

FY 2027 Budget Performance Review
650 Department of Veterans Affairs

Version Original
 Lead Administrator: James Bynum, Executive Director

Date submitted
 Lead Financial Officer: Chris Busby

10/1/2025

Agency Mission

The Oklahoma Department of Veterans Affairs strives to provide the highest quality support and care available anywhere in the nation to Oklahoma veterans and their families residing in the State of Oklahoma.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Division or Program Number and Name

Division 06 Veteran Homes - The agency provides long-term nursing care for eligible veterans.

Division 11 Administration - Plans and directs the operations for the agency to include strategic direction, requirements determination, manpower management, facilities recapitalization, maintenance and sustainment, budget development and execution, and supply support to the four lines of operation: Services, Homes, Memorial Affairs, and State Approving Agency missions.

Division 20 Services - Facilitates connecting veterans with their earned benefits that flow from federal, state and local agencies, non and not for profit entities as well as community interest groups and other veteran service organizations.

Division 30 State Approving Agency The purpose of this program is the approval of education and training establishments for veterans training in the State of Oklahoma and approving veterans for On-the-job-training and apprenticeship programs.

Division 40 - Memorial Affairs - Provides memorial services to eligible veterans, including pre-planning, funeral home coordination, headstone selection, and interment services at the OK S

FY'26 Budgeted Department Funding By Source

Dept. #	Department Name	State Appropriations		Federal Reimbursements	Resident Private Pay	Other ²	Total
		Payroll	Operations	for Cost of Care	for Cost of Care		
0600001	Claremore Veterans Home	\$4,276,029		\$23,538,073	\$4,394,157		\$32,208,259
0600002	Ardmore Veterans Home	\$3,171,406		\$16,668,381	\$2,047,804		\$21,887,591
0600003	Clinton Veterans Home	\$3,218,943		\$15,972,093	\$2,958,387		\$22,149,423
0600004	Norman Veterans Home	\$5,047,591		\$27,960,095	\$3,749,653		\$36,757,339
0600005	Sulphur Veterans Home	\$2,404,200		\$13,166,606	\$1,565,975		\$17,136,781
0600007	Lawton Veterans Home	\$3,758,664		\$23,453,003	\$459,197		\$27,670,864
0600008	Sallisaw Veterans Home	\$1,775,029		\$8,949,538	\$1,115,815		\$11,840,382
1000001	Capital Lease	\$2,623,986					\$2,623,986
1100001	Central Office	\$4,109,819	\$596,916		\$10,000	\$8,000	\$4,724,735
1100002	ODVA Commission	\$0	\$30,000				\$30,000
2000001	Claims & Benefits	\$3,444,979	\$152,802				\$3,597,781
2000002	Veterans Services	\$251,449	\$55,230				\$306,679
3000001	State Approving Agency			\$600,487			\$600,487
4000001	Ardmore Veterans Cemetery	\$404,013	\$212,307	\$125,508			\$741,828
4000002	Union Cemetery	\$0					\$0
8807001	Central Office IT	\$42,642					\$42,642
8807011	Information Technology	\$3,750,000					\$3,750,000
8807020	Claims & Benefits IT	\$83,400					\$83,400
8807030	State Approving Agency IT			\$14,065			\$14,065
8810706	Claremore Veterans Home IT	\$178,438					\$178,438
8820706	Ardmore Veterans Home IT	\$106,220					\$106,220
8830706	Clinton Veterans Home IT	\$103,892					\$103,892
8840706	Norman Veterans Home IT	\$204,680					\$204,680
8850706	Sulphur Veterans Home IT	\$117,176					\$117,176
8870706	Lawton Veterans Home IT	\$128,148					\$128,148
8880706	Sallisaw Veterans Home IT	\$101,274					\$101,274
9100001	ODVA System Wide Capital Improvements			\$11,098,452	\$1,003,045		\$12,101,497
9300001	Renovations - Claremore				\$267,667		\$267,667
9300002	Renovations - Ardmore				\$241,667		\$241,667
9300003	Renovations - Clinton				\$247,121		\$247,121
9300004	Renovations - Norman				\$116,666		\$116,666
9300005	Renovations - Sulphur				\$216,542		\$216,542
9300007	Renovations - Lawton				\$116,666		\$116,666
					\$250,374		\$250,374
Total		\$39,301,978	\$1,047,255	\$141,546,301	\$18,760,736	\$8,000	\$200,664,270

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department: Buffalo Soldiers & Indigent Burial Tax revenue.

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Balances of Appropriated Funds from Prior Fiscal Years

3-digit Class Fund #	Class Fund Name	GA Bill # and Section #	Fiscal Year of Original Appropriation	Original Appropriation Amount (\$)	Total Expended Amount as of 8/31/2025 (\$)	Balance as of 8/31/2025 (\$)
193	19302 FY25	SB 1125 Sec. 98	FY25	\$4,100,000	\$2,198,385	\$1,901,615
194	FY24 Appropriations	SB 1125 Sec. 89	FY24	\$41,355,437	\$38,465,933	\$2,889,504
195	FY25 Appropriations	SB 1125 Sec. 97	FY25	\$40,341,604	\$36,840,608	\$3,500,996
<i>Total remaining prior year appropriation balance:</i>						\$8,292,115

Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 194, 195). Do not report carryover class funds separately. Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.

What changes did the agency make between FY'25 and FY'26?

1.) Are there any services no longer provided because of budget cuts?	Yes. For the Homes mission, facilities sustainment, replacement and maintenance are chronically under-funded.
2.) What services are provided at a higher cost to the user?	Resident fees for those not receiving full cost of care will go up 35% from FY26 to FY27.
3.) What services are still provided but with a slower response rate?	N/A
4.) Did the agency provide any pay raises that were not legislatively/statutorily required?	Yes. Since covid, national nursing salary rates had risen precipitously, but agency payrates failed to remain competitive. In the interim, "must fill" positions to support resident care in accordance with governing requirements forced the use of up to 400+ contracted nursing staff positions across the enterprise. The agency noted that the premiums paid to those contracted staff could be used to raise the salaries for State employees to be more competitive. The funding for both contract staff and pay raises came from federal "cost-of-care" reimbursements and resident fees (each part of the agency's revolving funds). The raises were implemented at a net cost savings to the agency.

Appropriation Increase Review

Appropriation Increase Purpose	Appropriation Increases (Additional to Agency Base Appropriation)			Expenditures	
	FY 2024	FY 2025	Total Amount Received FY 2024-2025	Total Expenditure of Increase as of 6/30/2025	If funds have not been spent, please explain why.
Supplemental - Sallisaw home emergency construction Ardmore Home Bond Veterans Home Certification - Sallisaw	\$10,863,470 \$2,630,190	\$2,616,357 \$4,100,000	\$10,863,470 \$5,246,547 \$4,100,000 \$0 \$0 \$0 \$0	\$0 \$0 \$1,660,347	waiting on construction invoices.
Total:	\$13,493,660	\$6,716,357	\$20,210,017	\$1,660,347	

List appropriation increases that the agency has received in the prior two years. List amounts received in each year. Include PREP, but not ARPA/SRF, appropriations.

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FY'27 Requested Funding By Department and Source

Dept. #	Department Name	State Appropriations		Reimbursements	Pay	Other ²	Total
		Payroll	Operations	for Cost of Care	for Cost of Care		
0600001	Claremore Veterans Home	\$7,276,029		\$23,538,073	\$4,394,157	\$0	\$35,208,259
0600002	Ardmore Veterans Home	\$6,171,406		\$16,668,381	\$2,047,804	\$0	\$24,887,591
0600003	Clinton Veterans Home	\$6,218,943		\$15,972,093	\$2,958,387	\$0	\$25,149,423
0600004	Norman Veterans Home	\$8,047,591		\$27,960,095	\$3,749,653	\$0	\$39,757,339
0600005	Sulphur Veterans Home	\$5,404,200		\$13,166,606	\$1,565,975	\$0	\$20,136,781
0600007	Lawton Veterans Home	\$6,758,664		\$23,453,003	\$459,197	\$0	\$30,670,864
0600008	Sallisaw Veterans Home	\$6,775,029		\$23,436,638	\$1,115,815	\$0	\$31,327,482
1000001	Capital Lease	\$2,623,986		\$0	\$0	\$0	\$2,623,986
1100001	Central Office	\$4,109,819	\$596,916	\$0	\$10,000	\$8,000	\$4,724,735
1100002	ODVA Commission	\$0	\$30,000	\$0	\$0	\$0	\$30,000
2000001	Claims & Benefits	\$3,444,979	\$152,802	\$0	\$0	\$0	\$3,597,781
2000002	Veterans Services	\$251,449	\$55,230	\$0	\$0	\$0	\$306,679
3000001	State Approving Agency	\$0	\$0	\$600,487	\$0	\$0	\$600,487
4000001	Ardmore Veterans Cemetery	\$404,013	\$212,307	\$125,508	\$0	\$0	\$741,828
	Union Cemetery						\$0
8807001	Central Office IT	\$42,642		\$0	\$0	\$0	\$42,642
8807011	Information Technology	\$3,750,000		\$0	\$0	\$0	\$3,750,000
8807020	Claims & Benefits IT	\$83,400		\$0	\$0	\$0	\$83,400
8807030	State Approving Agency IT	\$0		\$14,065	\$0	\$0	\$14,065
8810706	Claremore Veterans Home IT	\$178,438		\$0	\$0	\$0	\$178,438
8820706	Ardmore Veterans Home IT	\$106,220		\$0	\$0	\$0	\$106,220
8830706	Clinton Veterans Home IT	\$103,892		\$0	\$0	\$0	\$103,892
8840706	Norman Veterans Home IT	\$204,680		\$0	\$0	\$0	\$204,680
8850706	Sulphur Veterans Home IT	\$117,176		\$0	\$0	\$0	\$117,176
8870706	Lawton Veterans Home IT	\$128,148		\$0	\$0	\$0	\$128,148
8880706	Sallisaw Veterans Home IT	\$101,274		\$0	\$0	\$0	\$101,274
9100001	ODVA System Wide Capital Improvements	\$0		\$11,098,452	\$1,003,045	\$0	\$12,101,497
9300001	Renovations - Claremore	\$0		\$0	\$267,667	\$0	\$267,667
9300002	Renovations - Ardmore	\$0		\$0	\$241,667	\$0	\$241,667
9300003	Renovations - Clinton	\$0		\$0	\$247,121	\$0	\$247,121
9300004	Renovations - Norman	\$0		\$0	\$116,666	\$0	\$116,666
9300005	Renovations - Sulphur	\$0		\$0	\$216,542	\$0	\$216,542
9300007	Renovations - Lawton	\$0		\$0	\$116,666	\$0	\$116,666
Total		\$62,301,978	\$1,047,255	\$156,033,401	\$18,510,362	\$8,000	\$237,900,996

1. Please describe source(s) and % of total of "Other" funding for each department:

FY'27 Top Five Incremental Appropriated Funding Increase Requests

Request by Priority	Request Description	Is this a Supplemental Request? (Yes/No)	Timeframe (One-Time or Recurring)	Appropriation Request Increase Amount (\$)		
Request 1:	Restoration of Impounded Funds (21000, 22000, 20500, 24500, 40000, 40500 class funds)	No	One-Time	\$813,806		
Request 2:	Increased operating costs for the Veterans Homes	No	Recurring	\$16,000,000		
Request 3:	CAPEX	No	Recurring	\$7,000,000		
		Top Five Request Subtotal:		\$23,000,000		
Total Increase above FY-26 Budget (including all requests)						
Difference between Top Five requests and total requests:						
* Capital requests in the table above should be listed in the next table.						

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Description of requested increase in order of priority	Total Project Cost (\$)	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)
Priority 1 N/A			
Priority 2			
Priority 3			

Does the agency has any costs associated with the Pathfinder retirement system and federal employees? If so, please describe the impact.

None

* Include the total number of federally funded FTE in the Pathfinder system.

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How would the agency be affected by receiving the same appropriation for FY '27 as was received in FY '26? (Flat / 0% change)

It would reduce our ability to fund much needed capital and maintenance projects on our aging buildings.

How would the agency handle a 2% appropriation reduction in FY '27?

A reduction of \$806,984 will have a negative impact on the agency. Any appropriation reduction will have an adverse impact on the cost of care which has direct impact on federal revenue generated by the agency. This reduction would also impact the capital improvement projects that require 35% state match.

Is the agency seeking any fee increases for FY '27?

Description of requested increase in order of priority		Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	Monthly Maintenance Fee from \$4450 to \$6,000	\$1,550	No
Increase 2			
Increase 3			

Federal Funds

CFDA	Federal Program Name	Agency Dept. #	FY 26 budget (\$)	FY 25 actuals (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)	FY 25 budgeted FTE (#)
64.015	Veterans State Home Nursing Care	0600001 through 0600008	129,707,789	108,456,914	104,379,811	\$97,270,586	1,476.5
64.124	State Approving Agency	3000001 & 8807030	614,552	485,697	390,902	\$299,216	5.0
65.005	Construction State Homes	9100001	11,098,452	952,686	20,371,039	\$3,831,514	0.0

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

State Veterans Home (SVH) Per Diem program standards and operational procedures are found in Title 38 of the US code of Federal Regulations. VA per diem for nursing home care is paid for any Veteran who is eligible for such care in a VA facility. (38 U.S.C. S.S. 17.41). VA is also required to make higher nursing home per diem payments for certain Veterans with service-connected disabilities. (38 CFR SS 51.41). Hence, 100% of the federal revenue received by the agency is mandated by the federal government for the operation of all seven Veterans Centers.

2.) Are any of those funds inadequate to pay for the federal mandate?

Yes. The federal revenue covers only 68 % of the cost of care provided to veterans at the centers. The rest of the cost is borne by state appropriations of 19 % and the agency revolving fund from the patient maintenance collections of 13 %.

3.) What would the consequences be of ending all of the federal funded programs for your agency?

The mission of ODVA is to ensure all Oklahoma veterans and their families receive all benefits to which they may be entitled and to provide excellent health services and long-term skilled care in a residential environment to all qualified veterans residing in the state. Legislative action many years ago established a system of payment for services that enables all honorably discharged veterans to receive quality care through the ODVA Centers regardless of their ability to pay. Through various agreements with the USDVA and federal law, pension, compensation and Aid and Attendance payments are made to veterans by the federal government that enables them to participate in the cost of their care without pauperizing their spouse who is left at home, thus allowing them to put money back into the economy of their local communities. Hence, ending all of the federal funded programs would result in closing all the veterans centers.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

In addition to the above response: Funding for ODVA construction projects, in general, is shared between the state and federal government. The USDVA pays 65% of the cost of construction or renovation once the project is put on the federally approved construction priority list.

5.) Has the agency requested any additional federal earmarks or increases?

No

FY 2026 Budgeted FTE

Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
06 Nursing Care		179	1689	62	1682	94	30
11 Central Office		17	18	0	16	14	5
20 Claims & Benefits		6	37	0	43	0	0
30 State Approving Agency		1	4	0	2	2	1
40 Veterans Cemetery Operations		1	4	0	4	1	0
Total		204	1752	62	1747	111	36

FTE History by Fiscal Year

Division #	Division Name	FY 2026 Budgeted	FY 2026 YTD	FY 2025	FY 2024	FY 2023	FY 2017
06 Nursing Care		1868.0	1516.3	1327.8	1322.9	1216.8	1932.0
11 Central Office		35.0	34.0	39.0	36.0	28.0	31.0
20 Claims & Benefits		43.0	42.0	43.0	48.0	38.5	39.0
30 State Approving Agency		5.0	5.0	5.0	5.0	3.7	5.0
40 Veterans Cemetery Operations		5.0	5.0	5.0	4.0	2.1	0.0
Total		1956.0	1602.3	1419.8	1415.9	1289.1	2007.0

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Performance Measure Review					
Program Name	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
Measure I Nursing Care 1 Direct Care Employee Turnover Rate	4.47%	4.31%	38.00%	29.77%	26.88%
Measure II Claims & Benefits 1 Increase Service Connected Compensation	3.1 Billion	3 Billion	2.85 billion	2.65 billion	2.49 billion
Measure III SAA 1 Approve educational facilities in a timely manner	100%	100%	90%	100%	100%
Revolving Funds (200 Series Funds)					
A	FY'23-25 Avg. Revenues	FY'23-25 Avg. Expenditures	June 2025 Balance		
22000 OK Dpt Veterans Affairs Revolving Fund <i>To pay the general operating expenses of the Veterans Centers, including the payment of salaries and wages of officials and employees, to pay for the employee safety programs and incentive awards provided for in Section 63.10a of this title,</i>	\$15,967,947	\$14,477,636	\$9,458,819		
Fund number: 20500 Dpt of Veterans Affairs Trust Fund Retirement of bonds, State Match for construction Projects. Source is the transfer from ODVA Revolving Fund.	\$5,520,683	\$2,194,788	\$6,962,058		
Fund number: 21000 Veterans Commission Revolving Fund Monies received by State Veterans Dpt as repayments on loans as provided in Section 67.13 of this title, gifts, contributions, bequests, and transfers of monies from the ODVA revolving fund.	\$90,183	\$77,433	\$135,250		
Fund number: 21500 Capital Improvement Equipment & Capital improvement program. The monies generated from tax contributions	\$0	\$413	\$1,238		
Fund number: 23000 Buffalo Soldiers Buffalo Soldier License Plate Revolving Fund. HB 2918, Section 5B - Tax Contributions	\$1,060	\$0	\$4,300		
Fund number: 24500 Indigent Burial Fund or honorably discharged Veterans of the United States Armed Forces. SB 398 SB1134	\$86	\$14,940	\$29,280		

FY 2026 Current Employee Telework Summary

List each agency physical location (not division), then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.

Full-time and Part-time Employees (#)

Agency Location / Address	City	County	Onsite (5 days onsite, rarely remote)	Hybrid (2-4 days onsite weekly)	Remote (1 day or less weekly onsite)	Total Employees
None						0
Total Agency Employees						0