

**Legislative
Fiscal Office**

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**Joint Committee on
Ways and Means**

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Rep. Nancy Nathanson, House Co-Chair

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Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Transportation and Economic Development Subcommittee

From: Amanda Beitel, Legislative Fiscal Office

Date: June 15, 2017

Subject: HB 5039 – Department of Veterans’ Affairs
Work Session Recommendations

Department of Veterans’ Affairs – Agency Totals

	2013-15 Actual	2015-17 Legislatively Approved	2017-19 Current Service Level	2017-19 LFO Recommended
General Fund	9,678,902	13,007,966	11,066,613	8,517,323
Lottery Funds	-	-	-	12,868,322
Other Funds	45,304,442	84,440,191	86,784,284	100,457,558
Other Funds NL	186,154,228	343,333,710	387,546,159	387,546,159
Federal Funds	40,000	3,955,303	-	500,000
Total Funds	241,177,572	444,737,170	485,397,056	509,889,362
Positions	84	88	88	94
FTE	82.63	87.76	88.00	94.00

The Legislative Fiscal Office recommends a 2017-19 total funds budget of \$509,889,362 and 94 positions (94.00 FTE) for the Department of Veterans’ Affairs. The recommended budget is a 14.7% increase from the 2015-17 legislatively approved budget. Specific budget recommendations include:

- Increasing Lottery Funds expenditure limitation by \$4,473,017 to double the current service level funding for the pass-through funding to County Veteran Service Officers and National Service Organizations.
- Increasing Lottery Funds expenditure limitation by \$4,125,211 to shift the funding for veterans’ services from Other Funds supported by home loan revenues to Lottery Funds. Eliminating the subsidization of veterans’ services program activities will strengthen, stabilize, and sustain the Home Loan Program for future generations of veterans.

- \$350,000 Lottery Funds expenditure limitation to support a veterans' crisis and suicide prevention hotline.
- Restoration of the \$103,700 General Fund in the current service level budget for the Emergency Financial Assistance Program, which provides one-time grants to veterans who have emergency needs.
- Lottery Funds allocation of \$1,500,000 to address veterans' housing and homelessness issues with instruction to the Department to work with the Housing and Community Services Department and report back to the Joint Committee on Ways and Means in February 2018 with a proposal for strategic investments that will result in long-term housing stability for veterans.
- Establishing a reserve balance of \$2,336,575 in the Veterans' Services Fund to allow for fluctuations in revenue projects and provide a working capital balance to accommodate Lottery Funds expenditure increases during the biennium.

Lottery Funds expenditure limitation of \$12,868,322, available through the passage of Measure 96, is included in the budget recommendation. Total lottery revenue dedicated to veterans' services (1.5% of net lottery proceeds) is projected to be \$18,692,600 for the 2017-19 biennium. Lottery revenues will be allocated to the Department for the Lottery Funds expenditure limitation included in the Department's budget, with the balance being retained in the constitutionally dedicated Veterans' Services Fund. Lottery Funds allocated for veterans' services is summarized below:

Department of Veterans' Affairs - Budget Bill

HB 5039 - ODVA Budget Bill	\$12,868,322
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Policy Bills increasing the ODVA Lottery Funds Budget

HB 2891 - Veterans' Services Grant Fund	\$555,000
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HB 2908 - Veteran Volunteer Coordinator	\$245,509
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SB 143 - Campus Veteran Resource Centers	<u>\$1,187,194</u>
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Total Policy Bills	\$1,937,703
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Additional Lottery Allocations

Veterans' Housing and Homelessness	\$1,500,000
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<i>Veterans' Services Fund Reserve Balance (12.5%)</i>	\$2,336,575
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Total 2017-19 Veterans' Services Lottery Funds	\$18,692,600
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The recommended budget also includes \$8,517,323 General Fund, which includes \$7,500,000 for veterans' services and \$1,017,323 for General Fund debt service on outstanding bonds. In addition to the General Fund support included in the budget, the Department has requested \$2,540,000 in General Fund supported general obligation bonds to fund capital projects at Veterans' Homes in The Dalles and Lebanon. Capital requests are deferred to the Capital Construction Subcommittee and not included in this recommendation. Budget adjustments will be included in the end-of-session bill for these projects.

Adjustments to Current Service Level

See attached "Work Session Presentation Report."

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5039. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5039, with modifications. (VOTE)

Performance Measures

See attached "Legislatively Proposed 2017-19 Key Performance Measures."

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Budget Notes

#1 Budget Note: Report on Strategic Investments for Veterans' Housing

The Housing and Community Services Department and the Oregon Department of Veterans' Affairs are directed to work in concert to develop a plan to advise the Legislature on strategic investments of Measure 96 lottery dollars for veterans' homelessness and housing issues that will result in long term housing stability for veterans. The Oregon Department of Veterans' Affairs and the Housing and Community Services Department will report back to the Joint Committee on Ways and Means in February 2018 with a proposal that includes a key performance measure to quantify progress toward this goal. The report shall include, but need not be limited to the following:

- Information on best practices and programs in other states that have shown efficacy;
- The amount and source of resources intended to be utilized for each option presented;
- Other partners or cooperation necessary from state or local entities;
- The number of veterans that can be assisted with each proposal at the suggested level of support; and
- Necessary changes to statute to implement the plan.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Budget Notes. (VOTE)

OR

Change LFO Recommendation (any changes must be approved by the co-chairs):

MOTION: I move the LFO recommendation on Budget Notes, with modifications. (VOTE)

Recommended Changes

LFO recommends a budget of \$8,517,323 General Fund, \$12,868,322 Lottery Funds, \$100,457,558 Other Funds, \$500,000 Federal Funds, \$387,546,159 Other Funds Nonlimited, and 94 positions (94.00 FTE), which is reflected in the -4 amendment.

MOTION: I move adoption of the -4 amendment to HB 5039. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5039, as amended by the -4 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 5039, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 27400-000-00-00-00000
Veterans' Affairs, Oregon Dept of

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	12,748,351	-	83,768,166	2,805,304	318,333,710	-	417,655,531	88	87.76
2015-17 Ebds, SS & Admin Act	259,615	-	672,025	1,149,999	25,000,000	-	27,081,639	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	13,007,966	-	84,440,191	3,955,303	343,333,710	-	444,737,170	88	87.76
2015-17 Leg Approved Budget (Base)	13,002,777	-	84,275,562	3,305,303	318,333,710	-	418,917,352	88	87.76
Summary of Base Adjustments	(1,337,934)	-	(515,124)	(2,805,303)	69,212,449	-	64,554,088	-	0.24
2017-19 Base Budget	11,664,843	-	83,760,438	500,000	387,546,159	-	483,471,440	88	88.00
010: Non-PICS Pers Svc/Vacancy Factor	(8,228)	-	92,441	-	-	-	84,213	-	-
020: Phase In / Out Pgm & One-time Cost	(850,000)	-	-	(500,000)	-	-	(1,350,000)	-	-
030: Inflation & Price List Adjustments	259,998	-	2,931,405	-	-	-	3,191,403	-	-
2017-19 Current Service Level	11,066,613	-	86,784,284	-	387,546,159	-	485,397,056	88	88.00
Adjusted 2017-19 Current Service Level	11,066,613	-	86,784,284	-	387,546,159	-	485,397,056	88	88.00
Total LFO Recommended Packages	(2,549,290)	12,868,322	13,673,274	500,000	-	-	24,492,306	6	6.00
2017-19 Legislative Actions	8,517,323	12,868,322	100,457,558	500,000	387,546,159	-	509,889,362	94	94.00
Net change from 2015-17 Leg Approved Budget	(4,490,643)	12,868,322	16,017,367	(3,455,303)	44,212,449	-	65,152,192	6	6.24
Percent change from 2015-17 Leg Approved Budget	(34.5%)	100.0%	19.0%	(87.4%)	12.9%	0.0%	14.7%	6.8%	7.1%
Net change from 2017-19 Adj Current Service Level	(2,549,290)	12,868,322	13,673,274	500,000	-	-	24,492,306	6	6.00
Percent change from 2017-19 Adj Current Service Level	(23.0%)	100.0%	15.8%	100.0%	0.0%	0.0%	5.1%	6.8%	6.8%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	15,477,065	-	-	-	15,477,065	51	51.10
2015-17 Ebds, SS & Admin Act	-	-	422,284	-	-	-	422,284	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	15,899,349	-	-	-	15,899,349	51	51.10
2015-17 Leg Approved Budget (Base)	-	-	15,884,720	-	-	-	15,884,720	51	51.10
Summary of Base Adjustments	-	-	912,298	-	-	-	912,298	-	-
2017-19 Base Budget	-	-	16,797,018	-	-	-	16,797,018	51	51.10
010: Non-PICS Pers Svc/Vacancy Factor	-	-	73,018	-	-	-	73,018	-	-
030: Inflation & Price List Adjustments	-	-	261,449	-	-	-	261,449	-	-
2017-19 Current Service Level	-	-	17,131,485	-	-	-	17,131,485	51	51.10
Adjusted 2017-19 Current Service Level	-	-	17,131,485	-	-	-	17,131,485	51	51.10
Total LFO Recommended Packages	-	-	(281,714)	-	-	-	(281,714)	(5)	(5.10)
2017-19 Legislative Actions	-	-	16,849,771	-	-	-	16,849,771	46	46.00
Net change from 2015-17 Leg Approved Budget	-	-	950,422	-	-	-	950,422	(5)	(5.10)
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	6.0%	0.0%	0.0%	0.0%	6.0%	(9.8%)	(10.0%)
Net change from 2017-19 Adj Current Service Level	-	-	(281,714)	-	-	-	(281,714)	(5)	(5.10)
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	(1.6%)	0.0%	0.0%	0.0%	(1.6%)	(9.8%)	(10.0%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 21st Century Service Delivery

Package Description Package 101 increases Other Funds expenditure limitation by \$250,000 to purchase and install an "end-to-end" home loan system. An "end-to-end" loan system combines an origination and a servicing system, which carries loan information entered during the initial application and loan origination phase through to the loan servicing process, creating efficiencies and reducing errors. The new software system will also allow veterans to review home loan information online.

LFO Recommendation Approve the package as requested.

LFO Recommended	-	-	250,000	-	-	-	250,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Target Veteran Services

Package Description Package 102 decreases Other Funds expenditure limitation by \$1,666,406 and six positions (6.10 FTE) in the in Home Loan Program. A corresponding increase in Lottery Funds expenditure limitation and positions is included in the Veterans' Services Program. Veterans' Home Loan Program revenues have historically been used to supplement veterans' services costs; however, this practice has led to losses and a decrease in the overall net position of the Home Loan Program over the last six years. This packages shifts funding for six veterans' services positions and associated services and supplies expenditures from Other Funds supported by home loan revenues to Lottery Funds in the Veterans' Services Program. Eliminating the subsidization of veterans' services program activities will strengthen, stabilize, and sustain the Home Loan Program for future generations of veterans.

LFO Recommendation Approve the package as requested.

LFO Recommended	-	-	(1,666,406)	-	-	-	(1,666,406)	(6)	(6.10)
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Loan Program

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 103 Strengthen Veteran Home Loan Program

Package Description Package 103 increases Other Funds expenditure limitation by \$1,134,692 and one position (1.00 FTE) to strengthen and improve compliance in the Home Loan Program and "refresh" the ODVA state office building. An Operations and Policy Analyst 2 position is established to serve as a quality assurance and compliance coordinator (QA/CC) in the Home Loan Program to maintain oversight and compliance with federal and state regulations, including new Consumer Financial Protection Bureau (CFPB) rules. Funding is also provided to reclassify two existing Loan Specialist 1 positions to Loan Specialist 2 classifications, due to the increased responsibilities of these positions to comply with the new Dodd-Frank and CFPB regulations for loan origination. One-time funding of \$933,333 is provided to "refresh" the ODVA state office building, including replacing the carpet, painting the walls, and updating signage on the exterior and interior of the building to improve readability.

LFO Recommendation Approve the package.

LFO Recommended	-	-	1,134,692	-	-	-	1,134,692	1	1.00
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LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 27400-002-00-00-00000
Veterans' Services Program

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	10,129,411	-	873,803	1	-	-	11,003,215	32	31.66
2015-17 Ebds, SS & Admin Act	259,615	-	56,509	1,149,999	-	-	1,466,123	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	10,389,026	-	930,312	1,150,000	-	-	12,469,338	32	31.66
2015-17 Leg Approved Budget (Base)	10,383,837	-	930,312	500,000	-	-	11,814,149	32	31.66
Summary of Base Adjustments	263,683	-	59,636	-	-	-	323,319	-	0.24
2017-19 Base Budget	10,647,520	-	989,948	500,000	-	-	12,137,468	32	31.90
010: Non-PICS Pers Svc/Vacancy Factor	(8,228)	-	29,445	-	-	-	21,217	-	-
020: Phase In / Out Pgm & One-time Cost	(850,000)	-	-	(500,000)	-	-	(1,350,000)	-	-
030: Inflation & Price List Adjustments	259,998	-	8,694	-	-	-	268,692	-	-
2017-19 Current Service Level	10,049,290	-	1,028,087	-	-	-	11,077,377	32	31.90
Adjusted 2017-19 Current Service Level	10,049,290	-	1,028,087	-	-	-	11,077,377	32	31.90
Total LFO Recommended Packages	(2,549,290)	12,868,322	(920,464)	500,000	-	-	9,898,568	11	11.10
2017-19 Legislative Actions	7,500,000	12,868,322	107,623	500,000	-	-	20,975,945	43	43.00
Net change from 2015-17 Leg Approved Budget	(2,889,026)	12,868,322	(822,689)	(650,000)	-	-	8,506,607	11	11.34
Percent change from 2015-17 Leg Approved Budget	(27.8%)	100.0%	(88.4%)	(56.5%)	0.0%	0.0%	68.2%	34.4%	35.8%
Net change from 2017-19 Adj Current Service Level	(2,549,290)	12,868,322	(920,464)	500,000	-	-	9,898,568	11	11.10
Percent change from 2017-19 Adj Current Service Level	(25.4%)	100.0%	(89.5%)	100.0%	0.0%	0.0%	89.4%	34.4%	34.8%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 090 Analyst Adjustments

Package Description Package 90, as modified, decreases General Fund by \$2,549,290 and increases Lottery Funds by \$2,549,290 to fund a portion of the Department's current service level budget with Lottery Funds. Pass-through funding for the County Veteran Service Officers (CVSOs) is shifted from General Fund to Lottery Funds. Targeted General Fund reductions due to budget constraints are offset with Lottery Funds available through the passage of Measure 96.

Package 90, as proposed in the Governor's Budget, eliminated funding for the Emergency Financial Assistance Program, which provides one-time grants to veterans who have emergency needs. This provision is not approved and current service level funding of \$103,700 General Fund for the program is restored.

The package also adds \$1 of Federal Funds revenue and expenditure limitation as a placeholder for anticipated Federal grant awards.

LFO Recommendation Approve the package as modified.

LFO Recommended	(2,549,290)	2,549,290	-	1	-	-	1	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 21st Century Service Delivery

Package Description Package 101 increases Lottery Funds expenditure limitation by \$600,000 to replace the Department's conservatorship system. The conservatorship system enables court-appointed ODVA conservators and trust officers to deliver conservatorship and representative payee services. The current legacy system is outdated and supported by the original retired developer on contract with the Department two days a week. The package provides funding for one-time development, implementation, and training costs of \$400,000 and ongoing software licensing and maintenance costs of \$200,000, which will allow ODVA to proceed with a Request for Proposal (RFP) to replace the conservatorship system with a new, effective, and efficient application.

LFO Recommendation Approve the package.

LFO Recommended	-	600,000	-	-	-	-	600,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Target Veteran Services

Package Description Package 102, as modified, increases Lottery Funds expenditure limitation by \$9,369,032 (allocated from the lottery dollars dedicated by Measure 96) in the Veterans' Services Program to expand access to services for the underserved veteran community by strengthening the County and National Service Organizations, expanding services to aging veterans, and stabilizing the Home Loan program by reducing the subsidization of Veterans' Services Program activities by loan program revenues.

The County Veteran Service Officers (CVSO) program is enhanced by \$4,354,861, for total CVSO funding of \$8,709,722, and the National Service Organizations (NSO) program is enhanced by \$118,156, for total NSO funding of \$236,312. Pass-through funding for the CVSOs and NSOs represents a 100% increase over current service level. Increased funding is intended to enhance existing state and county funding, helping to serve more veterans, increase the number of claims filed, and bring more federal dollars to the state.

The package adds \$390,256 Lottery Funds expenditure limitation to establish two positions (2.00 FTE) to accommodate the increased statewide support services workload anticipated with the additional CVSO funding. A trainer position (Program Analyst 2) in the Salem office is established to provide essential training and certification for county veteran service officers. An administrative specialist position (Office Specialist 2) is established to process the increased number of claims and appeals that will be filed through the Portland ODVA office. Personal services limitation of \$281,166 is included for the positions and an additional \$109,090 for associated services and supplies expenditures, including outreach, communications, research, travel, and training.

The package adds \$380,548 Lottery Funds expenditure limitation to establish two positions (2.00 FTE) within the Aging Services Program. A Representative Payee (Administrative Specialist 2) position is added to accommodate the representative payee caseload. An Aging Veterans' Outreach Specialist (Program Analyst 2) position is added to serve as a veteran service officer (VSO) with expertise in veterans' benefits and complex aging health care issues.

This package also decreases Other Funds expenditure limitation by \$920,464 and increases Lottery Fund expenditures by \$2,139,011 to shift the Other Funds portion of 10 positions in the Veterans' Services Program to Lottery Funds (\$920,464) as well as to pay for the Veterans' Services Program share of support services costs (\$1,218,547). Lottery Funds is also increased for the corresponding Other Funds reductions of \$1,666,406 (6.10 FTE) in the Home Loan Program and \$319,794 (1.00 FTE) in the Veterans' Home Program.

LFO Recommendation Approve the package as modified.

LFO Recommended	-	9,369,032	(920,464)	-	-	-	8,448,568	11	11.10
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 104 Mobilize Partnerships

Package Description Package 104, as modified, increases Lottery Funds expenditure limitation by \$350,000 (allocated from the lottery dollars dedicated by Measure 96) in the Veterans' Services Program to support a veterans' crisis and suicide prevention hotline that offers free, anonymous assistance, 24-hours a day, to active-duty service members, veterans, and their families. To avoid duplication of services and in order to provide delivery of the most efficient services, coordination should ensure that the contract for suicide crisis intervention services is with a provider that has contractual affiliation with the National Suicide Prevention Line and the National Veteran's Crisis Line.

Package 104, as requested, also included additional investments in campus veteran programs and veterans' housing. SB 143-B establishes a grant program to expand existing veterans resource centers on college campuses. Total Lottery Funds expenditure limitation of \$1.2 million is included in that bill to fund grants and a student veterans' coordinator position. Additionally, \$1.5 million in Measure 96 Lottery Funds is being reserved and will be allocated to address veterans' homelessness and housing issues, pending the Department of Veterans' Affairs and the Housing and Community Services Department reporting back to the Joint Committee on Ways and Means in February 2018 with proposal that includes strategic investments that will result in long-term housing stability for veterans.

LFO Recommendation Approve the package as modified.

Budget Notes The Housing and Community Services Department and the Oregon Department of Veterans' Affairs are directed to work in concert to develop a plan to advise the Legislature on strategic investments of Measure 96 lottery dollars for veterans' homelessness and housing issues that will result in long-term housing stability for veterans. The Oregon Department of Veterans' Affairs and the Housing and Community Services Department will report back to the Joint Committee on Ways and Means in February 2018 with a proposal that includes a key performance measure to quantify progress toward this goal. The report shall include, but need not be limited to the following: information on best practices and programs in other states that have shown efficacy; the amount and source of resources intended to be utilized for each option presented; other partners or cooperation necessary from state of local entities; the number of veterans that can be assisted with each proposal at the suggested level of support; and whether changes to statute would be needed to implement the plan.

LFO Recommended	-	350,000	-	-	-	-	350,000	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description Package 801 increases Federal Funds expenditure limitation by \$499,999, with the understanding that the Department of Administrative Services will unschedule the expenditure limitation increase until the Department of Veterans' Affairs (ODVA) has received Legislative approval to apply for a federal grant and has been notified that its application for the grant has been successful. ODVA expects to receive notice of a Transportation of Veterans in Highly Rural Areas renewal grant opportunity in July, after the close of the 2017 session. ODVA will submit a 10-day notification letter of its intent to submit an application to legislative leadership and seek retroactive approval to apply during September 2017 legislative days. Typically, Federal Funds expenditure limitation would not be increased until the February 2018 session, which would delay distribution of the grant funds to counties. This package allows federal expenditure limitation to be scheduled once ODVA is notified that its application is successful. ODVA has applied and received the annual Highly Rural Transportation Grant since the grant program was established in 2014.

LFO Recommendation Approve the package.

LFO Recommended	-	-	-	499,999	-	-	499,999	-	-
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LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended
Cross Reference: 27400-003-00-00-00000
Oregon Veterans Home Program

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	2,618,940	-	65,906,751	-	-	-	68,525,691	5	5.00
2015-17 Ebds, SS & Admin Act	-	-	193,232	-	-	-	193,232	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	2,618,940	-	66,099,983	-	-	-	68,718,923	5	5.00
2015-17 Leg Approved Budget (Base)	2,618,940	-	65,949,983	-	-	-	68,568,923	5	5.00
Summary of Base Adjustments	(1,601,617)	-	23,489	-	-	-	(1,578,128)	-	-
2017-19 Base Budget	1,017,323	-	65,973,472	-	-	-	66,990,795	5	5.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(10,022)	-	-	-	(10,022)	-	-
030: Inflation & Price List Adjustments	-	-	2,661,262	-	-	-	2,661,262	-	-
2017-19 Current Service Level	1,017,323	-	68,624,712	-	-	-	69,642,035	5	5.00
Adjusted 2017-19 Current Service Level	1,017,323	-	68,624,712	-	-	-	69,642,035	5	5.00
Total LFO Recommended Packages	-	-	14,875,452	-	-	-	14,875,452	-	-
2017-19 Legislative Actions	1,017,323	-	83,500,164	-	-	-	84,517,487	5	5.00
Net change from 2015-17 Leg Approved Budget	(1,601,617)	-	17,400,181	-	-	-	15,798,564	-	-
Percent change from 2015-17 Leg Approved Budget	(61.2%)	0.0%	26.3%	0.0%	0.0%	0.0%	23.0%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	14,875,452	-	-	-	14,875,452	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	21.7%	0.0%	0.0%	0.0%	21.4%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 090 Analyst Adjustments

Package Description Package 90 increases Other Funds expenditure limitation by \$14,946,166 to address the Lebanon Veterans' Home operating at a higher census and occupancy level sooner than was originally anticipated, in addition to a higher than anticipated census at The Dalles Veterans' Home. This package also includes updated projections for minimum wage costs. These dollars are expended as professional services under a contract with Veterans Care Centers of Oregon (VCCO), a non-profit organization, for the day-to-day operations of each of the facilities. Operational expenditures are covered through payments received by the ODVA for resident care, including the U.S. Department of Veterans' Affairs daily per diem rates, Medicare, Medicaid, insurance companies, and private payers.

LFO Recommendation Approve the package as requested.

LFO Recommended	-	-	14,946,166	-	-	-	14,946,166	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Target Veteran Services

Package Description Package 102 decreases Other Funds expenditure limitation by \$70,714 in the Veterans' Home Program, which is the net impact of establishing an Assistant Director for Aging Services and transferring the Aging Services Director to the Veterans' Services Program. Personal services expenditure limitation of \$201,430 and associated services and supplies of \$47,650 are added to establish a Principal/Executive Manager D position (1.00 FTE) as the Aging Services Assistant Director within the Veterans' Home Program. The Assistant Director for Aging Services will help direct and manage the day-to-day operations of the division, including the two Oregon Veterans' Homes program directors and contractors who manage the homes. Other Funds expenditure limitation is decreased by \$319,794 to transfer the Aging Services Director position (1.00 FTE) to the Veterans' Services Program. A corresponding increase in Lottery Funds expenditure limitation and a position is included in the Veterans' Services Program. The Aging Services Director is responsible for coordinating the statewide effort related to aging veterans' services. There is a net zero add of positions within the Veterans' Home Program.

LFO Recommendation Approve the package as modified.

LFO Recommended	-	-	(70,714)	-	-	-	(70,714)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	-	-	318,333,710	-	318,333,710	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	25,000,000	-	25,000,000	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	-	-	343,333,710	-	343,333,710	-	-
2015-17 Leg Approved Budget (Base)	-	-	-	-	318,333,710	-	318,333,710	-	-
Summary of Base Adjustments	-	-	-	-	69,212,449	-	69,212,449	-	-
2017-19 Base Budget	-	-	-	-	387,546,159	-	387,546,159	-	-
2017-19 Current Service Level	-	-	-	-	387,546,159	-	387,546,159	-	-
Adjusted 2017-19 Current Service Level	-	-	-	-	387,546,159	-	387,546,159	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	-	-	387,546,159	-	387,546,159	-	-
Net change from 2015-17 Leg Approved Budget	-	-	-	-	44,212,449	-	44,212,449	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	0.0%	0.0%	12.9%	0.0%	12.9%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	-	1,510,547	2,805,303	-	-	4,315,850	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	-	1,510,547	2,805,303	-	-	4,315,850	-	-
2015-17 Leg Approved Budget (Base)	-	-	1,510,547	2,805,303	-	-	4,315,850	-	-
Summary of Base Adjustments	-	-	(1,510,547)	(2,805,303)	-	-	(4,315,850)	-	-
2017-19 Base Budget	-	-	-	-	-	-	-	-	-
2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Adjusted 2017-19 Current Service Level	-	-	-	-	-	-	-	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	-	-	-	-	-	-	-	-
Net change from 2015-17 Leg Approved Budget	-	-	(1,510,547)	(2,805,303)	-	-	(4,315,850)	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	0.0%	(100.0%)	(100.0%)	0.0%	0.0%	(100.0%)	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%