

**DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
FY 2015-16 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Thursday, December 18, 2014
9:00 am – 10:30 am**

9:00-9:10 INTRODUCTION AND OPENING COMMENTS

9:10-9:20 QUESTIONS COMMON TO ALL DEPARTMENTS

(The following questions require both a written and verbal response.)

1. SMART Government Act:

- a. Please describe how the SMART Government Act is being integrated into the Department's existing processes (both in terms of service delivery and evaluating performance).

Answer: The SMART Government Act parallels existing military strategic planning initiatives and metric collection. No changes were necessary.

- b. How is the data that is gathered for the performance management system used?

Answer: Data gathered for the performance management system is utilized to provide data to relevant stakeholders, primarily consisting of the General Assembly.

- c. Please describe the value of the act in the Department.

Answer: The act provides value in that it requires us to coalesce existing data from the divisions into one single document.

2. Do you have infrastructure needs (roads, real property, information technology) beyond the current infrastructure request? If so, how do these needs fit in with the Department's overall infrastructure priorities that have been submitted to the Capital Development Committee or Joint Technology Committee? If infrastructure should be a higher priority for the Department, how should the Department's list of overall priorities be adjusted to account for it?

Answer: The Department does not have any additional infrastructure requests. Our submitted CCP form lists the overall priorities.

3. Describe the Department's experience with the implementation of the new CORE accounting system.

- a. Was the training adequate?

Answer: The training provided varied between session and software version. Subsequent to the incorporation of the software some challenges have arisen due to earlier training variations.

b. Has the transition gone smoothly?

Answer: This transition, as with any new software transition, has had its fair share of challenges. We have seen improvements over time as the software matures and the users become familiar with the platform. We expect this trend to continue.

c. How has the implementation of CORE affected staff workload during the transition?

Answer: Staff workload has increased during the transition to the new system.

d. Do you anticipate that CORE will increase the staff workload on an ongoing basis? If so, describe the nature of the workload increase and indicate whether the Department is requesting additional funding for FY 2015-16 to address it.

Answer: The Department recognizes that the implementation of such a substantial new system will drive additional short-term workload as employees adjust to new ways of doing business. As employees adjust to new business processes and become more familiar with the CORE system, it is expected that this short-term workload increase will dissipate. Any long-term staffing changes resulting from CORE -- whether increases or decreases -- will not be known before the system reaches a steady operational state. At this time, the Executive Branch is not submitting any requests for FY 2015-16 to address the impact of CORE on normal departmental financial services operations.

9:20-9:30 DEPARTMENT OVERVIEW

4. Please provide a description of the state's militia and how it differs from the National Guard.

Answer: The militia of Colorado is the Colorado National Guard [see CRS 28-3-103 (7) (a) & (b)]. The other military force available to Colorado is the State Defense Force. The Colorado State Defense Force consists of one notional commander at this time and is not currently funded or constituted. CRS. 28-4-104 states, "The governor is authorized to organize and maintain within this state such military forces as the governor deems necessary to defend this state. Such forces shall be known as the state defense force and shall be composed of such citizens of the state as shall volunteer or be ordered by the governor and qualify for service therein. Such forces shall be additional to and distinct from the National Guard. The Colorado state defense force shall be maintained in numbers to be determined by the governor. No

officer or enlisted person of this force shall be a member of the National Guard or other armed force of the United States. Such part of this force as ordered by the governor shall be uniformed. Any part or all of this force may be called to state defense force active duty at the pleasure of the governor. All costs and expenses of the state defense force shall be paid from the general fund by separate appropriation to the department of military affairs.”

5. Please describe how the state’s National Guard components would be funded in the event a state of emergency is declared by the Governor. What are the various sources of funding utilized in those circumstances?

Answer: The Governor can activate Colorado National Guard personnel to “State Active Duty” in response to natural or man-made disasters or Homeland Defense missions. During a State Active Duty call-up, those members of the Colorado National Guard that are utilized become temporary state employees and are paid through state funds. These funds are generally administered by the Office of Emergency Management and are paid as part of the State’s overall response to such a disaster.

6. Please describe the difference between the National Guard’s total authorized strength and total membership. Why can the membership be greater than the authorized strength?

Answer: The total authorized strength is the number of personnel required/funded to perform the mission(s) assigned to each state. Membership or assigned strength greater than the authorized strength reflects authorized overages within certain career fields as allowed by Department of Defense policy. These overages are moderated through attrition and have no impact on the funds available to the DMVA.

7. What is the operational status of the veterans cemetery (ies) managed by the Department? What other veterans cemeteries are in Colorado and who manages them?

Answer: The Division of Veterans Affairs operates the Veterans Memorial Cemetery located in Grand Junction, CO. This is the only State Veterans Cemetery in Colorado as defined by the Federal VA. Fort Logan National Cemetery (located in Denver) and Fort Lyon National Cemetery (located in Las Animas) are operated by the Federal Veterans Administration. The Federal Veterans Administration has plans for a third National Cemetery in El Paso County. The Veterans Community Living Center at Homelake, CO has an adjacent cemetery that is managed by the Department of Human Services.

8. In the event of a federal government shutdown, does the Governor still possess the authority to activate the state’s National Guard units and use General Fund to cover the associated costs? Could the state reasonably anticipate the federal government backfilling the cost of activation?

Answer: In the event of a federal government shutdown the Governor still has the authority to activate the National Guard in response to natural or man-made disasters or Homeland Defense missions. In order for the federal government to reimburse the state the Governor would need to apply for federal disaster relief and approval would come from the President.

9:30-9:50 PROCESS IMPROVEMENT AND SAFETY CHAMPION

9. Please describe the current method by which strategic planning and process improvement is conducted. Will this position, as an employee of the state, have the authority to conduct strategic planning and process improvement operations for the Department's federal programs? How will this position interact with the Department's federally funded programs?

Answer: The current method of strategic planning is conducted via a panel of personnel from all Departmental Divisions and a representative from the Office of State Planning and Budgeting. This process is chaired by the Deputy Director and/or the Resource Director/Legislative Liaison. Process improvement previously has been conducted by our budget analyst. This position will be concerned with State programs working closely with our Deputy Director. This position will work closely with the federal aspects of our Department and how issues impact the state, sharing of information, and ways to improve safety issues and process improvement opportunities.

10. Please provide background on the Department's decision to conduct an employee safety survey. Why were safety issues identified through an employee survey rather than an environmental impact study?

Answer: The Department participated in a statewide, semi-annual employee survey whereby comments and concerns were identified by employees related to work place safety. An Environmental Impact Study is a federally mandated process (NEPA) related to changes or expansion in federal programs or activities. It is not germane to the concerns of state employees or activities.

11. Please provide a detailed justification for the need for the safety responsibilities possessed by this position. How would this position be substantially different from the safety officers within the military chain of command who are already operating on base? With which working groups would this position interact?

Answer: The Air and Army National Guard are responsible for the maintenance and repair of National Guard facilities at Buckley AFB. More specifically, the Air National Guard is responsible for the flight line at Buckley and we have state employees assigned to our 140th Civil Engineering Squadron who maintain runways, plow snow on and off the runways (including the ramp areas where aircraft are parked), runway lighting repair and maintenance, sewers, confined spaces in areas of Air National Guard responsibility. This is an inherent part of the State/Federal partnership that is

the National Guard. Proper instruction and understanding of safety awareness and safety training for our state employees is of high concern.

12. Does the Department anticipate this position being granted the authority and clearance from the federal government to view confidential and classified information pertinent to the position's stated responsibilities?

Answer: This position will not have the need to view federal confidential or classified information in the performance of the stated responsibilities.

9:50-10:20 COUNTY VETERANS SERVICE OFFICER PAYMENTS RATE INCREASE

13. Please provide a list of trends and issues impacting veterans in Colorado. Can the Department identify the top five issues negatively impacting the state's ability to assist veterans in claiming their benefits? What steps is the Department taking to address these issues? What are the top five areas of veterans' assistance in which the Department excels?

Answer:

Top Five Areas of Excellence for the Colorado Division of Veterans Affairs:

1. Customer Service
2. Training
3. Stakeholder Outreach and Engagement
4. Grant Provision and Education
5. Management of urgent casework

Top Five Trends Impacting Colorado Veterans and the Departments Efforts Regarding Those Trends:

1. Rural Veterans Access To Care – This is a federal VA issue, but the Division has advocated for the needs of rural veterans to the federal VA.
2. Veteran Awareness of Available Services – The Department is participating in numerous groups and forums, most notably Colorado SERVES, to share best practices with communities across the state on how to reach out to veterans.
3. Employment – The Department has partnered with other Departments, such as CDLE and DOR to ensure that programs such as Troops 2 Trucks are available and functional.
4. Education – The Department has championed efforts to ensure that younger veterans are successful in their educational endeavors.
5. Benefits to Veterans of WWII, Korea, Vietnam – Older veterans are seeking benefits and service from the federal VA. Some for the first time. The Department has been proactive in providing direct support as well as training to allow other Veterans Service Organizations to provide direct support.

14. Please describe how counties determine their county veterans service office staffing levels and provide examples of how counties differ in operating their offices. Do counties

coordinate staffing levels with the number of veterans' needing assistance? Is there a state-mandated limit to the size of service offices?

Answer: There is no state mandated limit to the number of employees that a county may hire to assist the County Veterans Service Officer. County staffing levels are the domain of the counties in question, but anecdotally, those counties with a higher population tend to have more employees. For example, El Paso County has 5 personnel in its CVSO office, whereas some rural counties share one individual.

15. How does the Department estimate workload and funding by county?

Answer: The workload for the County Veterans Service Officers is determined by the number of Power of Attorneys (POAs) they have working or have worked for veterans within their respective county. Even though POAs are the primary aspect of the CVSO's job, this is a mixed metric for assessing workload. It shows throughput, but does not describe how involved each case is. One case may be a simple claim for hearing loss, and the next might be an appeal (which can take years to process) that involves the Korean War and injuries that were not accurately diagnosed at that time (i.e. PTSD or TBI). Nonetheless, there is no other real metric other than maybe phone calls which we at the State have the admin staff to track, but rural CVSO's may not.

Funding has been determined by the Division and counties with a full time CVSO receive \$200 per month and \$2,400 annually whereas counties with a part-time CVSO receive \$100 per month and \$1,200 annually.

16. Please describe any impacts a rate of payment increase will have on the Department's workload and FTE.

Answer: The impact of the rate increase will not increase the Department's workload or need for an FTE increase.

17. Please detail the range of services that County Veterans Service Officers are trained to provide to veterans. How many different benefits might a veteran apply for and need assistance with?

Answer: CVSO's are training on several subject areas that will provide them the tools they need to help veterans. The Division of Veterans Affairs provides annual training for CVSO's in May. Instruction is conducted in the following subject areas: 1) Awareness of new laws passed by Congress and/or the State of Colorado that impact veterans and their dependents; 2) Assistance in filing service-connected disability claims with the VA; and 3) Assistance in obtaining benefits relative to vocational rehabilitation, VA home loans, education benefits, insurance, burial benefits, and non-service connected pension from the federal VA.

18. Please provide details regarding anticipated workload impacts on County Veterans Service Officers resulting from increasing the state's rate of payment.

Answer: Based on current demographic information, only one in five Colorado veterans are in receipt of benefits through the federal VA. While some veterans choose not to apply for benefits, it is paramount they be afforded the opportunity to do so. Therefore, community awareness of services available through the VA with the assistance of a CVSO is vital. The money could be used to increase hours the CVSO can work or to help offset the cost of additional employees to assist in the operation of the office. It is the Department's goal to remove qualified veterans from state public assistance programs by increasing their participation in the VA pension programs paid by the federal VA. Greater access through increased CVSO presence justifies support for this increase in payment to the CVSO's program.

19. Do County Veterans Service Officers who receive state funds qualify for any state benefits? Do staff member of county veterans service offices that receive state funds qualify for state benefits?

Answer: County Veterans Service Officers are employed by their individual county and as such participate in those employee benefits offered in that specific county.

20. Please provide the Department's interpretation and justification of the relevant statute affecting this issue. Does the Department believe the increase in the rate of payment creates potential legal issues?

Answer: CRS 28-5-707 establishes the monetary support of the County Veteran Service officer program by the Division of Veterans Affairs through monies allocated by the General Assembly and CRS 28-5-801 et seq. establishes the appointment, qualifications, duties and support by the County Government. These guidelines have been in place since 2002 with the relocation of the program under the Department of Military Affairs. It is because the guidelines have long been established, there are no foreseeable risk or harm to the status quo by these rate of payment increases. The Department agrees with JBC staff and LLS that the statute's wording is ambiguous and open to multiple interpretations.

21. Given the limits set in statue and staff's interpretation, how many counties would not receive the maximum rate of payment for their County Veterans Service Officer?

Answer: There was not sufficient time to ascertain the county funding levels for each CVSO office but the likely result is that rural counties will be significantly impacted whereas urban counties will be able to receive the maximum rate of payment. This is expressly contrary to the Department's goal with this decision item. Therefore,

legislative clarification of CRS 28-5-707 may provide a remedy to the concern of a limit on funds that can be received, particularly by rural counties.

22. Please provide examples of how other states implement County Veterans Service Officer Programs. Are there other models that exist that handle the issue differently?

Answer:

Alabama – There are no CVSO's in Alabama. All government employed VSO's are state FTE, of which there are 63 who are located in 50 field offices serving 67 counties. Under Alabama statute, the counties are required to provide suitable office space, utilities, and janitorial service for these state employees.

Kansas - The State of Kansas has state FTE veterans service officers assigned to 13 districts. In addition, there are two mobile units that help service rural counties.

Minnesota – The State of Minnesota mandates CVSO's for every county, but does not provide any funding. Additionally, the state Department of Veterans Affairs has 100 FTE.

Nebraska – The State of Nebraska mandates CVSO's for each of the 93 counties and each are required to have a minimum of one CVSO unless shared by an adjacent county. Currently, there are 75 CVSOs and accreditation is not required.

New Mexico – The State of New Mexico does not have CVSOs. The state is divided into 17 strategically placed offices based on population. Albuquerque and Las Cruces have two state service officers and the other 15 offices have one officer.

Utah – The State of Utah has no CVSOs however, they have 8 state service officers and 5 contracted employees positioned throughout the state. Their program is based on regions rather than population and utilizes public nursing homes, state employment offices, and driver licensing offices to identify veterans for outreach.

Wyoming - The State of Wyoming is unique in that there are 7 state service officers who work the majority of the state and 4 CVSOs who represent the southwest corner of the state. There is no oversight of these CVSOs and they operate independently and are paid by the counties and receive no training from the state.

10:20-10:30 PROTOCOL OFFICE VEHICLE

23. Please provide a detailed justification for the need for a new vehicle versus utilizing either the Department's vehicle pool or the State Motor Pool. How many of the requested vehicle type does the Department currently possess?

Answer: The Department has only one state-owned vehicle that meets the Protocol Officer's needs and that is the vehicle used by the Adjutant General. The Department has other vehicles; however, only a vehicle supported by general funds may be utilized for the protocol office. Federally reimbursed state vehicles may only be utilized by the federal program which provides the funding.

There are currently 47 vehicles assigned to the State Motor Pool, managed by the Department of Personnel. Of these 47 vehicles, 12 are SUVs that are acceptable for the Protocol Officer's needs. Only eight of these are located downtown at DPA's primary location, 15.5 miles from the Department's headquarters in Centennial, and the other four SUVs are located at 6060 Broadway, over 22 miles from the Department's headquarters in Centennial. Reservations for a vehicle from the Motor Pool require an online reservation and there is a lag time (usually brief) between the time a vehicle is requested and when it is approved, and occasionally the requested vehicle type is not available. For these reasons, the Department would prefer to have a vehicle permanently assigned for the Protocol Officer.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implement or has partially implemented the legislation on this list.

Answer: The Department does not have any legislation that it has not implemented.

2. What is the turnover rate for staff in the department? Please provide a breakdown by office and/or division, and program.

Answer: The turnover rate for the Department was 14.8%. The breakdown of the twenty-two separations by division is as follows:

EDO and Army NG: 40.91%

Veterans Affairs: 9.09%

Air National Guard: 50.0%

3. Please identify the following:

- a. The department's most effective program;

Answer: The Department's most effective program is Joint Task Force Centennial. This group, under the Director of the Joint Staff, Brig. Gen. Peter Byrne, has shown its ability to rapidly respond to significant emergencies within our state in a timely manner, thus saving countless lives and millions of dollars in property.

- b. The department's least effective program (in the context of management and budget);

Answer: The Department's least effective program is the County Veterans Service Officer reimbursement program. This program lacks the funding to provide the equivalent of a minimum wage reimbursement to each county. As such rural counties struggle to supplement the current rate (\$200 per month for a full-time and \$100 per month for a part-time FTE).

- c. Please provide recommendations on what will make this program (2.b.) more effective based on the department's performance measures.

Answer: The Department recommends increasing the CVSO reimbursement rate consistent with the submitted decision item.

4. How much capital outlay was expended using either operating funds or capital funds in FY 2013-14? Please break it down between the amount expended from operating and the amount expended from capital.

Answer: The Department did not utilize any capital funds for capital outlay in FY 2013-14.

5. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2014? What is the department doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/\\$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/1FE335CE3162803F87257D7E00550568/$FILE/1422S%20-%20ANNUAL%20REPORT%20OF%20AUDIT%20RECOMMENDATIONS%20NOT%20FULLY%20IMPLEMENTED%20AS%20OF%20JUNE%2030,%202014.pdf)

Answer: The Department does not have outstanding high priority recommendations from the State Auditor's Office.

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2. What is the turnover rate for staff in the department? Please provide a breakdown by office and/or division, and program.
3. Please identify the following:
 - a. The department's most effective program;
 - b. The department's least effective program (in the context of management and budget);
 - c. Please provide recommendations on what will make this program (2.b.) more effective based on the department's performance measures.

4. How much capital outlay was expended using either operating funds or capital funds in FY 2013-14? Please break it down between the amount expended from operating and the amount expended from capital.

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