



# Legislature of the Virgin Islands

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## POST AUDIT DIVISION

June 5, 2023

### COMMITTEE ON BUDGET, APPROPRIATIONS AND FINANCE FISCAL YEAR 2024 BUDGET HEARING

#### OFFICE OF VETERANS AFFAIRS

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**MISSION STATEMENT**

The Office of Veterans Affairs honors the commitment of Virgin Islanders who rose to the challenge of wearing our nation’s military uniform, whether voluntarily or involuntarily, by continuing to advocate on their behalf and by enhancing their quality of life by making sure they receive all entitled services and benefits.

**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.

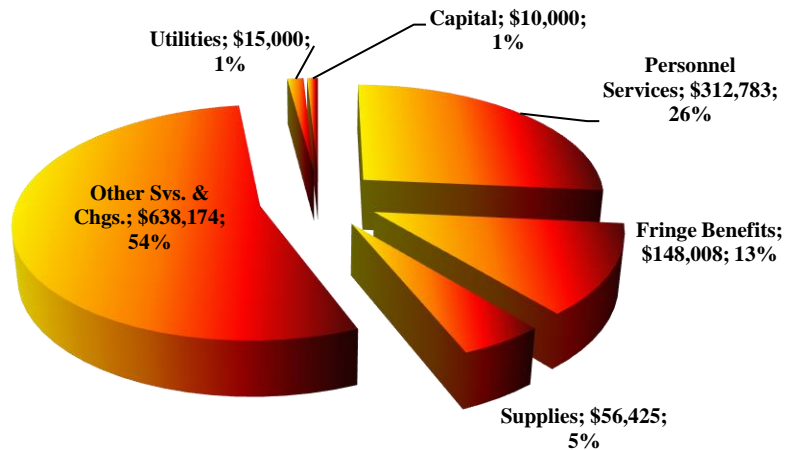
**FY 2024 BUDGET SUMMARY**

The Governor has recommended a General Fund appropriation of **\$1,180,390** for Fiscal Year 2024. 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 2022 Actuals	FY 2023 Revised Budget	FY 2024 Recommended Budget	Variance	% Change
<b>APPROPRIATED FUNDS:</b>						
<b>General Fund:</b>						
	Personal Services	\$295,065	\$343,127	\$312,783	\$30,344	-8.84%
	Fringe Benefits	\$138,958	\$164,464	\$148,008	\$16,456	-10.01%
	Supplies	\$31,145	\$76,737	\$56,425	\$20,312	-26.47%
	Other Services	\$235,653	\$671,374	\$638,174	\$33,200	-4.95%
	Utilities Services	-\$316	\$0	\$15,000	\$15,000	
	Capital Outlays	\$71,810	\$0	\$10,000	\$10,000	
<b>Total General Fund</b>		<b>\$772,315</b>	<b>\$1,255,702</b>	<b>\$1,180,390</b>	<b>\$75,312</b>	<b>-6.00%</b>

*Exhibit I* shows a graph of the Office of Veterans Affairs line items for Fiscal Year 2024.

**FISCAL YEAR 2024 RECCOMENDATION**



**Exhibit I**

*Exhibit II* illustrates the actual expenditures reported by the Office of the Veterans Affairs for Fiscal Years 2022 and 2023 to date. The date for which the expenditure is as of for Fiscal Year 2023 was not provided by the Office.

General Fund	Actual Expenditures FY 2022	Expenditure FY 2023
Personnel Services	\$295,064.59	\$155,155.71
Capital Outlays	\$0.00	\$0.00
Fringe Benefits	\$138,957.61	\$76,285.24
Supplies	\$31,145.15	\$37,509.55
Other Services & Charges	\$235,653.25	\$199,464.61
Utilities	\$4,389.00	\$2,517.00
<b>TOTAL</b>	<b>\$705,209.60</b>	<b>\$470,932.11</b>

**Exhibit II**

**FISCAL YEAR 2024 BUDGET OVERVIEW**

**PERSONNEL SERVICES**

An appropriation of **\$312,783** has been recommended by the Governor for Fiscal Year 2024 from the General Fund. This amount is **\$30,344** less than Fiscal Year 2023 appropriation of **\$343,127**. 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*. According to the personnel listing submitted by the Office of Veterans Affairs, there are no vacant positions. However, according to the OMB personnel listing there is one vacancy.

**SUPPLIES**

Under the category of Supplies, the Office of Veterans Affairs is slated to receive **\$56,425** for Fiscal Year 2024. This amount is **\$20,312** less than Fiscal Year 2023 appropriation.

**OTHER SERVICES**

According to the budget book the Office of Veterans’ Affairs is slated to receive **\$638,175**, which is **\$33,200** less than Fiscal Year 2023 revised budget of **\$671,374**. *Exhibit III* depicts the breakdown of the other services category. Contained in this category is the Veterans Medical (**Relief to Individuals \$225,000**) and Burial Expense (**Death Benefit Payments \$225,000**) highlighted in yellow totaling **\$450,000**.

Other Services General Fund	FY 2024 Recommendation
Repairs & Maintenance	\$15,000
Automotive Repair & Maintenance	\$4,874
Rental of Land/Buildings	\$50,000
Rental Machines/Equipment	\$0
Professional Services	\$50,000
Security Services	\$0
Communication	\$10,000
Advertising & Promotion	\$10,000
Printing and Binding	\$5,000
Transportation – Not Travel	\$4,000
Travel	\$19,301
Travel/Cash Advance	\$5,000
Purchase Bulk Airline	\$10,000
Relief to Individuals	\$225,000
Other Services NOC	\$5,000
Death Benefit Payments	\$225,000
Contr. to Independent Age	\$0
<b>TOTAL</b>	<b>\$638,175</b>

**Exhibit III**

**UTILITIES**

In the past utility expenses for the St. Thomas and St. Croix office were paid from monies provided by the VI Lottery and the VI Taxicab Commission. Nevertheless, for Fiscal Year 2024 the Governor has recommended **\$15,000**.

**CAPITAL PROJECTS**

For Fiscal Year 2024, the Governor has recommended **\$10,000** for Capital Projects.

**MISCELLANEOUS SECTION**

According to the Governor’s Fiscal Year 2024 Budget Submission, the Office of Veterans Affairs is slated to receive **\$450,000** for medical and burial benefits of our veterans. This amount can be found under the category of Other Services listed as **Relief to Individuals \$225,000** and **Death Benefit Payments \$225,000** respectively.

**CONTRACTS**

The Governor’s Executive Budget indicated that the Office of Veterans’ Affairs has one Professional Services Contract for **\$50,000** with Trinity Transport, LLC (*see page 224 or 237 electronically*). However, the Office submitted the following information for three Professional Services Contracts for Fiscal Year 2023 totaling **\$643,105**. See *Exhibit IV*.

Vendor Name	Type of Service	Annual Payment	Contract Date	Contract Amount	Terms of Contract	Payment made from 10/1/222 to date
Action Tech Solutions	Web-Based Database w/ Mobile Solutions	\$4,200.00	8/31/2022	\$30,560.00	Three (3) months (Expected completion date June 2023)	\$23,442.80
Trinity Transport, LLC	Transportation of Disabled Veterans (STT)	\$0.00	1/26/2023	\$50,000.00	Two (2) years w/ and option to renew for additional two (2) years	\$0.00
Rodriguez & Garland, Inc.	Construction of Veterans Crypt & Columbarium (Eastern Cemetery – STT)	\$0.00	12/19/2022	\$553,545.00	180 days for completion	\$13,920.00
<b>TOTAL</b>		<b>\$4,200.00</b>		<b>\$634,105.00</b>		<b>\$37,362.80</b>

Exhibit IV

**LEASES**

The following in *Exhibit V* lists all the leasehold properties rented by the Office Veterans Affairs. The Governor’s Executive Budget Book indicates the annual amount to be **\$50,000** a difference of **\$5,000** (*see page 224 or 237 electronically*).

Landlord	Address	Sq. Ft	Annual Rent	Funding Source	Lease Terms
Elaine Company, Inc.	3241 Contant Suite 5, Elaineco Bldg., 1 <sup>st</sup> Floor, St. Thomas, VI 00802	1,500	\$45,000.00	General Fund	Yearly Lease
		<b>Total</b>	<b>\$45,000.00</b>		

Exhibit V

**FEDERAL GRANTS**

The Office of Veterans Affairs is not scheduled to receive any Federal Funds for Fiscal Year 2023.

**VEHICLES**

The Office of Veterans Affairs has four (4) vehicles, two in each district. *Exhibit VI* depicts a detailed listing of vehicles for the Office for Fiscal Year 2023. Two vehicles are assigned to the director of Veterans Affairs with a twenty-four (24) hour authorization and the other two are for the Office Operation/Outreach operations. Charted below outlines the maintenance cost and fuel charge for the vehicles assigned to the Office.

District	Make	Model	Year	License Plate No.	Funding	Lease/Own	Conditions/ Comments	Maintenance Cost FY 2021	Gas Amounts
STT/STJ	Chevrolet	Equinox	2016	VA-2	Local	Own	Fair	\$2,653.82	\$585.00
STT/STJ	Chevrolet	Colorado	2022	VA-4	Local	Own	New	\$309.95	\$415.00
STX	Chevrolet	Traverse	2020	VA-1	Local	Own	Good	\$279.33	\$340.00
STX	Chevrolet	Colorado	2022	VA-5	Local	Own	New	\$0.00	\$135.00
<b>TOTALS</b>								<b>\$3,243.10</b>	<b>\$1475.00</b>

Exhibit VI

**LOCAL REVENUES, CONTRIBUTION AND/OR GRANTS**

*Exhibit VII* depicts local revenues, contributions and grants received and disbursed by the Office of Veterans Affairs. The Office of Veterans Affairs indicated that they are not in receipt of **\$39,380.12\*** from the Taxicab Commission for Fiscal Year 2020 to Fiscal Year 2023. By law the Virgin Islands Taxicab Commission is required to give the Office of Veterans Affairs a portion of the sales of the Veterans Taxi Medallion obtained by auction. **For fiscal years 2021, 2022 and 2023 nothing was received from the Taxicab Commission.**

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

*\*The Office of Veterans Affairs is awaiting \$14,300.00 for Fiscal Year 2021; \$14,060.12 from Fiscal Year 2022; and \$11,020.00 for Fiscal Year 2023 from the VI Taxi Commission totaling \$39,380.12. These amounts represent sales from the Veterans Taxi Medallion auction held in December 2020, December 2021, and December 2022.*

*\*\* The Office received \$50,000.00 which is half of the total allotted amount of \$100,000.00 from the Virgin Islands Lottery in Fiscal Year 2023.*

GRANTS (MISCELLANEOUS)					
Description	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Total
Veteran Medical Travel and Death Benefit***	\$112,495.50	\$112,495.50	\$37,498.50	\$0.00	\$262,498.50

*\*\*\*The amount allocated for Fiscal Year 2023 is \$450,000.00. The amount of \$262,489.50 was released.*

Disbursements as of April 19, 2023			
Fund	Amount	Disbursement	Balance
Veteran Medical Travel	\$225,000.00	\$43,898.00	\$181,102.00
Death Benefit	225,000.00	133,054.18	\$91,945.82
<b>Total</b>	<b>\$450,000.00</b>	<b>\$176,952.18</b>	<b>\$273,047.82</b>

Exhibit VII

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

**POST AUDIT COMMENTS**

The Governor recommends a budget totaling **\$1,180,390** for the Office of Veterans’ Affairs for Fiscal Year 2024. *Exhibit VIII* depicts the difference between fiscal year 2023 and 2024 as per the budget book (*see page 223 or page 236 electronically*).

	FY 2023 Revised Budget	FY 2024 Recommended Budget	Variance	% Change
General Fund FY 2024 Recommended Budget	\$1,255,702.00	\$1,180,390.00	\$75,312	-6.00%
<b>TOTAL</b>	<b>\$1,255,702.00</b>	<b>\$1,180,390.00</b>	<b>\$75,312</b>	<b>-6.00%</b>

Exhibit VIII

The Office of Management and Budget submitted on behalf of the Office of Veterans’ Affairs a personnel listing comprised of **5.50** positions. Exhibit IX compares the Governor’s Executive Budget Book personnel count for the fiscal year 2024 versus the actual departmental count. Again, the difference is because of a vacancy reported by the Office of Management and Budget.

	FY 2024 Budget Book Count	FY 2024 Actual Departmental Count
Filled Positions	5.00	5.00
Vacant Position	0.50	0.00

Exhibit IX

For Fiscal Year 2022, the actual expenses for the Office of Veterans’ Affairs are **\$705,209.90**, however according to the Office of Management and Budget actual expenses for Fiscal Year 2022 is **\$772,315** for a difference of **\$67,106**. As of June 8, 2023, the Office of Management and Budget reported an allotment amount of **\$870,257.79** and an unallotted amount of **\$290,132.21** for the Office of Veterans’ Affairs totaling **\$1,160,390**. The allotment sheet provided by the OMB indicated the Office received a revised appropriation of **\$1,160,390** however the budget book (*see page 223 or page 236 electronically*) reports a revised budget of **\$1,225,702**, a difference of **\$65,312**. This difference is between the budget book and allotment sheet.

Activity Code	Activity Center	KPI Name	Unit	Target	Result	Trend Goal	Date
29000	Veterans Affairs	Number of Veterans Burial Expenses Reimbursement Claims Processed	Number	5.00	13.00	Increase	3/31/2023
29000	Veterans Affairs	Number of Veteran Medical Travel Expenses Reimbursement Processed	Number	10.00	15.00	Increase	3/31/2023
29000	Veterans Affairs	Number of new veterans registered monthly	Number	5.00	10.00	Increase	3/31/2023
29000	Veterans Affairs	Number of Outreach events to get more veterans registered/benefits expo	Number	5.00	12.00	Increase	3/31/2023

### Post Audit's Notes

1. Supplies – How can the Office function with a decrease in supplies since the cost of supplies are increasing?
2. Utilities – The change in strategy for budgeting utilities need to be explained.
3. The department reports an impressive progress of Key Performance Indicator. However, customer satisfaction survey may provide additional information.



Vincent Samuel  
Post Auditor



**APPENDIX I**

**Office of the Veterans Affairs**  
**FY 2024 Personnel Listing**

<b>Position Name*</b>	<b>Fte*</b>	<b>Funds</b>	<b>Status</b>	<b>Type</b>	<b>Salaries Total</b>	<b>Fringe Total</b>	<b>Total</b>
Veteran Programs Coordinator	1	0100	Filled		\$40,940.00	\$21,475.92	\$62,415.92
Director	1	0100	Filled	Exempt	\$105,000.00	\$32,030.61	\$137,030.61
Program Administrator	1	0100	Filled		\$60,456.00	\$34,146.99	\$94,602.99
Administrative Officer III	1	0100	Filled		\$40,134.00	\$27,794.85	\$67,928.85
Administrative Assistant	1	0100	Filled		\$43,409.00	\$22,176.78	\$65,585.78
	<b>5</b>				<b>\$289,939.00</b>	<b>\$137,625.16</b>	<b>\$427,564.16</b>
Administrative Officer II	0.5	0100	Vacant		\$18,187.50	\$10,026.96	\$28,214.46
	<b>0.5</b>		<b>Total General Fund</b>		<b>\$18,187.50</b>	<b>\$10,026.96</b>	<b>\$28,214.46</b>
	<b>5.5</b>		<b>TOTAL</b>		<b>\$308,126.50</b>	<b>\$147,652.12</b>	<b>\$455,778.62</b>