



**OREGON DEPARTMENT**  
*of* **VETERANS' AFFAIRS**

# 2017-19 GOVERNOR'S BUDGET

JOINT COMMITTEE ON WAYS AND MEANS SUBCOMMITTEE ON  
TRANSPORTATION AND ECONOMIC DEVELOPMENT // APRIL 2017



**WE ARE OREGON VETERANS**

# POLICY OPTION PACKAGES

## KEY VETERAN INITIATIVES

- Identify and connect more veterans and their families to benefits and resources
- Increase draw down of significant federal funds
- Leverage partnerships to expand service delivery and reduce demand on state resources
- Align funding to sustainably invest in core services for the long term
- Establish reserves and working capital fund

### POP 101

**21ST CENTURY DELIVERY OF CORE PROGRAMS**  
(**\$600,000 LF AND \$250,000 OF | 0 FTE** )

Leverages smart technology to better serve and protect veterans.

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### POP 102

**TARGET VETERAN SERVICES**  
(**\$6,063,285 LF AND A \$2,337,790 OF REDUCTION | 3.00 FTE**)

Expands and sustains access to services for the underserved veteran community.

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### POP 103

**STRENGTHEN HOME LOANS**  
(**\$1,134,692 OF | 1.0 FTE**)

Strengthens Home Loan program compliance with federal law and necessary building maintenance.

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### POP 104

**MOBILIZE PARTNERSHIPS**  
(**\$3,000,000 LF | 0 FTE**)

Mobilizes existing state programs and local providers to expand and enhance direct service to veterans across education, health and mental health, and housing and homelessness.

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### POP 105

**VETERANS' HOMES CAPITAL PROJECTS**  
(**\$2,450,000 OF - CAPITAL CONSTRUCTION | 0 FTE**)

Ensures a secure and safe environment for Oregon's more vulnerable veterans.

# ADVISORY COMMITTEE



## **DENNIS GUTHRIE, CHAIR**

U.S. ARMY | APPOINTED 2012

Dennis enlisted in the U.S. Army in 1967 and volunteered to serve in Vietnam after completing Airborne and Special Forces Medical Training. He served as head company field medic with the First Cavalry Division, volunteered for Medevac, and is the recipient of the Silver Star and Bronze Star (Valor) among other awards.



## **TONY GARCIA**

OREGON ARMY NATIONAL GUARD | APPOINTED 2015

A graduate of Georgetown University and the University of Oregon, School of Law, Tony is an Oregon Army National Guard soldier and attorney. He was a judge advocate for the 41st Infantry Brigade and served as chief trial counsel in Iraq to the 41st Brigade in 2009 on their largest deployment since WWII. Tony lives and works in Portland, where he is a deputy city attorney for the city of Portland.



## **KIM DOUTHIT**

U.S. COAST GUARD | APPOINTED 2015

A former Washington County veteran service officer, Kim is currently the student veteran coordinator at Portland Community College's Sylvania campus. She served nearly four years as a Coast Guard officer and as a work and family life consultant at the Navy Fleet Family Support Center in San Diego. She is pursuing a Master's in communication and leadership studies from Gonzaga University.

# ADVISORY COMMITTEE



## **JOHN HOWARD**

U.S. NAVY | APPOINTED 2016

John served six years in the Navy Reserve as an enlisted sailor and NROTC midshipman, followed by 24 years of active commissioned service. He spent 10 years working in U.S. Representative Greg Walden's Medford office as his military and veterans constituent services representative and currently serves as chairman of the Jackson County Veterans Advisory Committee.



## **ROSA MACIAS**

U.S. MARINE CORPS | APPOINTED 2016

Rosa was born in the Dominican Republic, but spent most of her teen years living in Pennsylvania and New York City. She served in the U.S. Marines and U.S. Marine Corps Reserve as an aviation supply clerk. She now serves as the veterans outreach coordinator at the Salem Vet Center. Rosa is an executive member of Serving Our Veterans At Home (SOVAH) and leads the annual efforts to coordinate the Mid-Willamette Valley Veterans Stand Down.



## **MICHAEL JONES**

U.S. ARMY | APPOINTED 2012

Michael served in the United States Army from 1970 to 1973 and is the recipient of two Bronze Stars for his service in Vietnam. He is a local and state leader in the American Legion, as well as a member of the VFW and DAV. Michael and his wife live in Ontario.

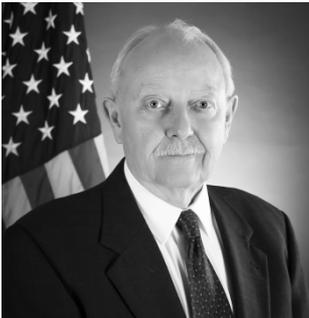
# ADVISORY COMMITTEE



## ADOLPH "VAL" VALFRE

U.S. AIR FORCE | APPOINTED 2016

Val is the Director of the Housing Authority of Washington County and the Washington County Department of Housing Services. He previously served as the director of West Valley Housing Authority in Polk County and as the Section 8 Administrator for the City of Tucson, Arizona. He served for nearly 25 years in the Air Force with duties as a C-141/B-52 instructor pilot and was awarded an Air Medal for in-theater missions during the Vietnam War.



## JON MANGIS

OREGON ARMY NATIONAL GUARD | APPOINTED 2015

Jon is a U.S. Air Force veteran who served in Vietnam and later retired from the Oregon Army National Guard. He was appointed as ODVA's director by Gov. Victor Atiyeh and served from 1985-2003. Jon is the former president of the National Association of State Directors of Veterans' Affairs and is active on several boards, including serving as director of the Vietnam Veterans of Oregon Memorial Fund.



## REYNOLD LENO

U.S. MARINE CORPS | APPOINTED 2016

Reynold is a Vietnam veteran. He was elected to the Tribal Council of the Confederated Tribes of the Grand Ronde Community of Oregon in 1996 and serves as a member of the Veterans Committee. Reynold was an advocate for the Veterans Summit, which now precedes the Tribe's Annual Veterans' Powwow in July of each year.





# APPENDIX

# MAJOR VETERAN SERVICES PROGRAM BUDGET INFORMATION

## STATEWIDE VETERAN SERVICES

**Expenditures:** \$5,935,278 Lottery Funds, \$1 Federal Funds and \$1,976,024 General Funds

**Caseload:** ODVA, in partnership with the County Veteran Service Offices provides claims and counseling advocacy and representation to Oregon's 326,000 veterans, resulting in more than 12,200 new claims on their behalf during fiscal year 2016. In that same time, as part of appeals work, 1,322 Notice of Disagreements (NOD), and 486 Form 9's (continuation of the NOD process) were filed for veterans through ODVA's Statewide Veteran Service offices. Currently, ODVA holds power of attorney for nearly 101,000 Oregon veterans. Statewide Veteran Services is also responsible for the training, certification, and accreditation of all county and state veteran service officers. The agency holds initial onsite training for all new veteran service officers, one annual conference and will be developing online learning. Training is conducted on the latest Federal VA legal, medical and process information.

**Source of Funding:** Lottery Fund and General Fund dollars pay for most direct Veteran Services Program personnel cost and a portion of the program's services and supplies. The remainder of direct services and supplies and indirect personnel costs are funded through Other Fund Loan Program dollars.

**Positions and FTE:** 2017-19 Governor's Budget funds 31 Statewide Veteran Services positions.

## COUNTY VETERAN SERVICE OFFICERS (CVSO'S) PROGRAM

**Expenditures:** \$5,854,861 Lottery Funds.

**Workload:** ODVA provides support to the County Veteran Service Offices (CVSO) through training, guidance, claims review and appellate representation; advocacy for our veterans, dependents and /or survivors in pursuit of benefits; and interoperability with the U.S. Department of Veterans Portland Regional Office. ODVA provides general fund pass through dollars to counties to support enhancement and expansion of CVSO operations. The administration of these monies requires counties that provide veterans services to file an annual application to receive funding and then submit quarterly reports of activities and expenditures in order to receive payment.

**Source of Funding:** Lottery Funds.

**Positions and FTE:** 2017-19 Governor's Budget funds 0 positions (0 FTE).

## NATIONAL SERVICE ORGANIZATIONS (NSO)

**Expenditures:** \$175,156 Lottery Funds.

**Workload:** The NSOs submit an annual request for funding to ODVA and this is reviewed and processed by the department for approval and budgeting. The monies are then distributed on a quarterly basis following the review and processing of NSO quarterly reports of expenditure and activities.

**Source of Funding:** Lottery Funds.

**Positions and FTE:** 2017-19 Governor's Budget level funds 0 positions (0 FTE).

# MAJOR VETERAN SERVICES PROGRAM BUDGET INFORMATION

## PARTNERSHIPS

**Expenditures:** \$3,000,000 Lottery Funds.

**Workload:** Mobilize existing state programs and local providers to expand and enhance direct service to veterans across education, health and mental health, and housing and homelessness.

**Source of Funding:** Lottery Funds.

**Positions and FTE:** 2017-19 Governor's Budget level funds 0 positions (0 FTE).

## AGING VETERAN SERVICES / CONSERVATORSHIP

**Expenditures:** \$2,732,770 Lottery Funds, \$23,976 General Funds and \$105,139 Other Funds.

**Workload:** As of June 30, 2016 ODVA had 140 Conservatorship clients and 131 Representative Payee clients in the Conservatorship program.

**Customers:** Program customers include: veterans, Federal VA, courts, guardians, case managers, family members, residential care facilities, foster homes, nursing homes, doctors, pharmacies, hospitals, utilities companies, attorneys, insurance companies, accountants, Defense Finance and Accounting Service, Social Security Administration, realtors, state, county, and federal agencies, Department of Justice, probation officers, police departments, investigators, vendors such as rental companies, yard maintenance, veterinarian offices, personal assistant escorts, travel agents, airlines, hotels, etc.

**Source of Funding:** Lottery Funds, General Funds and Other Funds. Other Funds are generated by fees charge to client accounts under Conservatorship and Representative Payee Program.

**Positions and FTE:** 2017-19 Governor's Budget funds 10 positions (10.0 FTE).

## EMERGENCY FINANCIAL ASSISTANCE PROGRAM

**Expenditures:** The 2017-19 Governor's Budget did not fund the program.

**Workload:** In fiscal year 2016, total grant applications received were 202 while funding allowed for only 55 of those applications to be granted.

**Source of Funding:** N/A

**Positions and FTE:** 2017-19 Governor's Budget funded 0 positions (0 FTE).

# MAJOR HOME LOAN PROGRAM BUDGET INFORMATION

## HOME LOAN PROGRAM

**Expenditures:** \$16,788,430 Other Funds.

**Workload:** The Home Loan Program has been most robust when large numbers of veterans returned to Oregon, such as after World War II, the Korean War, and the Vietnam War. However, warfare has changed and large “draft” armies are not being deployed; which means large numbers of veterans are not returning to Oregon seeking loans. In recent years, fewer veterans, coupled with the housing market recession, high unemployment, low conventional mortgage rates, and the inability to use QVMB monies for refinancing, has resulted in a significant portfolio reduction of home loans. As of June 30, 2016, the portfolio included approximately 1,865 loans totaling more than \$262 million.

**Source of Funding:** Other Funds. Primary sources of revenue consist of loan and contract-related repayments, investment earnings, fee and rental income, and proceeds from bond sales.

**Positions and FTE:** 2017-19 Governor’s Budget funds 11 positions (11.0 FTE) for Direct Loan Services and 35 (35.0 FTE) other agency operational positions, for a total of 46 (46.0 FTE) positions.

# MAJOR VETERANS' HOME PROGRAM BUDGET INFORMATION

## VETERANS' HOME PROGRAM

**Expenditures:** \$83,810,663 Other Funds. \$1,344,281 General Funds Debt Service and \$90,000 Other Funds Debt Issuance costs. No General Funds have been provided for Veterans' Homes operational costs.

**Workload:** The Agency contracts with an operator to manage the operations of the Oregon Veterans' Homes.

**Source of Funding:** Operating revenues are primarily comprised of monies received from residents of the facility, Medicare and Medicaid reimbursements, and grant per diem received directly from the Federal VA. The facility also receives donations to the Veterans' Home Trust Fund, as well as monies from the sale of Veterans License Plates through the Department of Motor Vehicles, and money from the Charitable Check Off program.

The newest facility in Lebanon received 65 percent Federal VA Grant funds and 35 percent local match funding (Linn County levy) for construction. In 2013, the state provided additional funds to make up a short fall in the local match due to construction changes mandated by the Federal VA.

**Positions and FTE:** 2017-19 Governor's Budget funds five positions (5.0 FTE).

## LIQUIDATED/DELINQUENT REPORT

<u>As Reported on Liquidated/Delinquent Report</u>				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	Corrected*
				<u>2016</u>
Home Loans	\$ 2,334,882	\$ 2,769,400	\$ 2,208,754	\$ 117,373
Veterans' Homes	<u>67,200</u>	<u>100,564</u>	<u>260,825</u>	<u>260,825</u>
	\$ 2,402,082	\$ 2,869,964	\$ 2,469,579	\$ 378,198

\* Note: In previous years, the amount reported for the Home Loan program reported the entire outstanding mortgage loan balance of delinquent loans. Clarification was recently received from CFO Statewide A/R Management that only the payment amount (principal, interest, escrow) delinquent greater than 90+ days should be reported. Amounts will be adjusted/corrected for the 2017 reporting period.