

# DEPARTMENT OF MILITARY AFFAIRS

An Agency Profile Prepared by the  
Legislative Fiscal Division

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# INTRODUCTION

The Department of Military Affairs (DMA) has three primary components to its mission:

- Federal – Serve as the primary federal reserve force in support of the national security objectives when called upon by the President of the United States
- State – Protect life, property, preserve peace, order, and public safety for Montana’s citizens, when called upon by the Governor
- Community – Participate in local, state, and national programs that add value to America

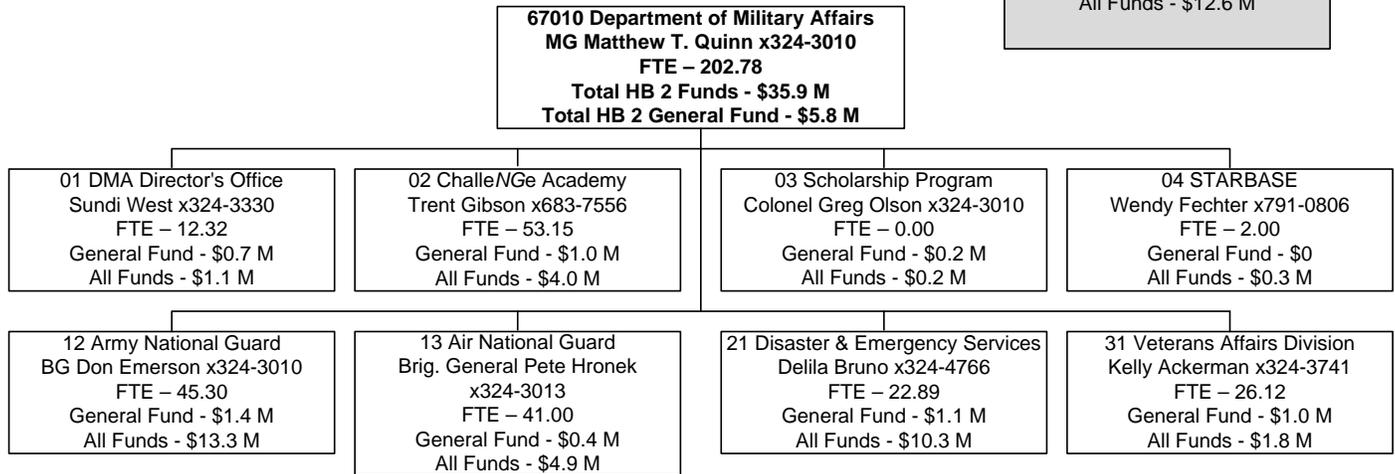
The Department of Military Affairs, administered by the Adjutant General, oversees activities of the Air and Army National Guard, Disaster and Emergency Services, and the National Guard Youth Challenge program. The Montana Board of Veterans’ Affairs is administratively attached to the department.

Services provided within DMA include:

- Providing trained and equipped military units for use in the event of state or federal mobilization
- Maintaining numerous military facilities in Montana and planning and contracting for construction of military facilities and training areas
- Providing statewide communication services, security contracts, and leases for buildings and land used by the Army National Guard
- Providing trained and equipped military air units for use in event of state or federal mobilization, including wildfire support
- Providing statewide disaster planning and preparedness activities and coordination of federal, state, and volunteer assistance to communities, local and tribal governments in the event of an incident, emergency, or disaster
- Assisting discharged veterans and their families regarding veteran benefits and administering three veteran cemeteries located in Montana. The Board of Veterans’ Affairs is administratively attached to the Department of Military Affairs
- Providing scholarship awards to enlisted Montana National Guard troops enrolled as full-time undergraduate students in colleges, universities, or training programs

Below is an organizational chart of DMA, including full-time employee (FTE) numbers and the HB 2 general fund expenditures and the total expenditures from all funds. Unless otherwise noted, all phone extensions are preceded by (406) 444.

<b>Non HB 2 Funds</b>
<b>Proprietary</b> - \$0 FTE – 0.00
<b>Statutory Appropriations</b> FTE – 6.00 General Fund - \$3.6 M All Funds - \$12.6 M



## HOW SERVICES ARE PROVIDED

The Department of Military Affairs provides services through a structure consisting of eight programs:

### Director's Office

- Provides oversight and support for budgeting, fiscal management, payroll, human resource management, purchasing, property control, and policy development and implementation
- Assists with interpretation of rules, regulations, and statutes for all programs within the department

### ChalleNGe Program

- Assists at-risk Montana youth in developing skills and abilities necessary to become productive citizens through focusing upon the physical, emotional, and educational needs of the youth. The program provides a highly structured, quasi-military environment using proven techniques of discipline and motivation to assist youth in turning their lives around

### Scholarship Program

- Provides scholarships to eligible Montana National Guard personnel enrolled as undergraduate students in Montana colleges, universities, or training programs
- Assists Montana in recruiting and retaining personnel in both the Army and Air National Guard and in enhancing its operational readiness to assume both state and federal active duty missions

## STARBASE

- A program for elementary school aged children to raise the interest and improve the knowledge and skills of at-risk youth in math, science, and technology
- Exposes children and their teachers to real world applications of math and science through experimental learning, simulations, and experiments in aviation and space-related fields
- Addresses drug use prevention, health, self-esteem, and life skills with a math and science based program

## Army National Guard Program

- Provides trained and equipped military units for use in the event of a state or national emergency
- Provides professional and skilled personnel for the administration, planning, and execution of statewide repair and maintenance functions on facilities and training areas
- Provides planning, programming, and contracting for construction
- Ensures all activities and facilities comply with environmental regulations
- Provides statewide communication services, security contracts, and leases for buildings and land used by the Army National Guard

## Air National Guard Program

- Provides trained and equipped military units for use in the event of a state or national emergency
- Contributes to funding for administrative, facilities maintenance, security, and fire protection support to the Air National Guard base

## Disaster and Emergency Services

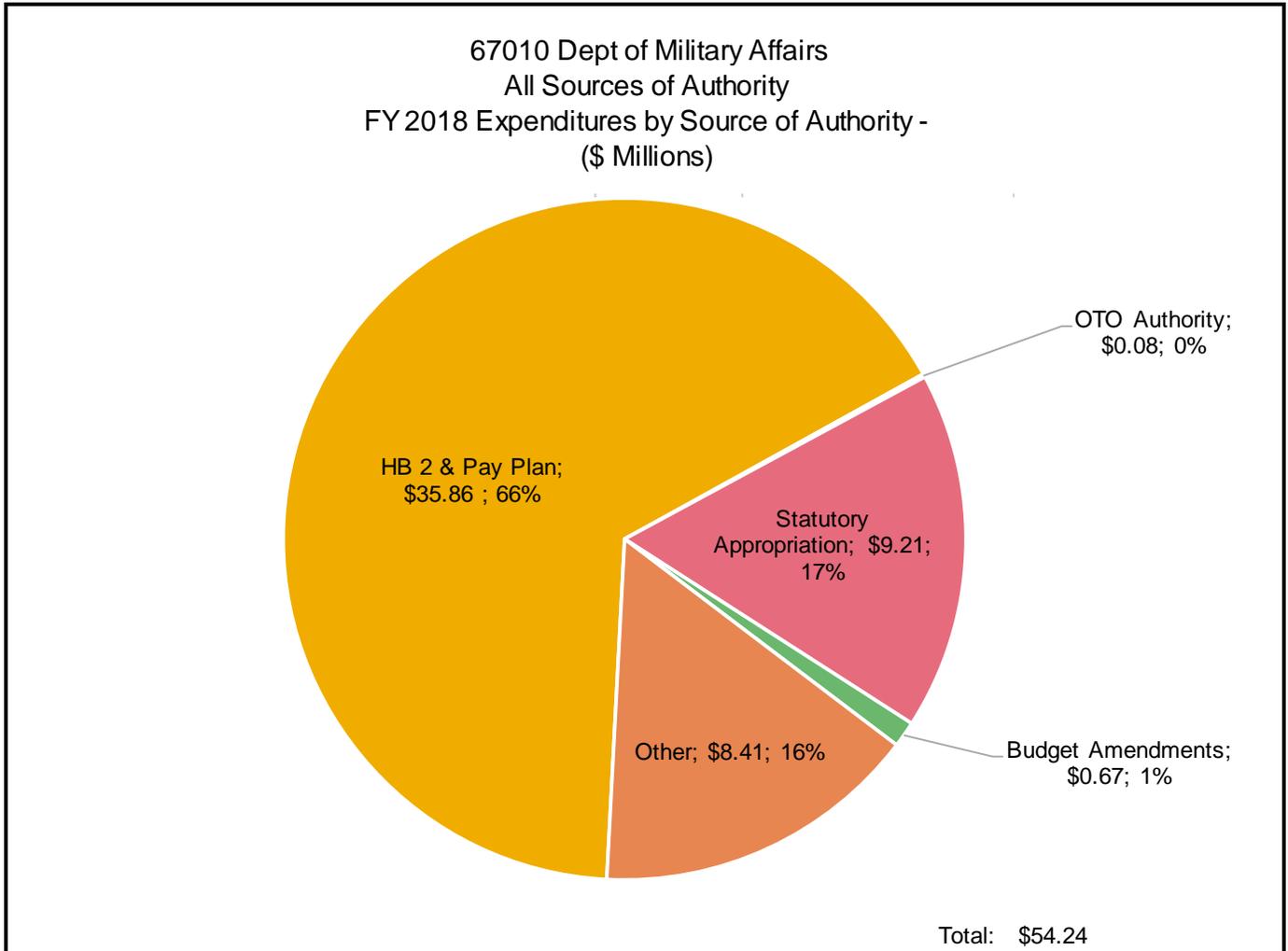
- Coordinates, develops and implements emergency management planning, mitigation, response, and recovery statewide
- Administers and disburses federal Homeland Security and Emergency Management funds to eligible political subdivisions and tribal nations across the state
- Maintains a 24 hour a day point of contact to coordinate the volunteer, state, and federal response for assistance to political subdivisions and tribal nations in the event of an incident, emergency, or disaster

## Veterans Affairs Program

- Runs a statewide network of service for discharged veterans and their families
- Provides services and assistance for all Montana veterans, and surviving spouses and dependents in coordination with associated federal and state agencies, veterans' services organizations, private organizations, and individuals
- Provides continuing education and assistance for the general public, governmental agencies, and elected officials regarding veterans' services, programs, initiatives, and policy
- Administers, operates, and maintains Montana's state veterans cemeteries

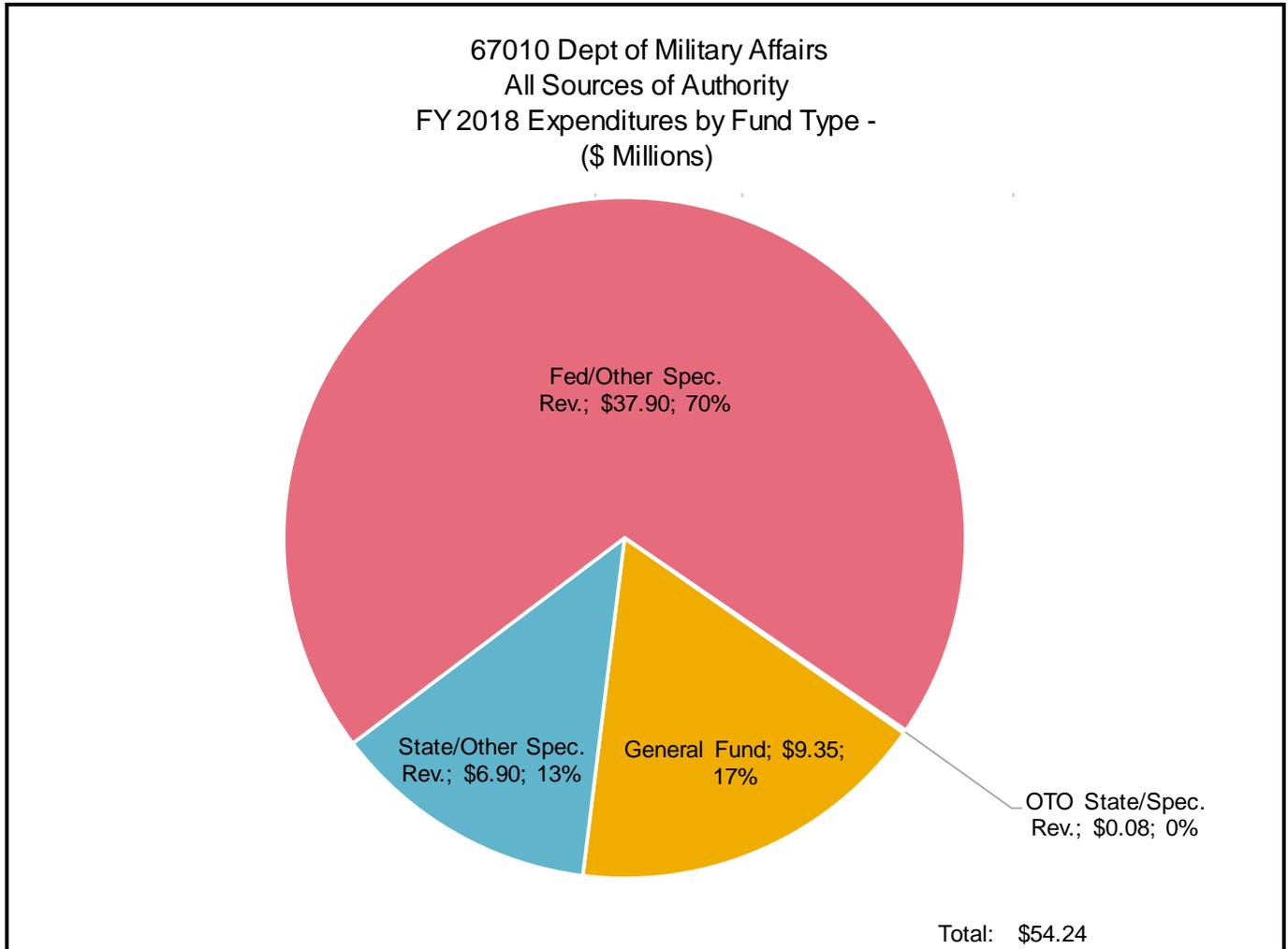
## SOURCES OF SPENDING AUTHORITY

The Department of Military Affairs receives the majority of its spending authority from HB 2 and the pay plan, which accounts for 66% of the \$54.24 million total FY 2018 expenditures. Statutory appropriations account for 17% and other sources of spending authority, including funding for long-range building and planning projects, account for 16% of total expenditures. The chart below shows the sources of authority for the Department of Military Affairs that were expended in FY 2018.

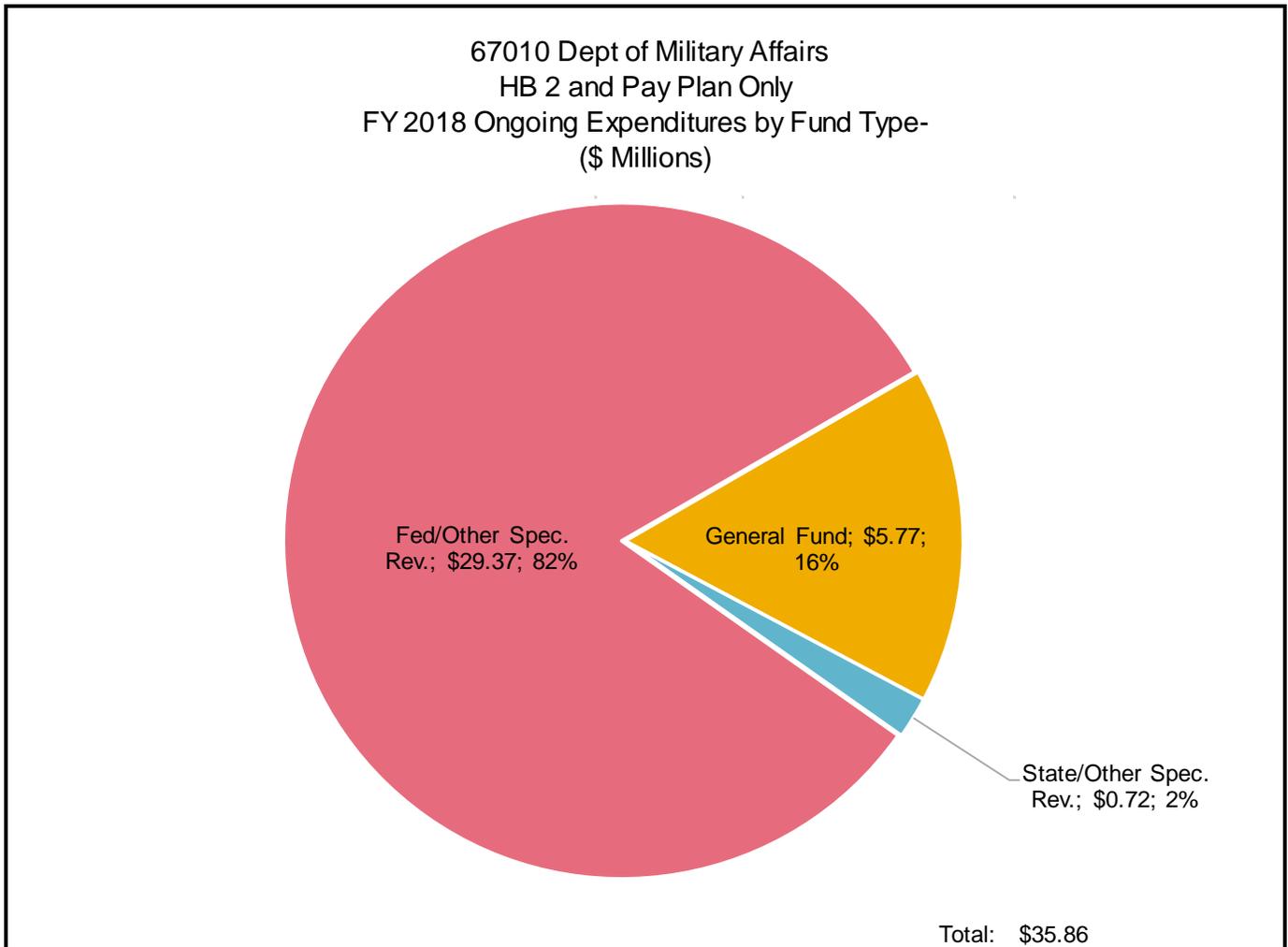


## FUNDING

The Department of Military Affairs is predominately funded with federal special revenue funds. The \$54.24 million expended by the department in FY 2018 consisted of 70% federal special revenue funds, 13% state special revenue funds, and 17% general fund. The chart below shows FY 2018 actual expenditures by fund type for all sources of authority.

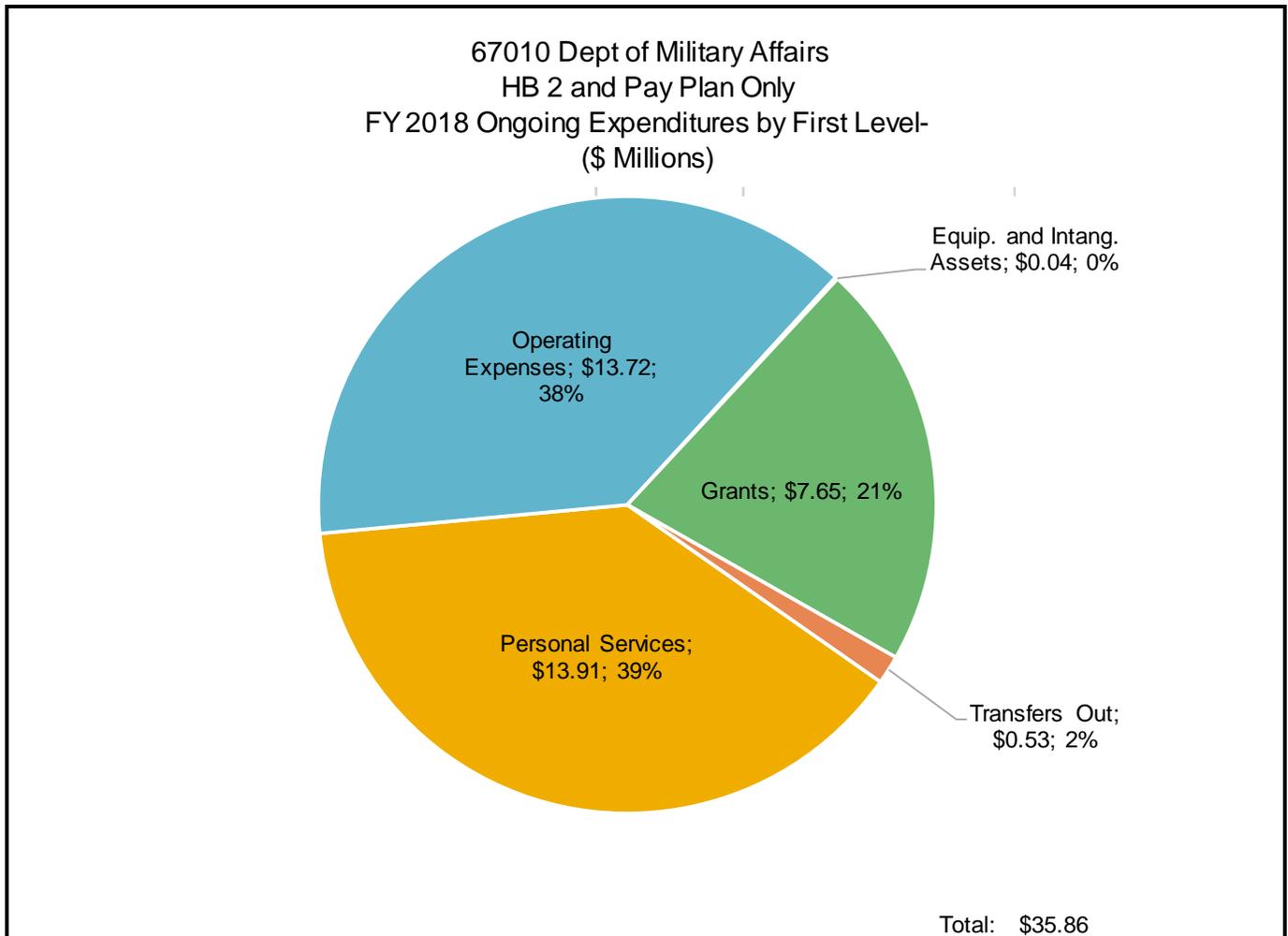


The department is primarily funded in HB 2 with federal special revenue, which accounts for 82% of all HB 2 funding for the department. Most federal programs require a state match, which is how the majority of the general fund shown is used. General fund match is used in the Youth ChalleNGe Program, Disaster and Emergency Services, and Air National Guard Program. It is also used in the operations formula for military facilities operations costs that are a federal/state split based upon facility ownership under the Army National Guard Program. The chart below shows the Department of Military Affairs HB 2 and pay plan expenditures by fund type.



## EXPENDITURES

The Department of Military Affairs expended \$35.86 million in HB 2 and pay plan authority in FY 2018. Approximately 39% of this total was spent on personal services costs, 38% on operating expenses, and 21% on grants. The chart below explains how HB 2 and pay plan authority is spent.



## HOW THE 2019 LEGISLATURE CAN AFFECT CHANGE

In order to change expenditure levels and/or activity, the legislature might address:

- Number of military facilities in Montana – each military facility located in Montana creates ongoing and future costs for operations and maintenance. While the federal government typically pays 100% of the capital construction costs, operations and maintenance are split using a federal/state expenditure formula. Therefore, addressing the number of military facilities located in the state may change expenditure and activity levels of the department
- Level of disaster and emergency preparedness – Montana’s disaster and emergency preparedness is directly dependent on general fund support. Emergency management, response, and recovery costs are shared 50/50 with the Department of Homeland Security’s Federal Emergency Management Agency (FEMA). Department of Military Affairs identifies when state funding is not adequate or sufficient resources are not available to plan, organize, equip, train, and conduct a robust emergency management program
- Participation in Youth ChalleNGe Program – The ChalleNGe Program is funded with general fund and federal special revenues at a 25/75 state to federal funding ratio for most costs. Department activity can be changed by determining if and at what level Montana will participate in this optional program
- Participation in STARBASE – STARBASE Program is funded entirely with federal special revenues. Department activity can be changed by determining if and at what level Montana will participate in this optional program

## MAJOR COST DRIVERS

Activity for the Department of Military Affairs varies depending upon:

- Number of military facilities in Montana
- Number of disaster declarations
- Educational programs enrollment
- Number of veterans receiving veterans benefits

Element	FY 2012	FY 2014	FY 2016	FY 2018	Significance of the Data
Military facilities in Montana	270	281	246	307	Indicates operations costs
Disaster declarations	12	14	14	73	Reflects demand for Disaster and Emergency Services
Number of scholarship awards	175	216	169	194	Reflects demand for scholarship funds
Youth ChalleNGe enrollees	190	250	202	233	Reflects demand for youth who require a non-traditional setting for education
Youth ChalleNGe graduates	131	200	160	187	Contributes to measuring the short and long-term success of the ChalleNGe program
Veterans benefits acquired for Montana veterans	\$160 million	\$163 million	\$177 million	\$200 million	Receipt of VA monetary benefits resulting from agency services
Veterans assisted with benefit claims	3,354	2,317	3,122	3,234	Reflects need for services
STARBASE participants in Helena (cumulative)	4,503	6,081	7,299	8,882	Indicates number served by the STEM educational program
STARBASE participants in Great Falls (cumulative)	1,062	2,656	4,192	5,820	Indicates number served by the STEM educational program

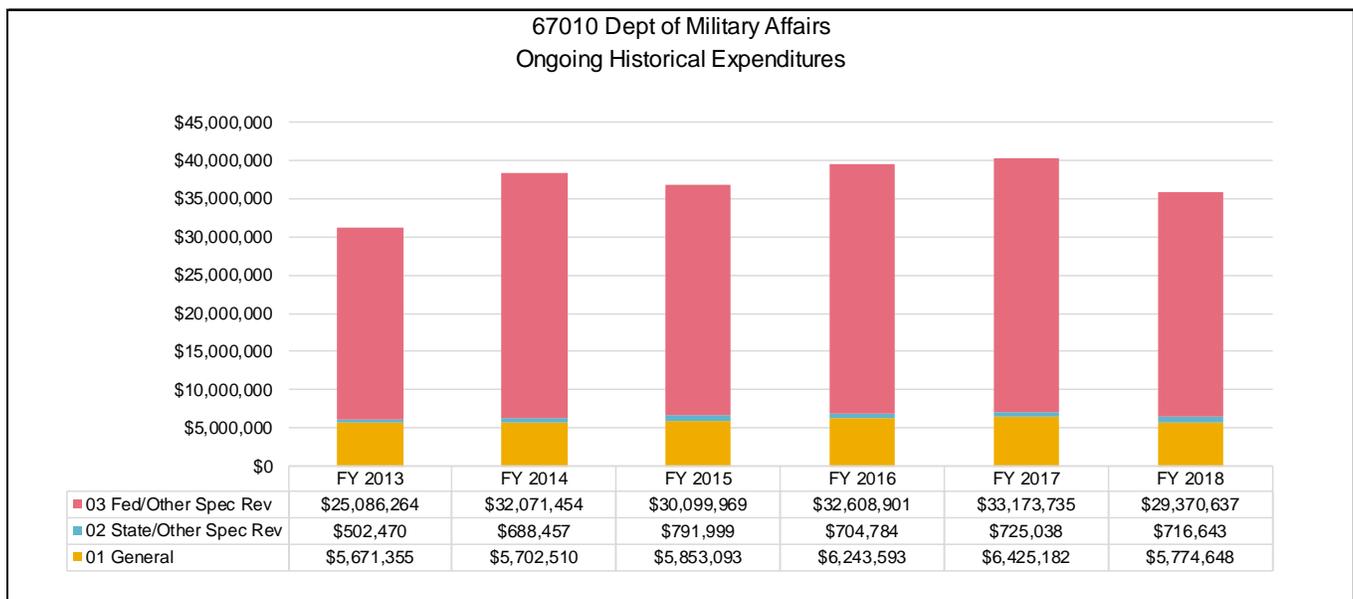
\*STARBASE Supplemental Programs/Summer Camps Outside Districts & Native American Indian Reservations had 1,616 participants (cumulative)

## FUNDING/EXPENDITURE HISTORY

The following table shows historical changes in the agency's funding and expenditures.

Major reasons for change are:

- HB 13 pay increases for 32 FTE, including 22 exempt FTE in FY 2014
- Budget cuts from the 2017 Legislative Session, the November 2017 Special Session, and the Governor's reductions reduced the FY 2018 appropriations, which resulted in lower expenditures for FY 2018



## MAJOR LEGISLATIVE CHANGES IN THE LAST TEN YEARS

Major changes in the last ten years include:

### 2013 Legislature

- The Legislature increased the percentage of vehicle license fees allocated to the Veteran's Affairs Division. The increases are allocated to the State Veterans' Cemetery Account, which is statutorily appropriated, and the Veterans' Service Account, which is included in HB 2

### 2009 Legislature

- The Legislature increased the maximum amount available for transfer to local sheriff's offices for search and rescue operations from \$3,000 to \$6,000 per rescue operation and increased the maximum amount available to match local funds for the purchase of search and rescue equipment from \$2,000 to \$6,000
- The Legislature provided \$1.3 million in federal special revenue for National Guard Bureau approved projects to improve, repair and modernize facilities through the American Recovery and Reinvestment Act. In addition, the legislature provided general fund appropriations of \$250,000 for a military museum and \$750,000 for Improvised Explosive Device (IED) training
- The Legislature created a Montana National Guard land purchase account in the state special revenue fund and required that if the state sells an armory, the money from the sale must be deposited in the account. It also created a statutory appropriation from the account for the preparations to purchase or for the purchase of land necessary for the Montana National Guard's mission upon the authorization of the Governor

For more information on the agency, please visit their website, here: <http://dma.mt.gov/>.