



OKLAHOMA DEPARTMENT OF  
**VETERANS AFFAIRS**

*Called to Serve*

# Oklahoma Department of Veteran Affairs

FY 2026 Budget Hearing Presentation

Submitted by: Jay Bynum, Executive Director

# Jay Bynum

## Executive Director



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The Oklahoma Department of Veterans Affairs serves to empower veterans and service members in their pursuit of quality of life and quality of opportunity in the great state of Oklahoma.

Founded in 1947, this agency now encompasses the following divisions:

- State Veterans Homes
- State Veterans Cemetery
- Claims and Benefits
- Veterans Services
  - Veteran Owned Business Outreach (OKVetWorks)
  - Veterans Employment Coordination
  - OK Specific Transition Education Program (OK STEP)
  - Veterans Life and Wellness
- State Approving Agency

# Agency Vision, Mission and Core Values

**ODVA's mission** is to support, honor and care for Oklahoma veterans and their families.

- Facilitates personal and financial independence for veterans in all phases of life
- Advocates for veteran interests in state and federal claims and benefits
- Cultivates community support for veterans and veterans' programs
- Assists eligible veterans and dependents with State and Federal claims and benefits
- Embraces training and connection opportunities in areas of mental health and suicide prevention
- Promotes enterprise, entrepreneurship and employment opportunities for veterans
- Guarantees high quality of care and a home-like environment in State Veterans Homes
- Supports military personnel in transitioning to civilian life as Oklahoma veterans
- Maximizes GI Bill® accessibility and use in Oklahoma
- Partners with public and private entities to support broadest access for veterans to resources



# Accomplishments

## Top accomplishments for FY 2024 – FY 2025

- 1) Nursing program costs reduced by converting staffing contract positions to state employees.
- 2) Most recent available data from USDVA shows 40.48% of Oklahoma veterans are receiving USDVA compensation and/or pension. The work of ODVA's Claims & Benefits program holds the most appointments as representative of all eligible organizations.
- 3) Shepherded legislation to make Oklahoma state laws consistent with Title 38 federal law for VA educational benefits – SAA program.
- 4) The Cemetery program had 57 interments, hosted Wreaths Across America and the first Memorial Day Commemoration Ceremony at the cemetery.



# Analysis of Agency Challenges

|   | <b>Challenge</b>   | <b>Current Actions</b><br>(Briefly describe how the agency is currently addressing the challenge.) | <b>Planned Actions</b><br>(Briefly describe how the agency plans to address the challenge going forward.)                          |
|---|--|--|--|
| 1 | Service model and policies no longer keeps State Veteran Homes solvent                       | Monitoring service models to meet demand while driving out costs in variables that we control.     | Right size capacity; changes to the Oklahoma Administrative Code and requesting appropriations to align with current cost of care. |
| 2 | Locating & engaging the Oklahoma veteran population for available services and opportunities | Developing a campaign to reach all veterans in Oklahoma for awareness of services provided         | Measure success of campaign, optimize the agency through transformation, digitization, and strengthened partnerships.              |
| 3 | Aging infrastructure; not sized or shaped for current demand                                 | Building strategic capital asset management plan to improve, right size, and budget for true costs | Establish realistic capital expenditure line in budget rather than rely on operating budget to fund emergencies.                   |
| 4 |  |  |  |
| 5 |  |  |  |



# Savings & Efficiencies (Current or Planned)

| Savings or Efficiency Name                                    | Brief description of how savings were achieved       | Savings in Unit of Measurement*                           | FY 2024 (Actual \$ Savings) | FY 2025 (Projected \$ Savings) | FY 2026 (Projected \$ Savings) |
|---|--|---|-----------------------------|--------------------------------|--------------------------------|
| Reduce % Reliance on Contract Nursing                         | Converted 242 contract positions to state employees. | Dollars (\$)  | \$3.9M                      |                                |                                |
| Optimization through transformation, digitization, automation |  | Dollars (\$) Amounts TBD- Early Stages of Implementations | N/A                         | Planned                        | Unknown                        |
|   |  |   |                             |                                |                                |
|   |  |   |                             |                                |                                |
|   |  |   |                             |                                |                                |

\* Hours, FTE, square feet, etc.



# Agency Goals and Key Performance Metrics

| Goal |  | Metric  | FY 24 Target | FY 24 Actuals | FY 25 Target | FY 29 Target |
|------|--|---|--------------|---------------|--------------|--------------|
| 1    | Optimize agency through transformation, digitization, and strengthened partnerships at all levels.   | Cost savings and service efficiency                     |              |               | new          |              |
| 2    | Develop a holistic Veterans Service outreach campaign leveraging all our partners to contact and engage the state's 330,000 veterans to rapidly connect them to the services and benefits available to them. | Veterans registered with the Oklahoma Veterans Registry |              |               | new          |              |
| 3    | Establish and develop partnerships with federal, state, non-profit organizations, and veteran service organizations to leverage and eliminate redundancies.  |   |              |               | new          |              |
| 4    |  |   |              |               |              |              |
| 5    |  |   |              |               |              |              |
| 6    |  |   |              |               |              |              |



# Projects for FY 2025

- 1) Centralization of resources, planning, and execution to create a fiscally and sustainable system.
- 2) Holistic veteran outreach program to capture and engage the State's 330,000 veterans to rapidly connect the veterans to services and benefits available to them.



# Projects for FY 2026

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# Total Historic Actual Expenditures (FY 2020-24) and Current Year Budget (FY 2025)

## Explanation of Changes and Trends

- Appropriations have remained stable, with one time increases for Sallisaw project completion, cash infusion, cemetery.
- Revolving funds vary greatly. In FY20 the depletion of the revolving fund began. FY21 lessened due to additional federal interventions received. In FY22, the revolving funds were completely depleted. FY23-FY25 the revolving funds consist of federal and private pay payments received in each year. Cost of care has increased by about 66% since FY19 pre-PHE, but private pay charges have not increased.
- FTE was lost in the PHE, with the agency unable to keep up with competing wages and incentives of for-profit hospitals and other, more flexible health care providers. The agency continues to try to rebuild its workforce to decrease reliance on costly contract labor.

Historic Total Actual Expenditures and Current Year Budget



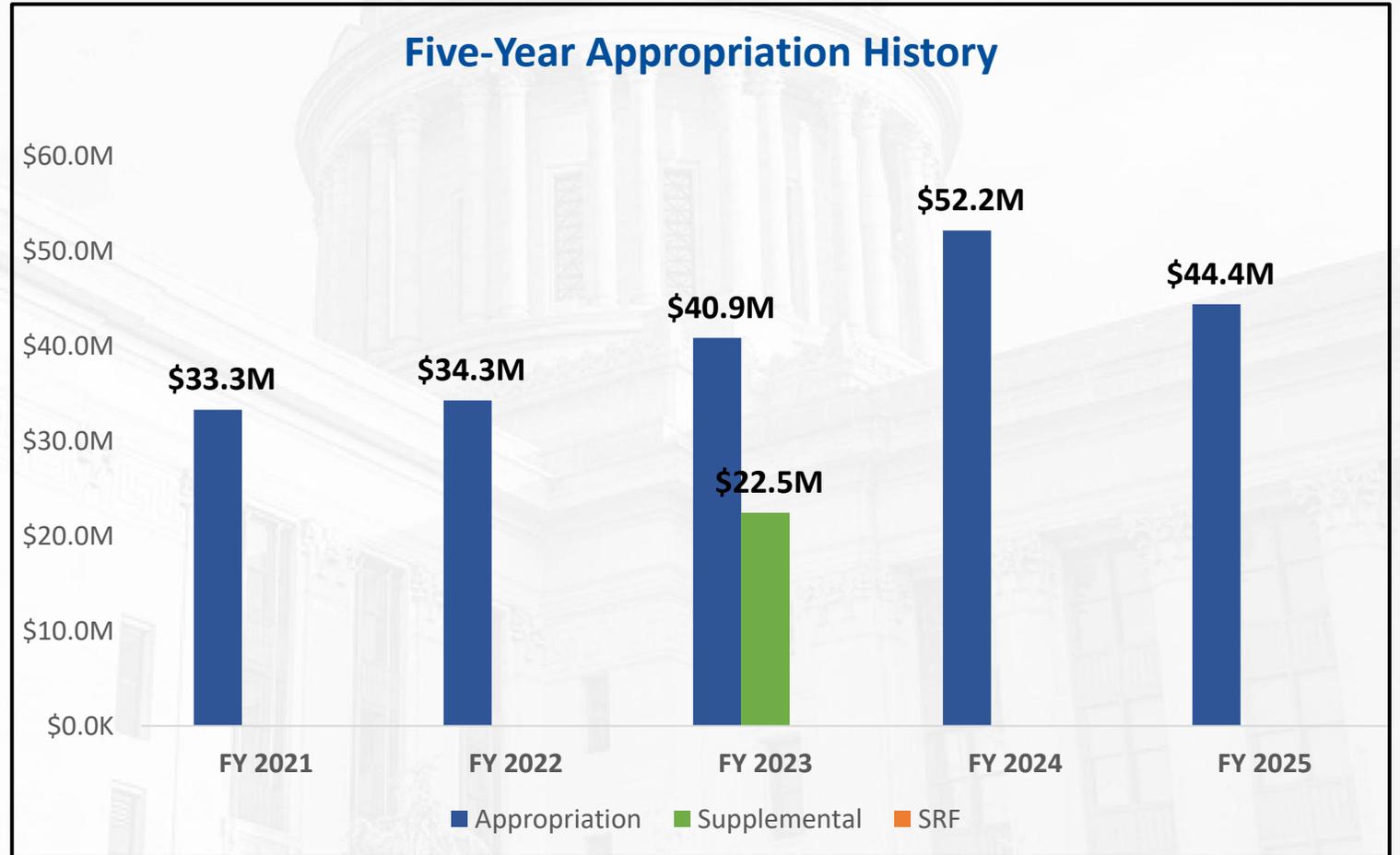


# FY 2025 Budgeted Full Time Equivalents (FTE)

|   | FY 2025 Budgeted FTE |
|---|----------------------|
| <b>Total FTE</b>                          | 1,592                |
| <b>Supervisor FTE</b>                     | 207                  |
| <b>Supervisors to Total FTE Ratio (%)</b> | 13%                  |
| <b>Current Budgeted but Unfilled FTE</b>  | 165                  |

# Appropriation History

| Fiscal Year | Legislated Appropriation (\$)<br>(Includes supplementals and SRF/ARPA.) |
|-------------|---|
| FY 2021     | \$33,316,393  |
| FY 2022     | \$34,316,393  |
| FY 2023     | \$63,368,717  |
| FY 2024     | \$52,218,907  |
| FY 2025     | \$44,441,604  |



\*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.



# Financial Resource Analysis

| Carryover   | FY 2021     | FY 2022 | FY 2023     | FY 2024     |
|---|-------------|---------|-------------|-------------|
| Total appropriated carryover amount expended (\$) | \$2,152,602 | \$0     | \$1,791,711 | \$4,208,023 |

| Historical Cash Balances   | FY 2021      | FY 2022      | FY 2023      | FY 2024      |
|--|--------------|--------------|--------------|--------------|
| Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i> | \$45,486,202 | \$16,456,182 | \$13,961,746 | \$11,910,838 |

| Revolving Class Fund # <i>(Unrestricted only)</i> | Revolving Class Fund Name <i>(Unrestricted only)</i>   | Current cash balance (\$) | Projected FY 2025 year-end cash balance (\$) |
|---|--|---------------------------|--|
| #22000  | ODVA Revolving fund for duties                         | \$9,504,364               | \$0  |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
|   | <b>Total Unrestricted Revolving Fund Cash balance:</b> | \$                        | \$   |



*Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.*

# FY 2023 – 2024 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i>    | <i>Amount FY 2023</i> | <i>Amount FY 2024</i> | <i>Total amount received FY 2023 - 24</i> | <i>Total amount expended by 11/1/2024</i> | <i>Included in FY 2025 approp? (Yes/No)</i> | <i>If not expended fully, please explain.</i> |
|---|-----------------------|-----------------------|---|---|---|---|
| Supplemental – Sallisaw home emergency construction     | \$10,863,470          | \$10,863,470          | \$21,726,940                              | \$20,436,686                              | No  | Construction still in progress                |
| Emergency Cash flow \$10m for operations, 1.6m Sallisaw | \$11,600,000          | \$0                   | \$11,600,000                              | \$9,998,956                               | No  | Sallisaw construction still in progress       |
| Union Cemetery construction                             | \$250,000             | \$0                   | \$250,000                                 | \$122,220                                 | No  |   |
| Construction Maintenance at Norman & Claremore          | \$1,930,000           | \$                    | \$1,930,000                               | \$1,912,921                               | No  |   |
| Ardmore Home Bond                                       | \$2,132,854           | \$2,630,190           | \$4,763,044                               | \$4,763,044                               | Yes   |   |
| Cemetery Operations                                     | \$2,276,000           | \$                    | \$  | \$  |   |   |
|   | \$                    | \$                    | \$  | \$  |   |   |
|   | \$                    | \$                    | \$  | \$  |   |   |
| <b>Totals</b>   | \$                    | \$                    | \$  | \$  |   |   |



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2025 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i> | <i>Amount of increase or decrease (\$)</i> | <i>Does this need to be included in your FY 2026 appropriation? (Yes/No)</i> | <i>If yes, included in appropriation for same purpose? (Yes/No)</i> | <i>If not included for same purpose, please explain.</i> |
|--|--|--|---|--|
| Sallisaw emergency construction                      | \$(10,863,470)                             | No   |   |  |
| Decrease in Ardmore Bond                             | \$(13,833)                                 | No   |   |  |
| Union Cemetery Restoration                           | \$(1,000,000)                              | No   |   |  |
| Sallisaw opening & certification                     | \$4,100,000                                | No   |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
| <b>Total adjustment</b>                              | <b>\$(7,777,303)</b>                       |  |   |  |



*\*Do not include SRF / ARPA appropriation increases.*

# Budget & Supplemental Incremental Request Summary

| Request Name |                                   | FY 2026 Incremental Appropriation Request Amount (\$)<br>{or FY 2025 for Supplementals} | Type of Request: Recurring, One-time, or Supplemental |
|--------------|-----------------------------------|---|---|
| 1            | Increased Operating costs.        | \$16,000,000  | Recurring   |
| 2            | CAPEX                             | \$7,000,000   | Recurring   |
| 3            | Opening of Sallisaw Veterans home | \$(4,100,000)   | One-time  |
| 4            |                                   |   |   |
| 5            |                                   |   |   |



# (1) Supplemental Budget Request

|                                      |   |
|--------------------------------------|---|
| Name of Request                      |   |
| Type: Supplemental                   | \$ Incremental Amount Requested for FY 2025 |
| Describe why these funds are needed. |   |

***\*Please delete this slide if unused. Delete this text box if slide is used.***



# (1) Incremental Budget Request

|   |  |
|---|--|
| <b>Name of Request</b><br><b>Increase Operating costs</b>   |  |
| Type: Recurring or One-Time<br>Recurring  | \$ Incremental Amount Requested for FY 2026<br>\$ 16,000,000 |
| Describe why these funds are needed.<br><br>Average cost of care has increased 66% over the last 6 years. This is attributable to several factors, none of which can be controlled by the homes. Labor shortages & wage increases, higher operating costs at our facilities due to inflation, increased acuity levels, and heightened health and safety protocols introduced during the pandemic. The department requests an increase proportionate to the appropriations for the homes, in the amount of \$16,000,000. |  |



# (2) Incremental Budget Request

|   |   |
|---|---|
| <b>Name of Request</b><br><b>CAPEX</b>  |   |
| Type: Recurring or One-Time<br>Recurring  | \$ Incremental Amount Requested for FY 2026<br>\$ 7,000,000 |
| Describe why these funds are needed.<br><br>The department requests \$7M to work through current known maintenance and replacement needs in the State Veterans Homes. |   |



# (3) Incremental Budget Request

|   |   |
|---|---|
| <b>Name of Request</b><br><b>Opening of the Sallisaw Home</b>                         |   |
| Type: Recurring or One-Time<br>One-Time   | \$ Incremental Amount Requested for FY 2026<br>\$ (4,100,000) |
| Describe why these funds are needed.<br>No longer needed. A one-time request in FY25. |   |

