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**AGENCY OVERVIEW****Date:** 12/07/2012**321 Department of Veterans Affairs****Time:** 13:51:20

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**Statutory Authority**

North Dakota Century Code Chapters 37-14 and 37-18.

**Agency Description**

The North Dakota Department of Veterans Affairs (NDDVA) has the responsibility of ensuring the state's over 61,000 veterans and their dependents not only know about the state and federal benefits to which they are entitled for having served their country, but also assist them in obtaining such benefits.

The department is responsible for the collection, filing, safeguarding and maintaining of North Dakota Veterans DD214 and DD215 discharge documents. The department safeguards these records in fireproof locking cabinets and provides certified and true copies to the veterans upon request.

The department is responsible for assisting counties with training of 65 County Veterans Service Officers (CVSOs) who serve 53 counties, and are appointed by their respective County Commissions, as well as assisting in the training of Tribal Service Officers from three tribes. The department provides training through a minimum of two training seminars each year to keep the CVSOs as current as possible on issues, topics and programs available to and affecting veterans as well as providing initial and continued one-on-one training with the CVSOs either in the NDDVA office or the CVSO's own office.

The department accepts and carries through to completion veterans claims for entitlement from the United States Department of Veterans Affairs (VA) and acts as power of attorney in these claims; counsels veterans on employment and entrepreneurial programs and regulations, educational (high school through graduate level) programs, disability benefits, medical (both physical and mental) care entitlement, nursing home assistance, death benefits, and other related veterans activities. The department is responsible for enforcing the state's veterans preference law.

A Veterans Aid Loan Program, Transportation Program, and Hardship Medical Grant Program are all administered by the department.

The department is responsible for distributing information relating to veterans, veterans programs and veterans issues to the state veteran's population, interested parties and the general public through the use of email, news media, CVSOs, veterans organizations and US mail.

The department, working under the supervision of the Administrative Committee on Veterans Affairs, also monitors legislation and assists others in acquiring information.

**Agency Mission Statement**

The mission of the North Dakota Department of Veterans Affairs is to:

1. Assist Veterans and their families to obtain benefits for which they are entitled.
2. Ensure that Veterans of the State of North Dakota are aware of all benefits available.
3. Advocate for adequate and needed benefits for Veterans being mindful of changing needs of those Veterans.
4. Ensure adequate resources for Veterans and Veterans' programs.
5. Develop programs and services to meet Veterans' needs.

**Agency Performance Measures**

1. strategic plan objectives: objectives set and are reviewed quarterly.
2. performance audit recommendations: Performance audit conducted by state auditors office with one formal recommendation and five informal recommendations. All recommendations have been or are being addressed.
3. legislative action taken by state legislature. All legislation required action has been and is being addressed.

**Major Accomplishments**

1. Provided three training conferences for County Veteran Service Officers (CVSOs) and Tribal Veteran Service Officers (RVSOs).

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2. Continued to archive DD214s into electronic data base for safe keeping and easy access.
3. Continued to improve veterans claims management program which allows NDDVA and CVSOs to maintain, track, process and submit claims to the federal VA electronically.
4. Established women's veteran support groups around the state, provided brochures, website information and mailer information.
5. Appointed a NDDVA staff member as the Minority Veterans coordinator. Have established great working relationships with all Native American tribes in North Dakota.
6. Involved in legislative changes that resulted in new veterans indicator on drivers licenses, included unremarried spouses for benefits such as property tax exemptions, free tuition, vehicle excise tax exemptions. Added general fund dollars to be used in lieu of PWTF dollars for biennium, added funding for stand downs and improved veterans preference laws.
7. Worked with ND Supreme Court subcommittee to establish a Veterans Court in North Dakota. Trained many law enforcement officers, attorneys and judges on PTSD and TBI.
8. Worked with Federal VA's Veteran Justice Outreach person to establish treatment for veterans rather than jail.
9. Established non-profit organization and "Yellow Ribbon" license plates to support our Veterans.
10. Established a traveling OEF/OIF memorial in North Dakota. This is being implemented by the American Legion.
11. Filled in for Grand Forks VSO when all CVSO's were removed; trained and re-established new CVSO's without missing service to Veterans of that county.
12. Recognized ND DVA POA Tom Summers as the first VSO in North Dakota to be approved to practice before that US Court of Appeals for Veterans Claims.

**Future Critical Issues**

Future critical issues facing the Department are:

1. providing adequate pay to retain and attract employees.
2. meeting the needs of state's veterans to ensure they and their dependents are aware of and receive the proper assistance they need to receive the benefits to which they are entitled.
3. meeting the needs of a veterans' population ranging in age from teenagers to those in their 80s and 90s.
4. meeting the needs of the ever increasing number of female veterans by providing the proper outreach and training to assist CVSOs and veterans.
5. providing a safe environment for veterans' records to include fireproof locking files as well as imaging capability to maintain, store and protect veterans' documents.
6. meeting the new and yet unknown needs of the veterans returning from the wars in Iraq and Afghanistan. From exposure to multiple chemicals from burn pits to mental illness.
7. addressing the ever growing issue of high suicide rates of war veterans.
8. addressing the ever growing issue of PTSD and the effects it has on the veterans as well as their families.

**REQUEST SUMMARY**

321 Department of Veterans Affairs  
Biennium: 2013-2015

Bill#: SB2007

Date: 12/07/2012

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
<b>By Major Program</b>					
Veterans Affairs Administration	1,033,441	1,417,219	(303,081)	1,114,138	994,273
<b>Total Major Program</b>	<b>1,033,441</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>
<b>By Line Item</b>					
Technology Project Carry	9,351	0	0	0	0
Veterans' Affairs Administration	1,024,090	1,417,219	(303,081)	1,114,138	994,273
<b>Total Line Items</b>	<b>1,033,441</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>
<b>By Funding Source</b>					
General Fund	1,033,441	1,417,219	(303,081)	1,114,138	994,273
Federal Funds					
Special Funds					
<b>Total Funding Source</b>	<b>1,033,441</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>
<b>Total FTE</b>	<b>7.00</b>	<b>7.00</b>	<b>0.00</b>	<b>7.00</b>	<b>5.00</b>

**REQUEST DETAIL**321 Department of Veterans Affairs  
Biennium: 2013-2015

Bill#: SB2007

Date: 12/07/2012

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
<b>Technology Project Carry</b>					
Temporary Salaries	7,119	0	0	0	0
Fringe Benefits	461	0	0	0	0
IT - Data Processing	621	0	0	0	0
IT Contractual Srvcs and Rprs	1,150	0	0	0	0
<b>Total</b>	<b>9,351</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technology Project Carry</b>					
General Fund	9,351	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>9,351</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Veterans' Affairs Administration</b>					
Salaries - Permanent	493,885	505,366	46,078	551,444	361,800
Salaries - Other	0	0	0	0	19,627
Temporary Salaries	2,364	20,000	(20,000)	0	0
Fringe Benefits	218,691	291,584	(36,349)	255,235	176,190
Travel	78,130	88,143	3,256	91,399	(2,808)
Supplies - IT Software	9,059	9,264	0	9,264	(9,264)
Supply/Material-Professional	1,879	2,766	(1,016)	1,750	700
Food and Clothing	326	200	0	200	0
Bldg, Ground, Maintenance	692	643	0	643	0
Miscellaneous Supplies	10,967	648	(475)	173	0
Office Supplies	11,592	5,886	2,000	7,886	500
Postage	7,091	5,806	200	6,006	0
Printing	4,438	3,200	(200)	3,000	600
IT Equip Under \$5,000	29,475	6,852	500	7,352	(4,452)
Other Equip Under \$5,000	4,820	500	(250)	250	0
Office Equip & Furn Supplies	4,702	959	(59)	900	0
Utilities	5,009	7,100	0	7,100	0
Insurance	1,590	1,752	0	1,752	0
Rentals/Leases-Equip & Other	8,919	6,704	250	6,954	0
Rentals/Leases - Bldg/Land	64,979	70,633	10,577	81,210	0
Repairs	703	1,351	0	1,351	0
IT - Data Processing	16,919	29,403	(3,330)	26,073	3,060
IT - Communications	12,680	19,100	0	19,100	1,920
IT Contractual Srvcs and Rprs	6,042	25,593	(20,093)	5,500	25,000
Professional Development	10,343	5,016	400	5,416	1,400
Operating Fees and Services	3,443	2,291	0	2,291	20,000

**REQUEST DETAIL**

321 Department of Veterans Affairs  
Biennium: 2013-2015

Bill#: SB2007

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Fees - Professional Services	4,782	26,459	(4,570)	21,889	400,000
Other Expenses	0	280,000	(280,000)	0	0
Equipment Over \$5000	5,570	0	0	0	0
IT Equip/Sftware Over \$5000	5,000	0	0	0	0
<b>Total</b>	<b>1,024,090</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>
<b>Veterans' Affairs Administration</b>					
General Fund	1,024,090	1,417,219	(303,081)	1,114,138	994,273
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>1,024,090</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>
<b>Funding Sources</b>					
General Fund	1,033,441	1,417,219	(303,081)	1,114,138	994,273
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total Funding Sources</b>	<b>1,033,441</b>	<b>1,417,219</b>	<b>(303,081)</b>	<b>1,114,138</b>	<b>994,273</b>

**CHANGE PACKAGE SUMMARY**

321 Department of Veterans Affairs  
Biennium: 2013-2015

Bill#: SB2007

Date: 12/07/2012

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b>Base Budget Changes</b>						
<b>One Time Budget Changes</b>						
A-E 1 general fund in lieu of PWTF monies		0.00	(280,000)	0	0	(280,000)
A-E 3 remove funding for Agency Website Redesign		0.00	(15,593)	0	0	(15,593)
<b>Total One Time Budget Changes</b>		<b>0.00</b>	<b>(295,593)</b>	<b>0</b>	<b>0</b>	<b>(295,593)</b>
<b>Ongoing Budget Changes</b>						
A-A 1 Base Budget Changes		0.00	2,783	0	0	2,783
Base Payroll Change		0.00	(10,271)	0	0	(10,271)
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>(7,488)</b>	<b>0</b>	<b>0</b>	<b>(7,488)</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>(303,081)</b>	<b>0</b>	<b>0</b>	<b>(303,081)</b>
<b>Optional Budget Changes</b>						
<b>One Time Optional Changes</b>						
A-D 2 Website Upgrade	2	0.00	20,000	0	0	20,000
<b>Total One Time Optional Changes</b>		<b>0.00</b>	<b>20,000</b>	<b>0</b>	<b>0</b>	<b>20,000</b>
<b>Ongoing Optional Changes</b>						
A-C 1 Training Position	1	1.00	124,298	0	0	124,298
A-C 2 NSO Position	2	1.00	115,978	0	0	115,978
A-C 3 Veterans Organizations NSO Position	3	3.00	322,794	0	0	322,794
A-C 4 Veterans Organizations NSO Office Funding	4	0.00	400,000	0	0	400,000
A-C 5 Website Calendar	5	0.00	5,000	0	0	5,000
A-C 6 Marketing/Advertising	6	0.00	20,000	0	0	20,000
A-C 100 Salary Compression Funding	7	0.00	13,842	0	0	13,842
A-C 300 Salary Equity Funding	8	0.00	5,785	0	0	5,785
<b>Total Ongoing Optional Changes</b>		<b>5.00</b>	<b>1,007,697</b>	<b>0</b>	<b>0</b>	<b>1,007,697</b>
<b>Total Optional Budget Changes</b>		<b>5.00</b>	<b>1,027,697</b>	<b>0</b>	<b>0</b>	<b>1,027,697</b>

**Optional Savings Changes**

**CHANGE PACKAGE SUMMARY**

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Biennium: 2013-2015

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
A-G 1 reflect 3% budget savings	1	0.00	(33,424)	0	0	(33,424)
<b>Total Optional Savings Changes</b>		<b>0.00</b>	<b>(33,424)</b>	<b>0</b>	<b>0</b>	<b>(33,424)</b>

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<b>Change Group:</b> A	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b> 1
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## Base Budget Changes

To reflect adjustments needed to meet the general fund request limit for the 2013-2015 biennium.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 1	<b>Priority:</b> 1
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## Training Position

In an attempt to meet the demand for training we are proposing one new FTE to act as the training officer & benefits specialist. 70% of the training officers time would be spent attending training, producing training programs, creating training kits and binders and conducting training with CVSO's. This would include complete initial training for new CVSO's as well as continued training on basic and advanced levels of knowledge for current CVSO's. 30% of the training officers time would be spent doing hands on work helping veterans obtain benefits such as filing claims, as they will need to be proficient at what they are instructing and changes happen frequently. One of the biggest concerns our CVSO's seem to have revolves around training. We need more staff dedicated to training to accomplish this objective. Better trained and informed CVSO's will result in much better services to our veterans and their dependents. This will greatly improve the lives of many of our veterans.

An added note: the Federal VA expended over \$295,000,000.00 in North Dakota during the year 2011 and over \$251,000,000.00 in 2010. that is over half a Billion Dollars in Federal funds coming into North Dakota during the last Bienium. Without VSO's this does not happen. Also this is an increase of over \$44,000,000.00 in just one year. The increase difference between 2010 and 2009 was \$21,000,000.00. More knowlegeable CVSO's will be able to improve on this.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 2	<b>Priority:</b> 2
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## NSO Position

With the growing population of Veterans in North Dakota the need for Veteran Service officers increases. North Dakota Department of Veterans Affairs has one Veteran Service officer located at the Federal VA's Regional Office (VARO)building. This position acts as the the Power Of Attorney (POA) for the veterans who file claims throughout the state, they are sometimes refered to as National Service Officers (NSO's). This way a Veteran can file a claim with a County Veteran Services Officer (CVSO) in any county such as Divide County, choose a POA such as ND DVA, VFW, or American Legion. The CVSO will forward the claim to the POA located at the Fargo VARO where the POA will review the claim and submit it to the Federal VA. This POA can then track the claim, answer questions, submit additional information, sign for documents and represent the Veteran right there at the VARO without the Veteran or the CVSO having to travel to Fargo. The POA or NSO have an incredible task when dealing with these claims. Their work is complex and complicated. The Federal VA is incredibly far behind on completing claims, with the help of properly trained NSO's this will speed up the process and allow our Veterans faster decisions on claims which will allow them to gain the services they need in a much more reasonable time. Other POA's at the Fargo VARO such as the VFW, DAV and the MN DVA have 2 persons working in their offices.

An added note: the Federal VA expended over \$295,000,000.00 in North Dakota during the year 2011 and over \$251,000,000.00 in 2010. that is over half a Billion Dollars in Federal funds coming into North Dakota during the last Bienium. Without VSO's this does not happen. Also this is an increase of over \$44,000,000.00 in just one year. The increase difference between 2010 and 2009 was \$21,000,000.00.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 3	<b>Priority:</b> 3
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## Veterans Organizations NSO Position

Currently the North Dakota Department of Veterans Affairs (NDDVA) acts as the Power of Attorney (POA) for Veteran Service Organizations which cannot support a POA in the state of North Dakota. Some of these organizations are the Blinded Veterans Association, Military Order of the Purple Heart, NCO Association of the USA, The

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Retired Enlisted Association and the Vitenam Veterans of America (VVA). By providing representation for these organizations, Veterans who have chosen one of these organizations as their POA will have representation through the NDDVA. Over half of the states in the country have contracts and/or working relationships to provide state funding to these organizations. For instance our neighboring states; Montana-represent American legion, VVA; South Dakota-SDVA represents all organizations- DAV is the only organization not staffed by state employees in South Dakota; Minnesota- represents the American Legion.

The North Dakota Chapters of the American Legion and the VFW have indicated that they are no longer financially situated to fund their POA postions at the Fargo VA Regional Office. The American Legion has indicated that by the end of June 2013 thier current employee will be retiring and they will not be able to fill that vacant position, in fact they are unsure if they can fund the position up to that date. The VFW has indicated that 60% of this years entire states budget went to the POA's at the Fargo VA Regional Office, their memberships are down and they forsee, with the trend of the past years, the department will not be capable of funding these positions in the very near future.

The Fargo Veterans Affairs Regional Office (VARO) claim inventory taken Novemer 8 of 2011 showed the VFW and American Legion have 1040 active claims they were processing. This makes up 55.1% fo the total claims at the Fargo VARO.

If the VFW and American Legion cannot fund these positions-this will fall on the NDDVA to provide services to these veterans. By making the current VFW and American Legion POA's state employees this will ensure that the claims will not be held up or lost.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 4	<b>Priority:</b> 4
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## Veterans Organizations NSO Office Funding

Currently the North Dakota Department of Veterans Affairs (NDDVA) acts as the Power of Attorney (POA) for Veteran Service Organizations which cannot support a POA in the state of North Dakota. Some of these organizations are the Blinded Veterans Association, Military Order of the Purple Heart, NCO Association of the USA, The Retired Enlisted Association and the Vitenam Veterans of America (VVA). By providing representation for these organizations, Veterans who have chosen one of these organizations as their POA will have representation through the NDDVA. Over half of the states in the country have contracts and/or working relationships to provide state funding to these organizations. For instance our neighboring states; Montana-represent American legion, VVA; South Dakota-SDVA represents all organizations- DAV is the only organization not staffed by state employees in South Dakota; Minnesota- represents the American Legion.

The North Dakota Chapters of the American Legion and the VFW have indicated that they are no longer financially situated to fund their POA postions at the Fargo VA Regional Office. The American Legion has indicated that by the end of June 2013 thier current employee will be retiring and they will not be able to fill that vacant position, in fact they are unsure if they can fund the position up to that date. The VFW has indicated that 60% of this years entire states budget went to the POA's at the Fargo VA Regional Office, their memberships are down and they forsee, with the trend of the past years, the department will not be capable of funding these positions in the very near future.

The Fargo Veterans Affairs Regional Office (VARO) claim inventory taken Novemer 8 of 2011 showed the VFW and American Legion have 1040 active claims they were processing. This makes up 55.1% fo the total claims at the Fargo VARO. The VFW and American Legion are funded by their state organizations.

AMVETS and DAV also provide POA services at the Fargo VARO. They are funded by thier National organizations, which have shown some concern over funding also.

If the VFW, AMVETS, DAV and American Legion cannot fund these positions-this will fall on the NDDVA to provide services to these veterans.

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To ensure that each organization can continue to fund thier POA's at the Fargo VARO we are requesting a \$50,000 per year per organization grant from the NDDVA budget to suplement their operating expenses. This would be \$50,000 x 4 organizations or \$200,000 per year or \$400,000 per biennium.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 5	<b>Priority:</b> 5
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## Website Calendar

The numer one goal with the ND Department of Veterans Affairs (NDDVA) website is to be a one stop resource for our veterans and for any organization serving our veterans to find the services and programs our veterans need. Our new website will have great resources for all to gain access to the various needs of our veterans. One important need is to coordinate and collaborate with all organizations that provide services our veterans need. I have researched and found a calendar service which can put all of the services on one website and on one calendar.

This calendar would be available to any and all legitimate organizations which provide services our veteans need. To include but not limited to: all Veteran Service organizations; VFW, DAV, American Legion, Amvets. All Federal VA service groups such as the OEF/OIF outreach center, Mental health center, Vet Center the National Guards Inter Service and Family Support Centers in Bismarck and Fargo. The North Dakota human Services, Mental Health services throughout North Dakota, ISFAC, Job Service etc..

The idea is to create a website and a calendar which all could place all outreach and other events on. A veteran or service porovider could click on the services they are interested in and the calendar would show all who are providing these events. This will allow other organizations to get on board with the event to make the event more succesfull and to begin the much needed networking to ensure we cover the state of North Dakota equally and that we are not doubling up on services or missing services in certain areas. All orgainzations I have contacted believe this is a great idea and anticipate this being one of their most used tools in planning and coordinating events in North Dakota.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 6	<b>Priority:</b> 6
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## Marketing/Advertising

The North Dakot Department of Veterans Affairs has never had marketing -advertising funds to let our Veteran know who we are, where we are and what we do. Much less that we exist. One of the biggest comments we hear from veterans when we do our outreach events is they did not know there were state and county veteran service officers. From that many do not know of the benefits they have earned and the services that are available to them.

The the continuing war on terror we will see more and more young veterans returning home with physical and mental disabilities. One of the main concerns we have is for those who go untreated. Many veterans do not want to admit that a year or more in a combat zone seing and taking part in unspeakable acts will cause mental health issues. These issues if not treated can become disorders which will effect them and their familes the rest of their lives. Treatments are available and from various sources. We need to be able to reach out to the Veterans and their families to educate them on these illnesses and the resources available to help them deal with them.

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The quickest and most efficient method to get the word out to our Veterans is through marketing and advertising. As the agency charged with the care of our veterans we need to be the forefront in making contact with our veterans and their families.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 100	<b>Priority:</b> 7
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## Salary Compression Funding

With the changes brought on by the Hay Group and the NDDVA not receiving any equity money the last two bienniums we have employees in the same classification with small differences in pay. We have a new employee with 6 months time and an employee with over 6 years time making almost the same amount (\$50 difference per month). In the same category we have an employee with over 30 years and is not at an acceptable level above the employee with 6 years.

The newest employee was started at the minimum amount. I would like to move the other employees up enough to show a reasonable separation in pay for years of experience.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 300	<b>Priority:</b> 8
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## Salary Equity Funding

We have employees who have had an increased workload over the past years. NDDVA has not had any equity increase money provided from the last two legislative sessions.

Would like to provide funding to move these employees closer to a compensation which is more reflective of the work that they are doing.

<b>Change Group:</b> A	<b>Change Type:</b> D	<b>Change No:</b> 2	<b>Priority:</b> 2
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## Website Upgrade

During the last legislative session we asked for our website upgrade stating the following...

"This would convert our agency website to Drupal CMS enabling department staff to make content changes to the pages on the website. Presently we have to submit all changes through ITD which is not cost efficient. It would give more control in to the agency in terms of content and management of the website. There would be a one-time cost for the conversion and thereafter a nominal fee for the on-going cost of hosting, storage and maintenance of the site."

"The website would still be hosted by ITD and held to the Web Standards in place."

ND ITD representatives spoke to the appropriations committees explaining what the conversion would entail and what the cost would be. It was estimated that at the new rates the cost would be \$15,593. Once the analysis and estimates were completed during the 2011-2013 biennium the bid was \$30,411 for the full Drupal conversion. I asked for a "base level" estimate to get us started and that came to \$18,285. I approved the base level amount because our website is and will be the main tool for resources for North Dakota Veterans and it needs to be completed. ITD estimates that it will cost a little more than the total \$30,411 bid to finish the Drupal conversion during the 2013-2015 biennium. We will need to have ITD analyze and estimate the cost to finish the website during the 2013-2015 biennium.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 1	<b>Priority:</b> 1
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general fund in lieu of PWTF monies

**BUDGET CHANGES NARRATIVE****321 Department of Veterans Affairs****Bill#: SB2007****Date:** 12/07/2012**Time:** 13:51:20

2011 legislative HB 1468 Appropriated \$210,000 in General Fund dollars in lieu of Post War Trust Fund (PWTF) dollars for 2011-2013 Biennium. This was so that the PWTF could sit and earn interest and grow. In the past the interest income from the PWTF was used as it was earned. Now the interest earned in a biennium can be budgeted for the next bienium to fund the programs approved by the Administrative Committee on Veterans Affairs (ACOVA).

HB 1468 also appropriated \$50,000 for the purchase of Vans for the Van program. These funds would normally come from the PWTF. General funds were used as the PWTF was left to grow over the 2011-2013 biennium.

HB 1468 reads...

**SECTION 2. APPROPRIATION - TRANSFER - DEPARTMENT OF VETERANS' AFFAIRS.**

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$210,000, or so much of the sum as may be necessary, to the department of veterans' affairs to be used in lieu of income generated from the veterans' postwar trust fund for programs authorized by law to benefit and serve veterans or their dependents, for the biennium beginning July 1, 2011, and ending June 30, 2013. The income generated by the veterans' postwar trust fund during the biennium beginning July 1, 2011, and ending June 30, 2013, must be held with the corpus of the fund for appropriation to the department of veterans' affairs as income for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 3. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of purchasing vans for the transport of veterans or their dependents, for the biennium beginning July 1, 2011, and ending June 30, 2013.

This was one time funding which will be removed from ND DVA 2013-2015 budget.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 2	<b>Priority:</b> 2
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remove funding for Discharge Project

During 2011-2013 bienium budget the ND DVA was allocated \$22,000 to have our military Discharge papers (DD214's and DD215's) scanned into electronic databases. This project is scheduled to be completed during the 2011-2013 biennium.

The one time funding is to be removed from ND DVA 2013-2015 budget.

<b>Change Group:</b> A	<b>Change Type:</b> E	<b>Change No:</b> 3	<b>Priority:</b> 3
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remove funding for Agency Website Redesign

During the 2011 legislative session we asked for our website upgrade stating the following...

"This would convert our agency website to Drupal CMS enabling department staff to make content changes to the pages on the website. Presently we have to submit all changes through ITD which is not cost effecient . It would give more control in to the agency in terms of content and management of the website. There would be a one-time cost for the conversion and thereafter a nominal fee for the on-going cost of hosting, storage and maintenance of the site."

"The website would still be hosted by ITD and held to the Web Standards in place."

ITD estimated the cost to be \$15,593. This was included in the NDDVA 2011-2013 budget and will need to be removed from our 2013-2015 Budget.

**BUDGET CHANGES NARRATIVE**

321 Department of Veterans Affairs

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<b>Change Group:</b> A	<b>Change Type:</b> G	<b>Change No:</b> 1	<b>Priority:</b> 1
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reflect 3% budget savings

To reflect the 3% optional savings package, reductions were taken in travel, Supplies-IT Software and IT Equipment under \$5,000.

Reducing our travel monies affects the department's ability to provide outreach support to the county veterans service officers which is a very crucial element of our operation.

Reducing the Supplies-IT Software and IT Equipment under \$5,000 affects the department's ability to adhere to ITD's computer replacement schedule. We would also be unable to effectively upgrade our software to stay current

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
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NSO Position

Provides funding for 1.00 FTE as a National Service Officer (NSO). Due to the reduction in membership at the Veteran service organizations, some of them are no longer able to continue funding the needed veteran service officers to act as power of attorney for veterans.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 100	<b>Priority:</b>
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Executive Compensation Package Adjustment

This budget change provides funding for recommended 2013-15 compensation adjustments. Compensation adjustments for each agency were calculated following the recommendations of the Hay Group developed through the 2011 study of the state's classified employee compensation system. Pursuant to those recommendations, compensation adjustments were calculated to provide funding to allow for both performance-based salary adjustments and market-based salary adjustments. This funding allows for increases of 2% to 4% for employees in the first quartile of the pay range and 1% to 2% for those in the second quartile of the range. For employees in the third and fourth quartiles, which are above the market policy position, no market policy increase is funded. Performance-based increases are assumed to be 3% for employees meeting performance standards and up to 5% for employees exceeding performance standards. No performance-based increases are provided for employees that fail to meet performance standards.

<b>Change Group:</b> R	<b>Change Type:</b> B	<b>Change No:</b> 2	<b>Priority:</b>
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Website Upgrade

Provides \$15,000 to continue upgrading the department website, ultimately enabling the agency to provide information more readily to veterans.