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STATE OF MINNESOTA

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DEPARTMENT OF VETERANS AFFAIRS

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ANNUAL REPORT 1974 - 1975

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ST. PAUL, MINNESOTA

MINNESOTA DEPARTMENT OF VETERANS AFFAIRS

GOVERNOR

HONORABLE WENDELL R. ANDERSON

COMMISSIONER

RUSSELL R. GREEN

ADMINISTRATION

JOSEPH T. HARTEL
PHILLIP D. NYGREN
RAYMOND D. SCHULTZ
RONALD J. LAVELL
PAUL M. KRENIK, JR.

SUPERVISOR
SUPERVISOR
SUPERVISOR
SUPERVISOR
ADMINISTRATOR

VETERANS BENEFITS DIVISION
VETERANS CLAIMS DIVISION
FIELD SERVICE DIVISION
ADMINISTRATIVE SER. DIVISION
VIETNAM BONUS DIVISION

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STATE OF MINNESOTA
DEPARTMENT OF VETERANS AFFAIRS
VETERANS SERVICE BUILDING
SAINT PAUL, MINN. 55155


The Honorable Wendell R. Anderson
Governor, State of Minnesota
130 State Capitol
St. Paul, MN 55155

Dear Governor Anderson:

In compliance with the Minnesota statutes which require that this agency submit an annual report covering its operations, we submit herewith our report for the fiscal year, commencing July 1, 1974 through June 30, 1975.

We have made an effort to present our report in narrative form, avoiding lengthy detail. In this respect, we hope that the reader will be given an accurate summary of the Department's activities and accomplishments.

Respectfully submitted,


RUSSELL R. GREEN
Commissioner

RRG:JTH:v

Enclosure

FORWARD

SINCE THE DAYS OF THE COLONIST IN AMERICA, LAWS HAVE BEEN PASSED TO PROVIDE FOR THE RETURNING SOLDIERS. IN 1624 A LAW WAS PASSED IN VIRGINIA WHICH READS, "THOSE THAT SHALL BE HURTE UPON SERVICE TO BE CURED AT PUBLIQUE CHARGE." THE PILGRIMS IN THE PLYMOUTH COLONY ALSO PASSED A LAW READING, "IF ANY MAN SHALL BE SENT FOURTH A SOULDIER AND SHALL RETURN MAIMED, HE SHALL BE MAINTAINED COMPETENTLY BY THE COLONY DURING HIS LIFE." THE CONGRESS OF THE UNITED STATES IN A RESOLUTION DATED AUGUST 26, 1776 PROMISED A PENSION TO SOLDIERS AND SAILORS WHO MIGHT BE DISABLED IN THE REVOLUTIONARY WAR. LATER THE CONGRESS CARRIED OUT THOSE PROMISES WITH PENSIONS, LAND GRANTS, AND OTHER BOUNTIES.

MINNESOTA WAS ADMITTED TO THE UNION IN 1858. IN THE YEAR 1868, MINNESOTA COMMENCED SERVICE FOR CITIZENS WHO FOUGHT IN WARS TO SECURE PENSION AND OTHER BENEFITS FROM THE FEDERAL GOVERNMENT. AFTER EACH SUCCEEDING WAR ACTIVITIES BY THE STATE OF MINNESOTA ON BEHALF OF VETERANS HAVE INCREASED. THE DEPARTMENT OF VETERANS AFFAIRS WAS CREATED IN 1943 BY THE STATE LEGISLATURE TO CONSOLIDATE ALL VETERANS' AGENCIES INTO ONE DEPARTMENT. THE ACTIVITIES OF THIS DEPARTMENT HAVE SUBSTANTIALLY INCREASED AFTER WORLD WAR II, THE KOREAN CONFLICT, AND NOW THE VIETNAM CONFLICT. THE VETERANS ADMINISTRATION ESTIMATES THAT MINNESOTA HAS APPROXIMATELY 548,000 VETERANS AT THE PRESENT TIME.

A MORE COMPLETE CONSOLIDATION OF VETERANS' ACTIVITIES INTO ONE DEPARTMENT WAS ACHIEVED WITH THE TRANSFER OF THE MINNESOTA VETERANS HOME INTO THE DEPARTMENT OF VETERANS AFFAIRS BY THE 1975 STATE LEGISLATURE, THE ABOLISHMENT OF THE VETERANS HOME BOARD AND THE CREATION OF A VETERANS ADVISORY COMMITTEE TO THE COMMISSIONER OF VETERANS AFFAIRS.

VETERANS BENEFITS DIVISION

FINANCIAL ASSISTANCE - TEMPORARY FINANCIAL ASSISTANCE ADMINISTERED BY THE DEPARTMENT OF VETERANS AFFAIRS FOR THE BENEFIT OF NEEDY, DISABLED VETERANS AND THEIR DEPENDENTS, IS FUNDED BY LEGISLATIVE APPROPRIATIONS FROM THE GENERAL FUND AND NOT BY DIRECT TAXATION CHARGEABLE TO VETERANS. ADMINISTRATIVE COSTS OF THE DEPARTMENT ARE AN ENTIRELY SEPARATE APPROPRIATION AND ARE NOT DEDUCTED FROM THE FUNDS PROVIDED FOR THE VARIOUS VETERANS BENEFIT PROGRAMS.

AID PROVIDED BY THE DEPARTMENT COMPARES FAVORABLY WITH GENERAL ASSISTANCE PRACTICES AND IS ON A UNIFORM BASIS REGARDLESS OF WHERE IN THE STATE THE CLIENT LIVES. WHENEVER POSSIBLE, CASH GRANTS ARE ISSUED AS EVERY EFFORT IS PLACED ON MINIMIZING ANY STIGMA WHICH COULD EXIST FOR VETERANS AND THEIR FAMILIES WHO APPLY FOR ASSISTANCE. MOST OF OUR CASES ARE FOR PERIODS OF 30, 60, OR 90 DAYS AND EVERY EFFORT IS EXTENDED BY THE DEPARTMENT TO SECURE VETERANS ADMINISTRATION BENEFITS OR OTHER FEDERALLY SUPPORTED FUNDING IN LONG TERM CASES.

SPECIAL CARE GOES INTO THE PROCESSING OF INDIVIDUAL AID CASES TO PROVIDE ADEQUATE MAINTENANCE FOR PERSONS IN NEED. WE ASSIST WITH HEALTH CARE, MEDICAL, HOSPITAL, OPTICAL, DENTAL, AND RELATED CARE IN CASES WHEREIN THE VETERAN'S DISABILITY OR DEATH IS NOT NECESSARILY AN ELIGIBILITY FACTOR.

DURING THE PAST YEAR A TOTAL OF 3,521 CASES WERE PROCESSED INVOLVING 10,005 PERSONS. THIS BREAKS DOWN TO A MONTHLY AVERAGE OF 293 CASES AND 838 PERSONS. A BREAKDOWN OF EXPENDITURES BY PERCENTAGES FOLLOWS.

FOOD	32.7	MEDICAL	23.5
SHELTER	33.7	PERSONAL NEEDS	6.2
CLOTHING	.2	MISCELLANEOUS	3.7

WAR VETERANS RELIEF - FISCAL YEAR 1974-75

APPROPRIATION	\$ 960,000.00
CARRY-OVER FROM PRIOR FISCAL YEAR	<u>50,000.00</u>
TOTAL FUNDS AVAILABLE	<u>\$1,010,000.00</u>
 TOTAL EXPENDITURES THROUGH 6-30-75	 \$ 842,263.75
ESTIMATED TO BE PAID ON PRIOR YEAR BILLS AFTER 6-30-75	<u>50,000.00</u>
 TOTAL ESTIMATED EXPENDITURES FOR FISCAL YEAR ENDING 6-30-75	 \$ 892,263.75
ESTIMATED FUNDS TO BE CANCELLED	<u>\$ 117,736.25</u>

GRAVE MARKERS - DURING THIS FISCAL YEAR, THE DEPARTMENT SPENT \$5,000 FOR 1,333 BRONZE GRAVE MARKERS AND RODS. THESE MARKERS ARE PURCHASED ON A BID BASIS THROUGH THE STATE PURCHASING DIVISION. EACH YEAR THE PRICE HAS INCREASED. AN ADDITIONAL \$1,000 HAS BEEN APPROPRIATED FOR EACH YEAR OF THE NEXT BIENNIUM TO PURCHASE ADDITIONAL MARKERS.

PRIOR TO MEMORIAL DAY THE COUNTY VETERANS SERVICE OFFICER FURNISHES THE DEPARTMENT WITH A LIST OF VETERANS WHO HAVE DIED DURING THE PAST YEAR. THE MARKERS ARE DISTRIBUTED ON A "FIRST COME, FIRST SERVE" BASIS FOR VETERANS INTERRED IN PRIVATE CEMETERIES ONLY.

EDUCATIONAL ASSISTANCE -- WAR ORPHANS AND VETERANS - WAR ORPHANS ARE CLASSIFIED AS CHILDREN WHO HAVE LOST THEIR PARENT DUE TO DEATH IN SERVICE OR DEATH FOLLOWING SERVICE FROM SERVICE INCURRED DISABILITIES. THE DECEASED PARENT MUST HAVE BEEN A RESIDENT OF, AND ENTERED SERVICE FROM MINNESOTA; AND THE CHILD MUST HAVE RESIDED WITHIN THE BORDERS OF THE STATE FOR TWO YEARS PRIOR TO COMMENCING HIS OR HER EDUCATIONAL PROGRAM. THE DEPARTMENT MAY PROVIDE UP TO \$250 PER YEAR TO QUALIFIED WAR ORPHANS WHO ARE ATTENDING INSTITUTIONS OF HIGHER LEARNING OR TRADE SCHOOLS BEYOND HIGH SCHOOL. IN ADDITION, WAR ORPHANS WHO ARE ELIGIBLE FOR EDUCATIONAL BENEFITS SHALL BE ADMITTED TO INSTITUTIONS OF COLLEGE GRADE FREE OF TUITION. (THIS DOES NOT INCLUDE THE UNIVERSITY OF MINNESOTA, ITS BRANCHES OR PRIVATE SCHOOLS.)

EDUCATIONAL ASSISTANCE FOR VETERANS -- HONORABLY DISCHARGED VETERANS WHO HAVE EXHAUSTED THEIR G.I. BILL EDUCATION BENEFITS, WERE RESIDENTS OF, AND ENTERED SERVICE FROM MINNESOTA, MAY BE ELIGIBLE FOR EDUCATIONAL ASSISTANCE NOT TO EXCEED \$250 FOR PAYMENT OF TUITION WHILE ATTENDING MINNESOTA SCHOOLS OF HIGHER LEARNING

WAR ORPHANS & WAR VETERANS EDUCATION AID - FISCAL YEAR 1974-75

APPROPRIATION	\$45,000.00
CARRY OVER FROM PRIOR FISCAL YEAR	<u>411.20</u>
TOTAL FUNDS AVAILABLE	45,411.20
EXPENDED	<u>43,586.12</u>
BALANCE AVAILABLE FOR PRIOR YEAR BILLS	\$ 1,825.08

CLAIMS DIVISION

WHILE THE MAIN THRUST OF THIS OPERATION IS IN THE AREA OF REPRESENTING VETERANS AND THEIR DEPENDENTS IN EFFORTS TO OBTAIN FEDERAL BENEFITS IN THE FORM OF PENSIONS AND COMPENSATION GRANTS, IT IS INEVITABLE THAT THE DIVISION BECOMES DEEPLY INVOLVED IN EDUCATIONAL AWARDS PROCESSING, TROUBLE SHOOTING ON VARIOUS MIX-UPS DUE TO ADDRESS CHANGES, PLUS A GREAT DEAL OF COUNSELLING TO SERVICE OFFICERS AND CLIENTELE COVERING THE MANY LAW CHANGES WHICH AFFECTED PERSONS DURING THE FISCAL YEAR JUST CLOSED.

IT IS NOTEWORTHY THAT WE GAINED 2,047 POWERS OF ATTORNEY, WHICH ARE AUTHORIZATIONS TO REPRESENT VETERANS OR DEPENDENTS, TO BRING THE TOTAL TO 141,439.

THE FORT SNELLING OFFICE RECEIVED 16,787 LETTERS, PLUS VETERANS ADMINISTRATION MACHINE COPIES, TOTALLING 59,043. THE TALLY SHOWS 908 PERSONAL INTERVIEWS AND 421 SERVICE OFFICER VISITS. DURING THE COURSE OF A MONTH THE CLAIMS REPRESENTATIVES AND THE SUPERVISOR AVERAGED BETWEEN FIVE AND SIX HUNDRED CASES CLEARED IN THE VETERANS ADMINISTRATION ADJUDICATION DIVISION. (THIS REFERS TO CASES WHICH WERE CHECKED AND READ IN THE ADJUDICATION OFFICE SECTION ON A DAILY BASIS. IN MANY INSTANCES, THE CASES ARE BROUGHT BACK INTO THE RATING BOARD FOR DISCUSSION, EXPLANATION AND, VERY FREQUENTLY, SUCCESSFUL REVISIONS.)

THIS DOES NOT INCLUDE THE NUMBER OF PERSONAL APPEARANCES FOR WHICH ARRANGEMENTS ARE MADE IN ADVANCE WITH THE RATING BOARDS, AT WHICH TIME THE CLAIMS REPRESENTATIVE ACTS AS ATTORNEY-IN-FACT AND ADVOCATE ON BEHALF OF THE CLAIMANT WHO IS PROSECUTING HIS CLAIM. THERE ARE A SIGNIFICANT NUMBER OF SUCH APPEARANCES

EACH YEAR, AND THEY ARE TIME CONSUMING, AS ALL TESTIMONY IS RECORDED AND THE HEARING IS CONDUCTED IN A FORMAL ATMOSPHERE.

THE CLAIMS DIVISION MAINTAINS CAREFUL RECORDS CONCERNING THE NUMBER OF FILES WHICH ARE PLACED ON DIARY, VETERANS ADMINISTRATION FOLDERS WHICH ARE REVIEWED AND CORRESPONDENCE FILES PULLED FOR USE BY THE REPRESENTATIVES.

AT THE CLOSE OF THE FISCAL YEAR TWO LONG-TIME EMPLOYEES RETIRED. PROBLEMS WERE ENCOUNTERED WHEN THERE WERE SOME CLERICAL VACANCIES WHICH OCCURRED AND WHICH COULD NOT BE FILLED AS QUICKLY AS POSSIBLE. THIS CREATED SOME NECESSARY ADJUSTMENTS THAT PREVENTED OPERATION AT FULL CAPACITY. ALSO, A NEW CLAIMS REPRESENTATIVE WAS ADDED, AND THIS CAUSED SOME INTERNAL CHANGES, TOGETHER WITH TIME WHICH HAD TO BE SPENT ON FAMILIARIZATION.

SUMMARIZING THE ACTIVITIES, IT CAN BE SAID THAT THE DIVISION ACHIEVED ITS GOALS IN OFFERING THE VERY BEST REPRESENTATION POSSIBLE.

THE COOPERATION WE HAVE RECEIVED FROM THE VETERANS ADMINISTRATION OFFICIALS AND OTHER AGENCIES HAS BEEN WONDERFUL, AND IT IS TO BE ALWAYS CONSIDERED THAT WE ARE SOMETIMES IN THE POSITION OF "ADVERSARY," AS WE ARE ATTEMPTING TO SECURE THE MOST FAVORABLE CONSIDERATION POSSIBLE ON BEHALF OF OUR CLIENTS, AND THE REPRESENTATIVES ARE INDIVIDUALLY IMBUED WITH A SPIRIT OF MAKING THE BEST POSSIBLE PRESENTATION ON BEHALF OF EACH CLAIMANT SO THAT IT WILL BE TO THE ADVANTAGE OF THE VETERAN AND HIS DEPENDENT TO SELECT THIS OFFICE TO REPRESENT THEM!

FIELD SERVICES DIVISION

THE FIELD SERVICES DIVISION HAS RESPONSIBILITY FOR SUPERVISION OF THE MOORHEAD AND DULUTH BRANCH OFFICES; EDUCATION, TRAINING AND TECHNICAL SUPERVISION OF COUNTY VETERANS SERVICE OFFICERS; VISITATION AT STATE MENTAL HOSPITALS AND PENAL INSTITUTIONS.

DURING THE YEAR 1974-75, DUE TO REALIGNMENTS WITHIN THE DEPARTMENT, WE WERE ABLE TO RE-ESTABLISH A FAIRLY REGULAR VISITATION OF THE COUNTY VETERANS SERVICE OFFICES FOR THE PURPOSES OUTLINED ABOVE. MUCH OF OUR EFFORT DURING THIS TIME HAS BEEN DIRECTED TOWARD ESTABLISHING A UNIFORM PROCEDURE FOR REPORTING THE ACTIVITY OF THE APPROXIMATELY 90 OFFICES THROUGHOUT THE STATE. WE HAVE ALSO BEEN IN FREQUENT CONTACT WITH THE REIMBURSEMENT OFFICERS AT THE STATE MENTAL HOSPITALS FOR THE PURPOSE OF IDENTIFYING VETERANS AND VETERAN RELATED PATIENTS.

WE SERVE THE PENAL INSTITUTIONS ON AN ON-CALL BASIS.

THE MOORHEAD BRANCH OFFICE SERVES THE VETERANS IN NORTH-WESTERN MINNESOTA IN THE AREAS OF CLAIMS FOR FEDERAL BENEFITS AND DEPARTMENT OF VETERANS AFFAIRS ASSISTANCE, MEDICAL AND EDUCATIONAL BENEFITS.

THE DULUTH BRANCH OFFICE SERVES PRIMARILY VETERANS IN THE DULUTH AREA FOR DEPARTMENT OF VETERANS AFFAIRS ASSISTANCE, AND INITIAL PROCESSING OF CLAIMS FOR FEDERAL BENEFITS.

THE DIVISION IS INVOLVED IN ARRANGING ANNUAL AREA MEETINGS AND THE ANNUAL STATE-WIDE COUNTY SERVICE OFFICER CONFERENCE. IN ADDITION, THE DIVISION MAINTAINS LIAISON WITH THE VETERANS' ORGANIZATIONS AND FEDERAL AND STATE AGENCIES INVOLVED IN VETERANS AFFAIRS.

ADMINISTRATIVE SERVICES DIVISION

THIS DIVISION IS PRIMARILY RESPONSIBLE FOR THE FOLLOWING FUNCTIONS: BUDGET PREPARATION, ACTIVITY ANALYSIS, FISCAL CONTROL OF EXPENDITURES, PERSONNEL RESPONSIBILITIES, PAYROLL, MAIL AND RELATED SERVICES, AND PREPARATION OF STATISTICAL INFORMATION.

COMMUNICATION AND COOPERATION IS MAINTAINED WITH THE DEPARTMENT OF ADMINISTRATION, FINANCE, AND PERSONNEL TO ENSURE THAT THE PROPER GUIDELINES ARE FOLLOWED IN THE ABOVE MENTIONED AREAS. CLOSE COLLABORATION WITH THE DEPARTMENT HEAD AND DIVISIONAL SUPERVISORS ENSURES SUPPORT FOR THE ACCOMPLISHMENT OF DEPARTMENTAL OBJECTIVES.

SUPERVISION OF THE GUARDIANSHIP SECTION, WHICH HAS APPROXIMATELY 160 CASES, IS MAINTAINED BY THIS DIVISION. THE COMMISSIONER OF VETERANS AFFAIRS HAS BEEN APPOINTED BY THE VARIOUS PROBATE COURTS AROUND THE STATE TO ACT AS FISCAL GUARDIAN OF AN INDIVIDUAL'S ESTATE AND IS RESPONSIBLE TO THE COURT FOR ALL EXPENDITURES.

GUARDIANSHIP

THE COMMISSIONER OF VETERANS AFFAIRS (BY LAW) WILL ACT AS FISCAL GUARDIAN FOR A MINOR OR INCOMPETENT PERSON RECEIVING MONEY FROM THE FEDERAL GOVERNMENT, WHEN NO OTHER SUITABLE GUARDIAN IS AVAILABLE. AT THE PRESENT TIME, THERE ARE APPROXIMATELY 160 GUARDIANSHIP CASES INVOLVING INCOMPETENT VETERANS WITH LIMITED INCOME AND WITH SEVERE MENTAL AND PHYSICAL PROBLEMS. INCLUDED IN THIS TOTAL ARE A LIMITED NUMBER OF MINORS FOR WHICH WE ACT AS CONSERVATORS OF THEIR FUNDS.

AS GUARDIAN, OUR PRIME OBJECTIVE IS TO PROVIDE THE BEST POSSIBLE MANAGEMENT OF FUNDS TO ENSURE THAT THE BASIC NECESSITIES OF LIFE--FOOD, SHELTER AND MEDICAL TREATMENT ARE PROVIDED, EVEN THOUGH THE INDIVIDUAL'S INCOME IS SEVERELY LIMITED. WE ALSO APPLY FOR ALL BENEFITS FOR WHICH THE INDIVIDUAL IS ENTITLED; SUCH AS SOCIAL SECURITY, VETERANS ADMINISTRATION BENEFITS, MEDICAL ASSISTANCE, ETC. IN MOST CASES, ALL FUNDS RECEIVED ARE USED FOR THE CARE AND ALLOWANCE OF THE INDIVIDUAL. WHERE SURPLUS FUNDS ARE ACCUMULATED, THEY ARE INVESTED TO MEET FUTURE CONTINGENCIES OR ARE MADE AVAILABLE TO THE INDIVIDUAL WHEN RESTORED TO CAPACITY.

STAFF MEMBERS ARE OCCASIONALLY INVOLVED IN COURT ACTIVITIES, AND PERSONAL VISITS ARE MADE PERIODICALLY TO WARDS LIVING IN THE TWIN CITIES AREA. OUR FIELD SERVICES, ALONG WITH THE COUNTY VETERANS SERVICE OFFICERS IN EACH COUNTY, MAINTAIN CONTACT WITH INDIVIDUALS LOCATED OUT-STATE. THIS ENTIRE ACTIVITY IS PERFORMED WITH A MINIMUM OF ADMINISTRATIVE COST AND, WE BELIEVE, VERY SUCCESSFULLY.

VETERANS' PREFERENCE ENFORCEMENT

A VETERANS' PREFERENCE HEARING OFFICER WAS APPOINTED IN FEBRUARY, 1975. SEVEN EXISTING CASES WERE REFERRED TO HIM AT THAT TIME. THROUGH JUNE, 1975, THIRTEEN MORE CASES WERE RECEIVED BY THE HEARING OFFICER.

SEVEN OF THE CASES REMAIN OPEN AT THIS TIME AND FIVE WERE DISMISSED BECAUSE THERE WAS NO CLAIM STATED. DECISIONS IN FAVOR OF THE VETERAN HAVE BEEN RENDERED IN FOUR CASES, AND AGAINST THE VETERAN IN FOUR CASES. GENERALLY, IN THOSE CASES WHERE THE DECISION WAS AGAINST THE VETERAN, IT WAS BECAUSE THE PETITIONERS FELT THAT THE LAW PROVIDED MORE VETERANS' PREFERENCE THAN IT ACTUALLY DID, OR BECAUSE THE POSITION IN QUESTION WAS EXEMPT FROM VETERANS' PREFERENCE LAW.

ONE CASE (IN WHICH THERE WAS A DECISION IN FAVOR OF THE VETERAN) HAS BEEN APPEALED TO DISTRICT COURT AND IS PENDING AT THIS TIME.

IN APRIL OF 1975, THE VETERANS' PREFERENCE LAW WAS AMENDED TO REMOVE THE ABSOLUTE PREFERENCE PROVIDED TO VETERANS IN LOCAL UNITS OF GOVERNMENT. IT WAS REPLACED BY THE POINT SYSTEM WHICH HAD PREVIOUSLY BEEN USED IN STATE CIVIL SERVICE. PREFERENCE ON PROMOTION WAS ELIMINATED EXCEPT IN VERY RARE INSTANCES. THIS AMENDMENT, PLUS THE PUBLICITY GIVEN TO THE FIRST DECISION ISSUED BY THIS DEPARTMENT, HAS REDUCED THE NUMBER OF VETERANS' PREFERENCE COMPLAINTS RECEIVED BY THE DEPARTMENT. WE WOULD EXPECT THIS TREND TO CONTINUE IN THE FUTURE.

VIETNAM BONUS DIVISION PROGRESS REPORT

JULY 1, 1974 TO JUNE 30, 1975

ON JUNE 15, 1974, MR. JOSEPH T. HARTEL WAS APPOINTED TO THE POSITION OF ADMINISTRATOR, REPLACING MR. GEORGE W. WINTER WHO WAS TRANSFERRED TO THE DEPARTMENT OF ADMINISTRATION. DURING THE YEAR, THE BONUS STAFF WAS STEADILY REDUCED; ON JULY 1, 1974 THERE WERE 23 EMPLOYEES; SEPTEMBER 30, 11; DECEMBER 31, 10; MARCH 31, 1975, 8; AND ON JUNE 30, 6 EMPLOYEES REMAIN, INCLUDING THE APPEALS BOARD.

TWO CHANGES IN THE BONUS LAW WERE ENACTED BY THE 1975 LEGISLATURE:

- 1) PERMISSION FOR THE COMMISSIONER TO PAY THE PRIMARY NEXT OF KIN OF THOSE VETERANS STILL MISSING IN ACTION.
- 2) ALLOWING A SPLIT OF THE BONUS BY THE APPEALS BOARD IN THE CASE OF DIVORCED PARENTS.

IN FEBRUARY, THE 1975 MINNESOTA LEGISLATURE APPROPRIATED AN ADDITIONAL \$5 MILLION SO THAT THE BONUS PROGRAM COULD BE COMPLETED. THE \$65 MILLION RECEIVED HAS BEEN USED AS FOLLOWS:

	ACTUAL FY 1974	ACTUAL FY 1975	ESTIMATE FY 1976/77
BONUS PAYMENTS	\$57,463,918.33	\$3,778,185.00	\$2,600,000.00
ADMIN. COSTS	<u>679,896.26</u>	<u>219,369.12</u>	<u>258,631.29</u>
	\$58,143,814.59	\$3,997,554.12	\$2,858,631.29
			<u>\$65,000,000.00</u>

DURING THIS PERIOD, 5,948, OR AN AVERAGE OF 496 NEW APPLICATIONS PER MONTH HAVE BEEN RECEIVED. WE ARE CURRENTLY RECEIVING ABOUT 60 NEW APPLICATIONS WEEKLY. THERE HAVE BEEN 10,651 BONUS PAYMENTS MADE DURING FY 75, FOR A TOTAL OF 144,951 NOW PAID. WE EXPECT TO

PAY APPROXIMATELY 6,000 ADDITIONAL CLAIMS BY JUNE 30, 1977.

THERE HAVE BEEN 5,555 DENIED CLAIMS; OF THESE, 807 HAVE APPEALED THEIR DENIAL. THE APPEAL BOARD HAS ACTED ON 758 APPEALS. THEY HAVE REVERSED THE DENIAL ON 271 AND UPHELD THE DENIAL ON 487. THERE ARE STILL 49 APPEALS PENDING.

IN AUGUST, 1974 THE DIVISION STARTED A COMPLETE AUDIT OF ALL THE PAID APPLICATIONS ON FILE FOR ERROR AND MISFILES. WE HAVE NOW COMPLETED UP THROUGH THE LETTER "M". WITH SLIGHTLY OVER HALF COMPLETED, A TOTAL OF 1,565 MISFILES AND 890 ERRORS WERE FOUND. ERRORS CONSISTED OF NAME, SOCIAL SECURITY NUMBER OR SERIAL NUMBERS THAT WERE ENTERED INCORRECTLY ON THE COMPUTER. NO ERRORS IN AMOUNTS PAID FOR BONUSES WERE FOUND.

AN OVERALL COMPLETE REPORT WILL BE PREPARED AT THE COMPLETION OF THE BONUS PROGRAM.

STATE OF MINNESOTA
WAR VETERANS RELIEF EXPENDITURES
For Year Ending June 30, 1975

<u>COUNTY</u>	<u>AMOUNT</u>	<u>COUNTY</u>	<u>AMOUNT</u>
Aitkin	\$ 8,304.25	Meeker	\$ 10,814.93
Anoka	48,045.69	Mille Lacs	6,666.97
Becker	5,879.19	Morrison	9,703.69
Beltrami	18,822.72	Mower	17,097.26
Benton	11,747.02	Murray	495.00
Big Stone	1,456.83	Nicollet	11,360.43
Blue Earth	8,313.58	Nobles	3,174.94
Brown	4,025.67	Norman	2,046.16
Carlton	7,547.28	Olmsted	4,141.07
Carver	6,467.62	Ottertall	14,974.08
Cass	44,720.89	Pennington	4,573.22
Chippewa	7,470.52	Pine	5,067.31
Chisago	6,504.16	Pipestone	1,957.87
Clay	9,145.42	Polk	1,765.98
Clearwater	7,172.43	Pope	3,105.12
Cook	538.70	Red Lake	600.00
Cottonwood	1,900.17	Redwood	4,592.22
Crow Wing	16,480.63	Renville	4,324.40
Dakota	20,593.38	Rice	10,046.28
Dodge	865.00	Rock	2,114.44
Douglas	8,435.33	Roseau	540.50
Faribault	4,573.33	Scott	8,825.03
Fillmore	7,565.32	Sherburne	1,646.00
Freeborn	10,632.22	Sibley	2,447.85
Goodhue	6,006.16	Stearns	44,415.69
Grant	705.67	Steele	6,847.07
Houston	1,771.77	Stevens	1,708.25
Hubbard	5,157.48	Swift	5,987.25
Isanti	9,449.71	Todd	13,262.21
Itasca	12,267.64	Traverse	103.00
Jackson	2,509.60	Wabasha	2,475.13
Kanabec	12,174.07	Wadena	6,366.74
Kandiyohi	11,614.60	Waseca	1,621.62
Kittson	3,834.55	Washington	8,105.71
Koochiching	10,090.02	Watsonwan	3,571.90
Lac Qui Parle	1,155.62	Wilkin	1,156.03
Lake	6,570.65	Winona	12,347.73
Lake of the Woods	1,990.57	Wright	20,463.72
Le Sueur	3,734.21	Yellow Medicine	1,078.31
Lincoln	457.81	St. Louis	28,875.87
Lyon	1,882.29	Ramsey	48,024.55
Mahnomen	5,864.35	Hennepin	126,751.80
Marshall	1,625.84		
Martin	7,565.32		
McLeod	3,385.14		
			\$842,263.75

FISCAL REPORT

Salaries - 54000:01-10

Appropriation - \$439,758.00
Expenditures - \$433,532.00
Balance - \$ 6,226.00

Supplies & Expenses - 54000:02-10

Appropriation - \$ 68,783.00

<u>Allotments</u>		<u>Expenditures</u>	<u>Balance</u>
10 - Rents & Leases	\$42,608.00	\$33,577.05	\$9,030.95
12 - Repair Services	550.00	937.64	-387.64
13 - Bonds & Insurance	20.00	28.00	- 8.00
14 - Printing & Binding	900.00	1,290.76	-390.76
15 - Non-State Employee Services	--	976.22	-976.22
20 - Communications	9,090.00	9,793.68	-703.68
21 - Travel - In State	10,120.00	9,747.49	+372.51
22 - Travel - Out of State	1,000.00	655.23	+344.77
29 - Other Contractual Services	120.00	162.50	- 42.50
30 - Supplies & Materials	2,320.00	2,961.44	-641.44
40 - Equipment	2,055.00	1,779.76	+275.24
TOTALS	\$68,783.00	\$61,909.77	\$6,873.23

Grave Markers - 54031:00-10

Appropriation - \$5,000.00
Expenditures - \$4,998.75
Balance - \$ 1.25

War Orphan - Veteran Education - 54033:00-10

Appropriation - \$45,000.00
Fiscal Year 1974 Carry-Over - \$411.20
Expenditures to Date - \$44,962.36
Balance - \$448.84

Veterans Preference - 54000:10-10

Appropriation - \$2,500.00
Fiscal Year 1974 Carry-Over - \$2,500.00
Expenditures - \$2,960.65
Balance - \$2,039.35

Bonus Late Claims - 54050:01-10

Appropriation Transfer - \$5,888.35
Expenditures - \$5,888.35

War Veterans Relief - 54092:00-10

Appropriation - \$960,000.00
Fiscal Year 1974 Carry-Over - \$50,000.00
Expenditures to Date - \$884,268.52
Balance - \$127,523.06