

## **201 KAR 37:010. Kentucky Veterans' Program Trust Fund, administration of fund.**

RELATES TO: KRS 40.310(3), (7), 40.353(5), 40.460(2)(b), 141.444, 186.162(2), 186.168, 434.444(5)

STATUTORY AUTHORITY: KRS 40.310(3), (7), 40.450(3), 40.460(2)(b)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 40.450(3) requires the department to promulgate administrative regulations required for the effective administration of KRS 40.310 through 40.560. KRS 40.310(3) authorizes the Department of Veterans' Affairs to accept gifts, grants, and other contributions from a governmental unit and authorizes the department to administer these funds through the use of trust and agency accounts. KRS 40.310(7) requires the department to manage the fund and authorize expenditures once the board has approved a request for funds. KRS 40.460(2)(b) establishes the Veterans' Program Trust Fund. This administrative regulation establishes a board of directors to administer the fund and establishes criteria for expenditures made from the fund.

### Section 1. Definitions.

- (1) "Board" means the Board of Directors of the Kentucky Veterans' Program Trust Fund.
- (2) "Commissioner" means the Commissioner of the Kentucky Department of Veterans' Affairs.
- (3) "Fund" means the Kentucky Veterans' Program Trust Fund.
- (4) "Honorably separated veteran" means an individual discharged or released from the military with an honorable discharge, a discharge under honorable conditions, or a general discharge.

### Section 2. Expenditures and Fundraising.

- (1) Upon board approval in accordance with this subsection and subsection (2) of this section, money appropriated from the fund shall be expended for a program or request that provides assistance that directly benefits a veteran, including the following veterans and activities:
  - (a) A homeless veteran;
  - (b) An indigent veteran in need of emergency assistance;
  - (c) An incarcerated veteran in need of emergency assistance that cannot otherwise be provided by the criminal justice system;
  - (d) A wounded, disabled, or other veteran who needs transportation to a VA medical facility and who cannot arrange for transportation because of a lack of financial means;
  - (e) Assistance to a veteran to obtain employment through job fairs, training programs, job placement services, other similar programs, or a combination of these;
  - (f) A wounded or disabled veteran as determined by the U.S. Department of Veterans' Affairs, and including those veterans diagnosed with post-traumatic stress disorder arising from military service;
  - (g) A wounded or disabled veteran returning from combat in need of specialized therapeutic services that cannot be provided by the U.S. Department of Veterans' Affairs or the Kentucky Department of Veterans' Affairs;
  - (h) Dissemination of veteran benefit information through circulars, brochures, and other media;
  - (i) Services or goods for a veteran who is a resident in a long-term care facility operated by the Kentucky Department of Veterans' Affairs that cannot otherwise be provided by the department but that will improve the veteran's quality of life;
  - (j) Services or goods for state veterans' cemeteries operated by the Kentucky Department of Veterans' Affairs that cannot otherwise be provided by the department, but that will enhance the dignity, solemnity, and respect shown for each veteran interred at the cemetery;

- (k) Other assistance to ensure that each veteran interred in a state veterans' cemetery receives burial honors befitting of the veteran's service to the Commonwealth and country;
  - (l) Assistance to a veterans' service organization for training members to assist veterans; and
  - (m) Programs, events, memorials, monuments, and other projects that bring public recognition and awareness to the sacrifices, needs, and contributions of Kentucky's veterans.
- (2) Money appropriated from the fund shall not be expended for:
- (a) Construction, renovation, or maintenance of a meeting hall, clubhouse, or similar facility for use by a veterans' organization;
  - (b) Entertainment costs;
  - (c) A benevolent or charitable endeavor that does not primarily benefit veterans;
  - (d) Support of a federally administered facility if the support is prohibited by law; or
  - (e) A program that is already funded by the state or federal government.
- (3) Fundraising. If fundraising on behalf of the fund, the fund may accept a gift, donation, or grant from an individual, a corporation, or government entity.

### Section 3. Board of Directors.

- (1) The board of directors shall consist of eleven (11) members, including:
- (a) The commissioner;
  - (b) The commissioner's designee from Kentucky Department of Veterans' Affairs;
  - (c) A member of the:
    - 1. Joint Executive Council of Veterans Organizations of Kentucky; and
    - 2. Governor's Advisory Board for Veterans' Affairs;
  - (d) A representative of the following organizations appointed by the Governor pursuant to subsection (3) of this section:
    - 1. The American Legion, Department of Kentucky;
    - 2. The Veterans of Foreign Wars, Department of Kentucky;
    - 3. The Disabled American Veterans, Department of Kentucky;
    - 4. AMVETS, Department of Kentucky; and
    - 5. The Kentucky National Guard; and
  - (e) Two (2) at-large members appointed by the Governor.
- (2)
- (a) The commissioner shall serve as chair of the board of directors.
  - (b) The board of directors shall hold an election to fill the position of vice-chair.
- (3)
- (a) An organization specified in subsection (1)(d) of this section shall recommend two (2) members of that organization for appointment to the board of directors.
  - (b) The governor shall appoint one (1) member of each organization from the names submitted by the organization.
- (4) At least one (1) member of the board of directors shall be an honorably separated veteran.
- (5) Terms of members.
- (a) Except in cases of retirement from the board, resignation, or other inability or unwillingness to serve, the initial appointments to the board of directors shall be as established in subparagraphs 1. through 3. of this paragraph.
    - 1. A member appointed pursuant to subsection (1)(c) of this section shall serve for a period of three (3) years.
    - 2. A member appointed pursuant to subsection (1)(d) of this section shall serve for a period of two (2) years.

3. A member appointed pursuant to subsection (1)(e) of this section shall serve for a period of one (1) year.

(b) Except in cases of retirement from the board, resignation, or other inability or unwillingness to serve, after the initial appointments established pursuant to paragraph (a) of this section, a member, if reappointed, shall serve for a period of three (3) years.

(c) A member shall serve until the member's successor is appointed.

(6) The board of directors shall:

(a) Meet at the call of the commissioner;

(b) Inform organizations represented on the board of each action considered or taken by the board;

(c) Review projects and recommend approval or disapproval;

(d) Prioritize projects;

(e) Investigate the need for a specific project or program;

(f) Establish guidelines for a project;

(g) Make a recommendation to the commissioner for the utilization and control of funds in the fund; and

(h) Prepare an annual report providing an accounting of the fund assets and financial activity for each fiscal year.

(7) The commissioner of the fund shall assign duties as appropriate to department staff or members of the board for the conduct of business by the board including maintaining the records of the fund that are required for the administration of the Veterans' Program Trust Fund and approved projects.

#### Section 4. Board Procedures.

(1) Board meetings shall be conducted in a civil and cordial manner.

(a) A quorum for voting purposes shall be reached upon six (6) directors being present.

(b) A request may be approved if a simple majority of those present vote in favor of the request.

(c) Abstentions, votes indicating "present", and any other form of vote other than "yes" or "no" shall not be permitted.

(d) In the case of a tie vote, the chair may call for more discussion and a second vote. If a tie results on the second vote, the request shall be tabled and only brought before the board by a new request at a future meeting.

(e) Each director may discuss procedural matters with an applicant prior to a board meeting, but shall not attempt to influence other directors on how to vote until the chair convenes the board meeting, the applicant makes a presentation, and discussion takes place.

(f) Votes on every issue shall be recorded in the minutes indicating the nature of the request, the final vote, the name of each voting member who voted, and how that member voted.

(2)

(a) For alternatives to in-person voting, the chair shall authorize meetings via telephone conference call as well as proxy voting if the chair concludes special circumstances warrant an alternative such as the requester is outside the country or is disabled.

(b) Any person, agency, or organization requesting funds from the fund shall make a request in person to the Board of Directors at a scheduled board meeting unless the chair authorizes presentation by electronic means.

(3)

(a) Once funds are authorized, the requesting person, agency, or organization shall file a written report detailing how the money requested fulfilled the purpose of the request within thirty (30) days of fulfilling the purpose of the request.

(b) Funds shall not be transferred to the person, agency, or organization until the funds are immediately needed to satisfy the purpose of the request.

(c) Funds obligated but not used within one (1) year of approval shall be returned to the Trust Fund and a new request shall be submitted to the Board of Directors if the requesting party still seeks to undertake the project.

(20 Ky.R. 1427; Am. 1780; eff. 1-10-1994; recodified from 106 KAR 2:010, 10-20-1997; 24 Ky.R. 1544; 1871; eff. 3-16-1998; 31 Ky.R. 1345; 1517; eff. 3-11-2005; 35 Ky.R. 2798; 36 Ky.R. 573; eff. 10-2-2009; 41 Ky.R. 562; 1046; eff. 12-5-2014; Cert eff. 8-7-2020.)