



ANNUAL REPORT

FISCAL YEAR 1969 - 1970

DEPARTMENT

OF VETERANS AFFAIRS

STATE OF MINNESOTA

VETERANS SERVICE BUILDING

SAINT PAUL, MINNESOTA

GOVERNOR HAROLD LEVANDER

HERBERT K. ANDERSON

COMMISSIONER

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December 3, 1970

The Honorable Harold LeVander
Governor, State of Minnesota
130 State Capitol
St. Paul, Minnesota 55101

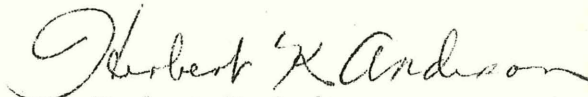
Dear Governor LeVander:

We herewith respectfully submit the Annual Report of this
Department as required by Statute.

This Annual Report is for the period from July 1, 1969 through
June 30, 1970.

We have modified the format of this Annual Report so that it
will also be useful to the members of the forthcoming session
of the Legislature.

Sincerely,

A handwritten signature in dark ink, reading "Herbert K. Anderson". The signature is fluid and cursive, with the first name "Herbert" being more prominent and the last name "Anderson" following in a similar style.

Herbert K. Anderson
Commissioner
Minn. Dept. of
Veterans Affairs

HKA:mlj
Enc.

DEPARTMENT OF VETERANS AFFAIRS

Office of the Commissioner
H. K. Anderson

General Administration
Secretarial and Reception

SUPERVISOR - VETERANS
BENEFITS DIVISION
(P. D. Nygren)

Relief Section - General
and emergency relief

Contact and Educational
Benefits Section

Bonus Records - SAW,
WW I, WW II, Korean

Death Registration
Grave Markers
Physician

DIRECTOR
FIELD SERVICE DIVISION
(J. T. Hartel)

Functional supervision as
to methods of office pro-
cedures (Service Officers)

Liaison State Institutions
and Veterans Organizations

Supervision of Branch
Offices

SUPERVISOR - VETERANS
CLAIMS DIVISION
(R. D. Schultz)

Federal Benefits
for Veterans and
dependents of all
periods of service

DIRECTOR
ADMINISTRATIVE SERVICES DIVISION
(R. D. Thorkee)

Budget Preparation and control

Process all fiscal documents
Maintain all accounting records
for department

Maintain and process all finan-
cial records for Guardian-
ship Section

Incoming & Outgoing Mail audit
& Process Rest Camp bills

DULUTH BRANCH OFFICE
(G. DeZiel)
Service Office So. St.
Louis County and Duluth
Vicinity

MOORHEAD BRANCH OFFICE
(D. Wiger)
Fargo V.A. Hospital
Contact & Claims contact
N.W. Minnesota

GUARDIANSHIP
(C. Pavnick)
Guardianship matters on incom-
petent persons

Formal applications for Federal
Benefits

Contact with Probate Court,
V.A., Social Security and
other interested parties

FOREWORD

By statute this agency is responsible for assisting veterans and their dependents to overcome the problems that they encounter.

These problems are precipitated directly or indirectly as a result of the veteran's military service in time of war, hostile area service or peacetime service.

Since the scope of these problems does not readily blend into the functions of other agencies of our State government, the Legislature recognized this fact by formally creating the Department of Veterans Affairs during the 1943 session. It again recognized this fact by refusing to merge this agency when the reorganization legislation was enacted during the 1969 session.

Since our previous Annual Report, the need for assistance has increased as has the scope and magnitude of the veterans' problems.

Our aging World War II veterans are largely responsible for the increased need of assistance. Many of us do not want to recognize it, but the World War II veterans are now entering the plus fifty age era of life. Department of Health statistics confirm that this age era accounts for a rapid increase in annual daily disability rate. These same statistics also illustrate that this annual daily disability rate is higher among veterans than non-veterans.

Our returning Vietnam veterans have also greatly added to our work load. We find that their problems are more complex and their problems more encompassing than those of previous veterans.

Many of our wounded Vietnam veterans would have died on the battlefields of previous wars but helicopters and modern medicine have returned them to us. We are thankful that these additional veterans are able to return to us even though they bring to us a broader scope and magnitude of problems.

The primary activities of this agency are as follows:

VETERANS BENEFITS DIVISION

Financial Assistance - Financial assistance to qualified recipients has been authorized by Statute, and allowances which compare favorably with general assistance practices are allowed to needy disabled veterans and their families. This maintenance assistance is provided on a uniform basis throughout the State. By and large, each assistance case is considered temporary, but no case is closed until either the client becomes self-sustaining or other long range categorical aids, Federal Veterans Administration benefits, etc., are being received.

The allowances given are considered to be adequate to meet human need. We are constantly reviewing our program so that thought can be given to possible changes which are predicated on what constitutes the necessities of life.

The average case load was 1,407 persons per month, and the average individual received \$40.08 for each month of assistance. The following is a breakdown of the expenditures by percentage of the total:

Food	36.4%	Medical	16.6%
Shelter	33.4%	Personal Needs	5.9%
Clothing	1.2%	Supplies & Replacements	2.5%
		Miscellaneous	4.0%

Careful scrutiny and management goes into processing and administration of individual aid cases to provide maintenance for persons in need plus health care, medical, hospital, optical, dental and related care for special categories of clientele wherein the veteran's disability, widow and/or wife is not necessarily a factor.

We are obliged to report that sufficient funds were not available during the fiscal year to care for all the persons who were found to be eligible. This shortage required that qualified applications for financial assistance in the approximate amount of \$60,000 had to be denied.

All financial assistance is administered through this division of the agency for approval and control. This agency's branch offices at Duluth and Moorhead, and the County Veterans Service Offices initiate the applications for assistance.

Educational Assistance -- War Orphans and Veterans - Educational aid to war orphans and veterans is administered as prescribed by Statute. According to Statute, a war orphan is defined as a person who has lost a parent due to death in service or death as a direct result of a service-connected disability. Where such a qualification is met, persons who are residents of Minnesota and where the deceased parent entered the service from Minnesota, they may qualify for educational aid through this agency in the amount of \$250 per school year. This aid may be paid concurrently with any Federal educational benefits.

Should a war orphan select a Minnesota state school of college grade, he will be eligible for free tuition if certified by this agency (University of Minnesota not included).

In addition to the foregoing educational program, \$250 is available to veterans on a one-time basis who did have eligibility for Federal educational benefits and have served since December 7, 1941. This veteran must have entered service from Minnesota in order to assist him to complete his educational objective after his Federal (GI Bill) entitlement has been exhausted.

During the fiscal year 1 veteran and 108 war orphans have received this educational aid.

This educational assistance program has been in effect for many years, and in many cases it means the difference between whether or not schooling can be completed or the individual is compelled to forgo his educational program.

Grave Markers - During this fiscal year, this agency distributed approximately 2,600 "veterans" grave markers. Annually, the County Veterans Service Officers supply this agency with a list of veterans that have died during the past year and grave markers are then provided in accordance with their lists. During the past few years, the supply of grave markers has been inadequate due to the lack of funds.

Miscellaneous - Referrals are made for other forms of benefits through other agencies, State and Federal, and this would include loans, vocational rehabilitation, employment counselling and referrals, together with benefits which are available through the other states.

Also, we become involved to a degree in problem cases where the application of veterans preference insofar as an individual is concerned applies. This is, of course, restricted to public employment. (This Department does not have responsibility for enforcement of these laws but does have the responsibility to provide information.)

There are letters received daily concerning bonus payments, and the records in the custody of the Department provide a ready resource for service information which is furnished where it is beneficial to a veteran or a survivor. Although the bonuses for World War I, World War II and the Korean Conflict are officially over, the correspondence and contacts continue and will indefinitely.

Also, correspondence and records are built up for presentation to the next session of the State Legislature for late bonus payment claims.

CLAIMS DIVISION

Much of the agency's work concerns claims for Federal benefits representing an impressive number of veterans and dependents. This service is provided through our offices at the Federal Building, Veterans Administration Regional Office, Fort Snelling, and through our Moorhead branch office which is very close to the Veterans Administration Center at Fargo. In this way a similar service is available for the claimants in that area of the State (northwestern counties). Representation is given after written authorization to the Department allows "attorney-in-fact" status, or a limited power of attorney.

Our claims specialists endeavor to make a thorough review of the Veterans Administration file in order to prepare a presentation of evidence to submit to the Veterans Administration Rating Boards. Through the efforts of our employees, who specialize in this type of work, a large number of awards on behalf of the persons whom they represent are received. There was a net increase of 5,324 powers of attorney which totaled 141,135 as of June 30, 1970. Many personal appearances are made before the V.A. Rating Boards. Studies have produced clear and convincing evidence that our State offers the claimants representation which far exceeds the average in obtaining benefits. We take pride in the fact that proper representation is offered on these matters to people who qualify, but also that these claimants are made aware of their entitlement at the local level by the County Veterans Service Officers. This type of work is

carried on with a close liaison with the County Veterans Service Officers and our staff members since they must frequently initiate the claims, secure evidence, complete forms and bring the availability of the services of this agency to the people at the community level. At this point we would hasten to accord proper recognition to the efforts of the County Veterans Service Officers and others, as their cooperation is absolutely essential to the efficient operation of our agency in this area.

Largely due to the efforts of this Division, this agency and the County Veterans Service Offices, the Veterans Administration expends some \$180,000,000 annually in the State of Minnesota. The latest report this agency has is for the fiscal year of 1969 and is as follows:

Compensation and Pension	\$ 95,734,641.00
Readjustment & Vocational Rehabilitation	14,086,122.00
Insurance & Indemnities	15,355,610.00
Direct Loans	12,067,300.00
Construction & Related Costs	236,924.00
Hospital Operation Costs	<u>41,841,076.00</u>
TOTAL	\$179,321,673.00

FIELD SERVICE DIVISION

This Division is composed of the following activities:

Duluth Branch Office - This office has responsibility for providing all forms of service in the way of home and hospital calls to disabled war veterans, assistance cases by the Office Manager, with multiple responsibilities and duties. Normally, responsibility for calling on County Veterans Service Officers in the seven northeastern counties is a part of the Manager's duties as a functional supervisor.

Moorhead Branch Office - This office is maintained at Moorhead to assist veterans and their dependents who reside in the northwestern portion of Minnesota in obtaining hospitalization at the Fargo Veterans Administration Hospital and other Federal and State benefits. The Manager makes daily trips to the Fargo Veterans Administration Hospital and calls on hospitalized Minnesota veterans. He counsels veterans and files claims and provides service on veterans assistance cases. Also, he provides representation before the Veterans Administration Adjudication Board where this Department or the American Legion has been given authority to represent the claimant. He is assuming more and more responsibility for supervision of procedures of County Service Officers in the northwestern counties.

Institutional Work - This agency has the responsibility of providing assistance to veterans and their dependents where institutionalization exists at State facilities, and the personnel of the Field Service Division make periodic visits at State institutions. The purpose of these visits is to obtain benefits to which they may be entitled with emphasis on locating helpless institu-

tionalized children of veterans and filing of informal claims with the Veterans Administration for future protection should their veteran parent die or eligibility occur while they are still living. Excellent cooperation is received from State Hospitals and institutions in all instances.

Liaison Between Department of Veterans Affairs and County Veterans Service Officers - This agency has responsibility for supervision, training as to methods of operation, and procedures of County Veterans Service Officers. The personnel of the Field Service Division represent the Commissioner in carrying out the responsibility of providing functional procedural supervision of County Service Officers.

Also included in this Division is the Hospital Contact Representative who calls at the Minneapolis Veterans Administration Hospital daily to assist with financial assistance problems brought about because of the fact that the veteran is under care and unable to work.

This Division is also called upon to act as liaison for the agency with veterans' organizations and other Federal, State and county governmental agencies.

Should special on-site contact or investigations relating to guardianships, veterans' benefits, or for any other reasons be required, this Division will schedule such contacts or investigations into its normal travel schedule.

ADMINISTRATIVE SERVICES DIVISION

This Division performs operations for the entire Department and is responsible for processing all fiscal documents covering disbursement for financial assistance, as well as personnel leave records, payroll and other related activities. They audit and exert control over all Department expenditures. In addition, they prepare the extremely important biennial budget and semi-annual budgets from information derived through meetings with the Department head and supervisors. They also assemble statistical data in connection with financial planning and distribute financial reports concerning assistance grants made to various counties, primarily to County Veterans Service Officers and other agencies.

Supervision of the Guardianship section is provided by the Administrative Services Division, and they are responsible for the accounting and disbursement of funds from each individual guardianship account. Personnel in accounting are cross-trained to permit an efficient work flow and no delay in payment of billings.

During the past fiscal year we have worked closely with the Civil Service Department and have had a number of job classifications reallocated to meet the responsibilities of the work performed. Many of these were in the area of clerk typists and clerk stenographers and have already been effected. The other positions will be reallocated during the second half of the fiscal year when funds are available. It is felt that these changes will result in increased efficiency and improved morale among agency personnel.

In addition, the Budget Division has assisted the agency in establishing a long-range equipment modernization program. Many of our machines such as typewriters and adding machines were 20 years old and are being replaced gradually with up-to-date equipment. This will assist greatly in speeding work flow and increased efficiency. It is hoped that we will be able to continue to replace obsolete equipment and furnishings during the coming biennium.

GUARDIANSHIP

Minnesota laws provide that where no other suitable person can be found, the Commissioner of Veterans Affairs will act as guardian for a minor or incompetent person receiving monies from the United States Government. During each fiscal year a number of new cases come to the jurisdiction of this agency and a number of other cases are closed. Part of the case load would be on behalf of children who have not attained their majority.

During the past fiscal year there were 200 guardianship cases covering approximately 211 persons. A large number of these cases present problems as attested to by the fact that they were turned over to this agency in the first place, since no other suitable guardian could be found to cope with the chronic problems of the wards.

The Commissioner can serve only as guardian of the estate -- not as guardian of the person. This means we are responsible for the financial interests of our wards. However, control of the purse strings, in most instances, dictates where and how the ward will live, where he will go and what he can do. Therefore, in most cases a personal guardian is not needed.

A concerted effort is made to provide more than perfunctory service for incompetent persons for control of their budgets, property management, investment of excess funds plus commitment proceedings or restoration-to-capacity proceedings. The Division becomes involved in a variety of court activities and a host of other actions plus a limited amount of visitations. The wards living in the metropolitan Twin Cities area are visited periodically by a member of the local staff, and the Field Service Division is utilized to call on wards living in other areas of the State. These visits are made in the course of routine trips, so additional expenses are not involved. The entire staff has been extremely conscientious, and the Department has received praise for carrying this matter on as successfully as possible with a minimal administrative cost.

REST CAMP

The Big Marine Rest Camp in Washington County received an appropriation of \$10,000 from the 1969 Session of the Minnesota State Legislature. These funds could be used only for capital improvements and repairs and not for operation.

During the first fiscal year a total of \$7,653.07 was expended for repair of the cottages, purchase of a new dishwasher, new compressors for the walk-in cooler, well repairs and plumbing and electrical work. The balance of \$2,346.93 may be carried over and used during the second year if necessary.

A great effort has been made to place Big Marine Rest Camp on a pay-as-you-go basis and make it self-sustaining. The Board of Governors has done an excellent job this first year in attempting to attain this goal, and hopefully, the camp will be self-supporting within a year or two.

The Camp does not provide luxurious surroundings, but it is kept neat and clean and the food is wholesome. Its only purpose is to assist the eligible Minnesota veteran and family to get into a restful atmosphere for a short period of time and at a minimum cost per individual. These are all underprivileged families who otherwise would not be in a position to enjoy a vacation.

WAR VETERANS FINANCIAL ASSISTANCE

As of June 30, 1970

<u>COUNTY</u>	<u>AMOUNT</u>	<u>COUNTY</u>	<u>AMOUNT</u>
Aitkin	8,233.27	Meeker	7,185.67
Anoka	29,842.88	Mille Lacs	10,308.59
Becker	7,330.92	Morrison	3,949.43
Beltrami	8,020.10	Mower	14,773.17
Benton	8,010.70	Murray	4,388.61
Big Stone	2,472.98	Nicollet	3,835.86
Blue Earth	5,360.07	Nobles	7,362.29
Brown	2,990.31	Norman	2,567.24
Carlton	4,168.42	Olmsted	6,655.43
Carver	1,449.12	Ottertall	5,478.17
Cass	19,985.74	Pennington	2,165.30
Chippewa	1,831.87	Pine	2,700.80
Chisago	2,404.41	Pipestone	1,633.61
Clay	2,501.30	Polk	1,954.84
Clearwater	7,979.47	Pope	920.36
Cook	3,709.12	Red Lake	-
Cottonwood	3,916.74	Redwood	3,186.52
Crow Wing	7,962.02	Renville	4,948.76
Dakota	13,864.43	Rice	2,804.55
Dodge	4,318.05	Rock	2,249.52
Douglas	6,221.76	Roseau	613.79
Faribault	1,432.20	Scott	4,019.56
Fillmore	5,583.03	Sherburne	1,035.48
Freeborn	9,436.80	Sibley	975.79
Goodhue	4,654.07	Stearns	16,363.67
Grant	159.75	Steele	3,911.17
Houston	757.72	Stevens	132.30
Hubbard	6,326.11	Swift	6,881.13
Isanti	1,619.72	Todd	10,214.12
Itasca	7,744.98	Traverse	-
Jackson	2,700.60	Wabasha	3,096.41
Kanabec	6,159.23	Wadena	2,986.71
Kandiyohi	3,186.50	Waseca	2,778.93
Kittson	3,477.67	Washington	13,348.59
Koochiching	13,973.52	Watsonwan	4,085.80
Lac Qui Parle	620.43	Wilkin	1,181.67
Lake	2,991.74	Winona	11,200.06
Lake of the Woods	-	Wright	6,522.66
LeSueur	3,122.69	Yellow Medicine	991.41
Lincoln	-	St. Louis	49,141.39
Lyon	3,069.00	Ramsey	66,525.82
Mahnomen	922.80	Hennepin	142,325.27
Marshall	1,303.86		
Martin	2,703.20		
McLeod	5,041.53	TOTAL	676,961.28 *

* Since June 30th, an additional \$23,038.72 has been disbursed for delayed billings covering obligations incurred during the year for a fiscal year total of \$700,000.00.

SUMMARY OF APPROPRIATIONS AND EXPENDITURES

FOR THE FISCAL YEAR JULY 1, 1969 THROUGH JUNE 30, 1970

<u>General Revenue Fund</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Unexpended Balance</u>
Extra Session Laws 1969 Chapter 1139, Sec. 46			
Approved Complement - 41.5			
Salaries			
FICA, MSRS & Insurance	\$310,664.00	\$302,765.23	\$ 7,898.77
Supplies and Expenses	19,200.00		
Rents, Repairs, Insurance, Etc.		468.75	
Communication and Travel		13,444.39	
Materials and Supplies		2,130.09	
Equipment Purchases		2,780.25	376.52
Big Island Rest Camp	None		
Marine on St. Croix Rest Camp	10,000.00	7,653.07	2,346.93 *
War Veterans & War Orphans			
Educational Aid	35,000.00	23,550.81	11,449.19 *
War Veterans Relief	700,000.00	700,000.00	None
Headstones, Markers & Sockets for Soldiers and Sailors Graves	<u>5,000.00</u>	<u>4,998.47</u>	<u>1.53</u>
GRAND TOTALS - All Funds	\$1,079,864.00	\$1,057,791.06	\$22,072.94

* Balance will carry forward to second year of biennial. Other unexpended balances to be cancelled to general revenue fund.

CONCLUSION

Division Supervisors have encouraged the Commissioner to include in the Biennial Budget for fiscal years 1972 and 1973 a request for a complement increase of two persons.

The Commissioner feels that additional training programs for present employees, streamlining of work flow and modernization of office equipment will accomplish the same goal, barring unforeseen developments.

On this premise, the new budget has been prepared and submitted, including the following key programs:

- 1) Increase of funds to replace antiquated office equipment.
- 2) Increase in travel expenses which will allow the Field Service Division to better train and assist County Service Office personnel. The resultant increase in efficiency of these personnel will reduce the work load for the personnel of this agency.
- 3) Utilization of Civil Service Department training programs will improve the proficiency of personnel at this agency.
- 4) An agency program of cross training personnel will allow an efficient shift of personnel to solve problems created by normal sick leave and annual leave absences of agency personnel.

These adjustments are contemplated to allow a normal increase in work load without an increase in personnel and at a lesser cost to the agency.

An increase in the Financial Assistance program is needed to adjust for cost-of-living increases, and to allow for our increased veteran population--namely, the Vietnam veteran. Also included in this program is an increase of the maximum allowed medical assistance of \$350 to \$500. This increase also relates directly to cost-of-living increases.

The agency feels that its requested funds for the next biennium are "bare bone" minimums and reasonable requests. It is further felt that these minimum requests are defensible and therefore salable to the 1971 Legislature.

This agency also publishes a monthly bulletin as an information service to cover changes in Federal and State law which affect the clientele. This is distributed to County Veterans Service Officers, Welfare Agencies, together with related organizations, and to similar offices in other states. We receive this information from the American Legion Minnesota Legionnaire, the Veterans of Foreign Wars Gopher Oversea'r, U. S. Veterans Administration, other states of the Union and Minnesota State Agencies.

As Commissioner I would assure any reader of this report that this is a dedicated agency composed of highly dedicated personnel that have a sincere interest in the veterans they serve and that they have a healthy respect for the taxpayers' dollar.