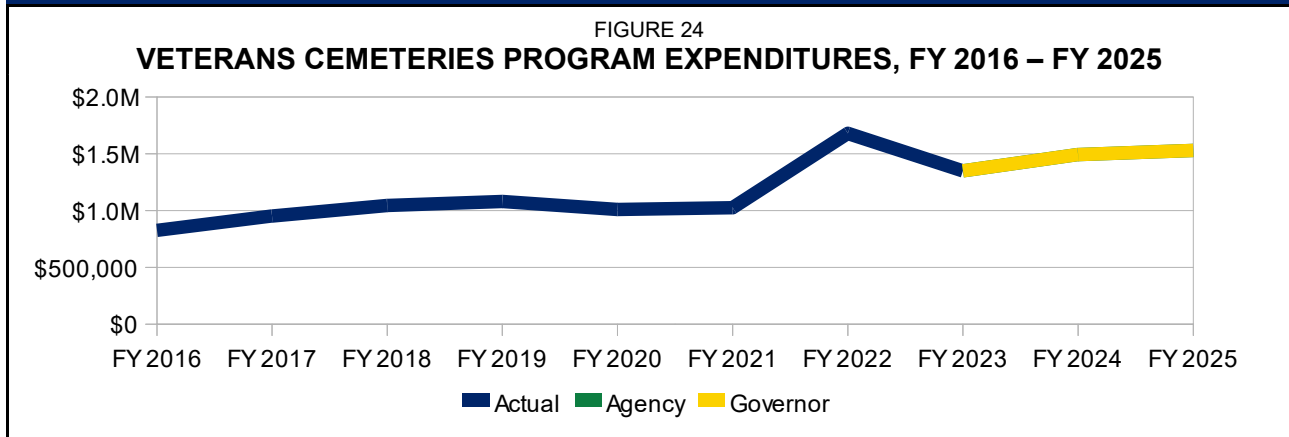
AGENCY'S REQUEST

The agency requests \$11.6 million, including \$4.6 million SGF, and 117.0 FTE for the Kansas Soldiers' Home Program for FY 2025. This is an all funds increase of \$705,359, or 6.5 percent, and an SGF decrease of \$660,502, or 12.6 percent, from the FY 2024 revised estimate. The increase is primarily due to the agency's enhancement request to fund leadership positions, including the position of Operations Officer of the Kansas Soldiers' Home. It is also attributable to other adjustments made to salaries and wages, such as employer contributions for fringe benefits, and an increase in contractual services, such as staffing augmentation and recruiting.

GOVERNOR'S RECOMMENDATION

The Governor recommends \$11.5 million, including \$4.5 million SGF, and 117.0 FTE positions for the Kansas Soldiers' Home Program for FY 2025. This is an all funds decrease of \$90,750, or 0.8 percent, including an SGF decrease of the same amount, or 1.1 percent, below the agency's FY 2025 request. The decrease is due to the Governor not recommending the agency's enhancement request for an Operations Officer of the Kansas Soldiers' Home. However, this is partially offset by the Governor's recommendation of \$13,250 SGF for direct care workers at the KSH to use as an allowance to buy shoes for FY 2025.

VETERANS CEMETERIES PROGRAM



STATUTORY BASIS: • KSA 73-1232

PROGRAM GOALS:

- Promote the Kansas Veterans Cemeteries Program and make every veteran and eligible family member aware of their burial benefits.
- Ensure veterans and eligible dependents are informed about and understand how to pre-register for burial.

The Veterans Cemeteries Program provides veterans and their eligible dependents with interment opportunities for burial in a Kansas Veterans Cemetery. The Program manages and operates four veterans' cemeteries: Fort Dodge, Fort Riley, WaKeeney, and Winfield.

charge: burial space, grave liner, opening and closing of the grave, perpetual care, placement of cremation remains in either columbarium niche or in-ground interment plot, scattering garden, and headstone or marker.

The Veterans Cemeteries Program provides support and assistance to veterans regarding their interment options, including whether to pre-register. Veterans and their dependents are provided the following cemetery benefits at no

The KCVAO believes that veterans deserve to be interred with dignity, respect, and honor for their service. The agency notes that the veterans' cemeteries are in full compliance with VA standards that ensure these cemeteries are national shrines.

FIGURE 25
VETERANS CEMETERIES PROGRAM FINANCING, FY 2023 – FY 2025

Fund	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
SGF	\$ 635,726	\$ 784,885	\$ 784,885	\$ 936,465	\$ 936,465
Federal Funds	306,184	256,727	256,727	368,601	368,601
All Other Funds	407,379	451,058	451,058	224,205	224,205
TOTAL	\$ 1,349,289	\$ 1,492,670	\$ 1,492,670	\$ 1,529,271	\$ 1,529,271
Percent Change:					
SGF	8.5 %	23.5 %	-- %	19.3 %	-- %
All Funds	(19.6) %	10.6 %	-- %	2.5 %	-- %
FTE Positions	18.0	19.0	19.0	19.0	19.0

BUDGET ANALYSIS

The Veterans Cemeteries Program earns roughly half of its funding through the federal government and from the proceeds from the sale of Veterans Benefit Game lottery tickets. The other half of the funding is through the

SGF, with a small portion coming from donations and contributions to the Veterans' Cemeteries Program.

FY 2024***AGENCY'S REVISED ESTIMATE***

The agency's revised estimate includes \$1.5 million, including \$784,885 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program in FY 2024. This is an all funds increase of \$143,381, or 10.6 percent, and an SGF increase of \$149,159, or 23.5 percent, above the FY 2023 actual expenditures. The increase is due to an increase in pay of regular unclassified employees and additional employer contributions to fringe benefits, such as group health insurance, as well as contractual services, such as equipment rental.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the agency's revised estimate of \$1.5 million, including \$784,885 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program in FY 2024.

FY 2025***AGENCY'S REQUEST***

The agency requests \$1.5 million, including \$936,465 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program for FY 2025. This is an all funds increase of \$36,602, or 2.5 percent, and an SGF increase of \$151,580, or 19.3 percent, above the agency's FY 2024 revised estimate. The increase is primarily due to additional agricultural equipment and machinery expenditures for the cemeteries.

GOVERNOR'S RECOMMENDATION

The Governor concurs with the request of \$1.5 million, including \$936,465 SGF, and 19.0 FTE positions for the Veterans' Cemeteries Program for FY 2025.

CAPITAL IMPROVEMENTS

The Kansas Commission on Veterans Affairs Office strives to offer the best service possible for veterans and their families. In order to keep up the veterans' homes and the veterans cemeteries, the agency routinely requests funds for capital improvement projects. The agency prioritizes projects at each of the veterans' homes and the veterans cemeteries separately. Information on each of the homes follows.

KANSAS VETERANS' HOME

The Kansas Veterans' Home (KVH) is located in Winfield, Kansas. It has five main buildings and connected structures that were built between 1948 and 1983. The facility has a 48-

bed domiciliary unit, 73-bed long-term care unit, and 18-bed special care unit for Alzheimer's patients and those with related dementia. The KVH has professional staff charged with caring for the residents.

KANSAS SOLDIERS' HOME

The Kansas Soldiers' Home (KSH) is located on Fort Dodge near Dodge City, Kansas. It consists of three domiciliary buildings, a long-term care facility, 65 cottages, and numerous ancillary buildings. The KSH maintains its own heating, water, sewer, and gas systems. The KSH also maintains all roads within Fort Dodge.

	Actual FY 2023	Agency FY 2024	Governor FY 2024	Agency FY 2025	Governor FY 2025
Capital Projects:					
Kansas Veterans' Home Rehabilitation & Repair and Other Projects	\$ 1,686,436	\$ 1,760,993	\$ 1,760,993	\$ 1,738,442	\$ 1,738,442
Kansas Soldiers' Home Rehabilitation & Repair and Other Projects	677,569	1,809,253	1,809,253	1,244,612	1,844,612
Veterans Cemeteries Rehabilitation & Repair and Other Projects	61,941	1,156,635	1,156,635	291,891	291,891
Northeast Kansas Veterans' Home Construction	-	17,200,000	17,200,000	-	-
<i>Subtotal—Projects</i>	<u>\$ 2,425,946</u>	<u>\$ 21,926,881</u>	<u>\$ 21,926,881</u>	<u>\$ 3,274,945</u>	<u>\$ 3,874,945</u>
TOTAL	\$ 2,425,946	\$ 21,926,881	\$ 21,926,881	\$ 3,274,945	\$ 3,874,945
Financing:					
SGF	\$ 61,941	\$ 413,939	\$ 413,939	\$ 201,980	\$ 201,980
State Institutions Building Fund	2,364,005	21,006,935	21,006,935	2,983,054	3,583,054
Federal Funds	-	460,000	460,000	89,911	89,911
All Other Funds	-	46,007	46,007	-	-
TOTAL	\$ 2,425,946	\$ 21,926,881	\$ 21,926,881	\$ 3,274,945	\$ 3,874,945

FY 2024 CAPITAL IMPROVEMENTS

AGENCY'S REVISED ESTIMATE

The **agency's** revised estimate includes \$21.9 million, including \$413,939 SGF, for capital improvements in FY 2024. This is an all funds increase of \$2.4 million, or 12.3 percent, and an SGF increase of \$176,959, or 74.7 percent, above the FY 2024 approved amount. This includes \$21.0 million State Institutions Building Fund (SIBF) for various capital

improvement projects, including \$17.2 million SIBF for the new Northeast Kansas Veterans' Home. (Note: Although \$17.2 million SIBF is appropriated for the construction of the new home in FY 2024, the agency will not know until spring 2024 whether the U.S. Department of Veterans Affairs (VA) will approve federal funding for the project. In this scenario, the agency would likely have to carry over funds

into FY 2025 for the construction of the new home.)

The revised estimate also includes \$3.6 million SIBF for emergency repair and maintenance projects at both the KVH and the KSH. Specific projects at the KVH include upgrading the burner control on boiler and feed water equipment, installing new air-cooled chillers, replacing outside lighting, and remodeling the Peden Wing in the Bleckley Hall. Specific projects at the KSH include cottage painting; room conversion for a long-term care bariatric room; and generator replacement, make-up air unit, roof

replacement, and remodel of shower rooms at Halsey Hall.

Finally, the revised estimate includes \$413,939 SGF, \$282,696 SIBF, and \$460,000 in federal grant monies for rehabilitation and repair projects at the veterans' cemeteries. The federal grant monies would go toward a scattering garden wall and an expansion of the Columbarian Wall on Fort Dodge. The remaining funds would go toward the following projects: road installation, roof for storage, a new storage building on Fort Dodge, and committal shelter doors on Fort Dodge and at WaKeeney.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the revised estimate of \$21.9 million, including \$413,939 SGF, for capital improvements in FY 2024.

FY 2025 CAPITAL IMPROVEMENTS

AGENCY'S REQUEST

The **agency** requests \$3.3 million, including \$201,980 SGF, for capital improvements for FY 2025. This is a decrease of \$18.0 million, or 85.1 percent, and an SGF decrease of \$211,959, or 51.2 percent, below the FY 2024 revised estimate. The decrease is primarily due to the agency not requesting monies for the construction of the new Northeast Kansas Veterans' Home for FY 2025. The decrease is also due to the agency's belief that several projects, including the installation of committal shelter doors at two cemeteries, will be completed in FY 2024.

Included within the request is \$2.9 million SIBF for emergency repair and maintenance projects at both the KVH and KSH. Emergency projects at the KVH include upgrading the electrical infrastructure for the facility, and emergency projects at the KSH include an HVAC upgrade, pharmacy expansion, replacement of fire panels, and an IT infrastructure upgrade. Also included within the request is \$291,891 SGF for emergency repair and maintenance projects at the veterans' cemeteries, including the addition of committal shelter restrooms at Fort Riley.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$3.5 million, including \$201,980 SGF, for capital improvements for FY 2025. This is an SIBF increase of \$600,000, or 18.3 percent, above

the agency's FY 2025 request. The increase is for the demolition of the Junior Officers Quarters and Walt Hall at the KSH on Fort Dodge.