



Legislature of the Virgin Islands

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POST AUDIT DIVISION

May 31, 2016

COMMITTEE ON FINANCE FISCAL YEAR 2017 BUDGET HEARING

OFFICE OF VETERANS AFFAIRS

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BACKGROUND AND HISTORY

On March 10, 1955, the First Legislature of the Virgin Islands created the Division of Veterans Affairs within the Department of Labor with the enactment of Bill No. 21, Act No. 8. It was renamed the Office of Veterans Affairs and placed under the Office of the Governor by Act No. 5265, the Government Reorganization and Consolidation Act of 1987, and by Executive Order No. 295-1987.

The mission of the Office of Veterans Affairs is to provide information and services regarding benefits and entitlements to all veterans in the Virgin Islands. The Office of Veterans Affairs compiles data concerning veterans; informs veterans of available benefits regarding employment, health, education, homeownership and burial; and assists with processing and filing of related claims.

The Office relies on the Community Based Outpatient Clinic to provide medical care to veterans and the local hospital to provide emergency care and hospitalization. The Office also relies on the local and Federal Housing Authority to provide housing for veterans and the Department of Human Services to provide services to its homeless veterans.

FY 2017 BUDGET SUMMARY

The Governor has recommended a General Fund appropriation of **\$350,000** for Fiscal Year 2017. The Office of Veterans Affairs is in line to receive **\$117,000** in Local Funds, for a total of **\$467,000**. The following chart is taken from the Governor’s budget submission and provides a 3-Year Financial Summary for the Office of Veterans Affairs, by line item.

	Description	FY 2015 Expenditure	FY 2016 Appropriation	FY 2017 Recommendation	Variance	% Change
General Fund:						
	Personal Services	\$193,534	\$245,742	\$238,751	(\$6,991)	2.84%
	Capital Outlays	\$0	\$0	\$0	\$0	0.00%
	Fringe Benefits	\$89,595	\$104,258	\$111,249	\$6,991	6.71%
	Supplies	\$15,234	\$0	\$0	\$0	0.00%
	Other Svcs & Chgs	\$0	\$0	\$0	\$0	0.00%
	Utilities	\$0	\$0	\$0	\$0	0.00%
	Total General Fund	\$298,363	\$350,000	\$350,000	\$0	0.00%
NON-APPROPRIATED FUNDS:						
	Personal Services	\$0	\$0	\$0	\$0	0.00%
	Capital Outlays	\$10,498	\$0	\$11,500	\$11,500	100%
	Fringe Benefits	\$0	\$0	\$0	\$0	0.00%
	Supplies	\$34,005	\$0	\$5,000	\$5,000	100%
	Other Svcs & Chgs	\$107,683	\$130,000	\$93,500	(\$36,500)	28.08%
	Utilities	\$15,969	\$0	\$7,000	\$7,000	100%
	Total Non-Appropriated Funds	\$168,155	\$130,000	\$117,000	(\$13,000)	10.00%
	TOTAL NON-APPROPRIATED FUNDS	\$168,155	\$130,000	\$117,000	(\$13,000)	10.00%
	GENERAL TOTAL	\$466,518	\$480,000	\$467,000	(\$13,000)	2.71%

Exhibit I shows a graph of the Office of Veterans Affairs line items for Fiscal Year 2017.

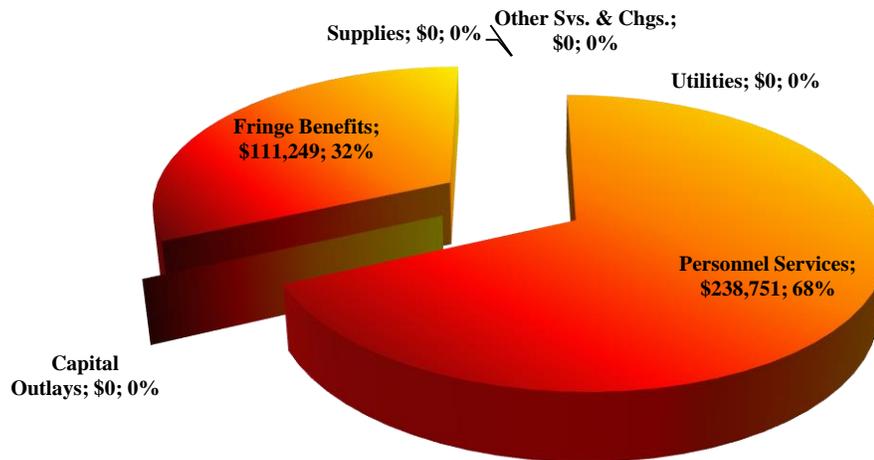


Exhibit I

Exhibit II illustrates the actual expenditures and recommended appropriation reported by the Office of the Veterans Affairs for Fiscal Years 2015 through 2017.

General Fund	Actual Expenditure FY 2015	Expenditure To Date 5/11/16 FY2016	Recommended Appropriation FY 2017
Personnel Services	\$193,534.00	\$118,898.99	\$238,751.00
Capital Outlays	0.00	0.00	0.00
Fringe Benefits	89,595.00	54,040.66	111,249.00
Supplies	15,234.00	3,939.89	0.00
Other Services & Charges	0.00	53,509.16	0.00
Utilities	0.00	6,560.54	0.00
TOTAL	\$298,363.00	\$236,949.24	\$350,000.00

Exhibit II

Org 29000 Office of Veterans Affairs

Functional Statement:

The Office of Veterans Affairs compiles data concerning veterans; informs USVI Veterans of available benefits regarding employment, health, education, homeownership and burial; and assists with processing and filing related claims. The Office of Veterans Affairs also interacts and coordinates with local and federal agencies regarding matters of interest to veterans. Additionally, the Office recommends legislation to the Governor affecting veterans and their families.

The Office of Veterans Affairs is projected to receive **\$350,000** for Fiscal Year 2017 appropriation. Although this recommendation is the same as the previous fiscal year there is a decrease in the Personnel Services and an increase in Fringe Benefits categories.

	Personal Services	Capital Outlay	Fringe Benefits	Supplies	Other Svcs & Chgs	Utilities	Total	% Change
FY 17	\$238,751	\$0	\$111,249	\$0	\$0	\$0	\$350,000	
FY 16	\$245,742	\$0	\$104,258	\$0	\$0	\$0	\$350,000	
Variance	(\$6,991)	\$0	\$6,991	\$0	\$0	\$0	\$0	0.00%

FISCAL YEAR 2017 BUDGET OVERVIEW

PERSONNEL SERVICES

An appropriation of **\$350,000** has been recommended by the Governor for Fiscal Year 2017 General Fund. A breakdown of positions submitted by the Office of Management and Budget on behalf of the Office of Veterans Affairs is shown as *Appendix I*.

CAPITAL OUTLAYS

For Fiscal Year 2017, the Governor has not recommended any moneys under the category of Capital Outlays for the Office of Veterans Affairs.

FRINGE BENEFITS

Exhibit III provides a comparative look at the Governor’s recommendation for Fiscal Year 2017.

FRINGE BENEFITS	FY 2016	FY 2017	VARIANCE	% CHANGE
Employer’s Contr. Retirement	45,237.00	45,237.00	0.00	0.00%
Social Security	13,883.00	14,803.00	920.00	6.63%
Medicare	3,247.00	3,462.00	215.00	6.62%
Health Insurance Premiums	41,723.00	47,536.00	5,813.00	13.93%
Workers Comp. Premiums	168.00	211.00	43.00	25.60%
TOTAL FRINGE BENEFITS	104,258.00	111,249.00	6,991.00	6.71%

Exhibit III

SUPPLIES

Under the category of Supplies, the Office of Veterans Affairs is not scheduled to receive any funding for Fiscal Year 2017. During Fiscal Year 2015, OVA received \$18,385.

OTHER SERVICES & CHARGES

The Governor’s Executive budget does not indicate funding for Other Services and Charges for the Office of Veterans Affairs for Fiscal Year 2017.

UTILITIES

The Office of Veterans Affairs is not slated to receive any monies from the General Fund for Fiscal Year 2017. Utility expenses for the St. Thomas and St. Croix office is paid from monies provided by the VI Lottery and the VI Taxicab Commission.

MISCELLANEOUS SECTION

The Governor has recommended the sum of **\$300,000** for Veterans Medical and Burial Expenses from the Miscellaneous Section of the budget for Fiscal Year 2017.

CONTRACTS

The Office indicated in Fiscal Year 2016 they do have one Professional Services Contract in the amount of **\$21,856.96**.

Vendor/Name	Contract No.	L’Org	Amount	Period	Purpose	Type of Service	Funding Source
Mickey’s Construction	C027OVA15	00290007	\$21,856.96	3/4/16 – 5/3/16	Construction of office space and conference room at Veterans’ Affairs new location at Sion Farm, St. Croix	Construction	Local

Exhibit IV

LEASES

The following in *Exhibit IV* lists all the leasehold properties rented by the Office Veterans Affairs.

Landlord	Address	Sq. Ft	Annual Rent	Lease Terms
Elaine Company, Inc.	Elaineco Bldg., 1 st Floor, No. 78-1, 2 & 3 Contant, St. Thomas, VI 00802	1,500	\$22,500.00 (\$1,875.00 per month)	Term (24 months) September 1, 2013 to August 31, 2015 with option of extending and/or renewing for an additional period of 24 months
Wiesner Development, Co.	No. 4B Estate Sion Farm, St. Croix, VI 00820	1,500	\$18,000	Term (12 months) June 1, 2015 to May 31, 2016 with option of extending and/or renewing for an additional 12 months

Exhibit V

FEDERAL GRANTS

The Office of Veterans Affairs is not scheduled to receive any Federal Funds for Fiscal Year 2017.

VEHICLES

The Office of Veterans Affairs has two (2) vehicles, one (1) in the district of St. Croix and one in the St. Thomas/St. John district. *Exhibit V* depicts a detailed listing of vehicles for the Office.

Make	Model	Island	Year	License Plate No.	Funding	Lease/Own	Condition	Maint Cost	Gas Amount	Grand Total
Chevrolet	Trailblazer	STX	2007	VA-3	Local	Own	Poor	\$50.00	\$120.00	\$170.00
Chevrolet	Equinox	STT	2016	VA-1	Local	Own	New	\$0.00	\$620.72	\$620.72
TOTALS								\$50.00	\$740.72	\$780.72

Exhibit VI

LOCAL REVENUES, CONTRIBUTION AND/OR GRANTS

CONTRIBUTIONS/REVENUES					
Description	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Total
Revenue: VI Taxicab Commission – Veterans Taxi Medallions Auction*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contributions: VI Lottery**	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$50,000.00
Totals	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$50,000.00

GRANTS (MISCELLANEOUS)					
Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Veteran Medical Travel and Death Benefit***	\$75,000.00	\$75,000.00	\$75,000.00	\$0.00	\$225,000.00
Totals	\$75,000.00	\$75,000.00	\$75,000.00	\$0.00	\$225,000.00

***The amount appropriated for Fiscal Year 2016 is \$300,00.00

Disbursements as April 27, 2016			
Fund	Amount	Disbursement	Balance
Veteran Medical Travel	\$150,000.00	\$60,453.04	\$89,546.96
Death Benefit	150,000.00	114,431.40	35,568.60
Total	\$300,000.00	\$174,884.44	\$125,115.56

Exhibit VII

*OVA did not receive revenues from the sale of Veterans Taxi Medallion auction from VI Taxicab Commission in December 2015. The amount expected from the DLCA is \$17,946.05.

**\$50,000.00 has been received from the VI Lottery in Fiscal Year 2016. The total amount expected is \$100,000.00

Monies provided by the VI Lottery and VI Taxicab Commission are used by the Office of Veterans Affairs for operating expenses.

SUMMARY

The Office of Veterans Affairs Fiscal Year 2017 Governor’s Recommended Budget is as follows:

\$350,000	General Fund FY 2017 Recommended Budget
117,000	Local FY 2017 Non-Appropriated Funds
\$467,000	FY 2017 Sub-Total Projected Operating Budget
300,000	Miscellaneous Recommendation
\$767,000	TOTAL RECOMMENDED OPERATING BUDGET

For Fiscal Year 2016 to date, the actual expenses are **\$236,949.24**. As of Friday, May 25, 2016, OVA received **\$261,625** in allotments and has an un-allotted amount of **\$88,375**.



Jose L. George
 Post Auditor

APPENDIX I

Office of the Veterans Affairs
FY 2017 Personnel Listing

POSITION	JOB TITLE	EMPLOYEE NAME	OMB RECOM	FTE COUNT
00290001				
129000001	DIRECTOR	FILLED	85,000.00	1.0000
		SUB-TOTAL	85,000.00	1.0000
229000008	ADMIN OFFICER II	FILLED	25,431.00	1.0000
229000005	COORD VETERAN AFFRS	FILLED	36,396.00	1.0000
229000006	COORD VETERAN PRGRAM	FILLED	31,438.00	1.0000
229000007	PROGRAM ADMNISTRATOR	FILLED	42,403.00	1.0000
		SUB-TOTAL	135,668.00	4.0000
		TOTAL	220,668.00	5.0000