

STATE MILITARY DEPARTMENT

Enabling Laws

Act 2021 of 2005

Article XI of the Arkansas State Constitution

History and Organization

Article XI of the State Constitution provides for the establishment of a State Militia. Act 50 of 1969 repealed the old military code established by Act 85 of 1929. The military code provides for the training, organization, and discipline of the militia and National Guard. The act further establishes a system of military justice and provides for the construction, operation, and maintenance of armories and other military facilities in the State.

On March 31, 1917, the Arkansas National Guard was first mobilized for service in World War I. The Guard also served in World War II as well as the Korean Conflict, the Berlin Crisis, and the Persian Gulf Desert Storm Operation. Currently the Arkansas Guard is involved in operations in Bosnia and Afghanistan, and Iraq while still maintaining a presence in the Mid East. The Guard was reorganized after World War II and the U.S. Government deeded Camp Robinson to the State of Arkansas. Act 121 of 1951 accepted the title to the Camp with improvements and appurtenances. In 1963, the Guard underwent another reorganization, and has remained basically unchanged since.

In 1973, the Department was included in the newly created Department of Public Safety. In 1981, Act 45 abolished the Department of Public Safety and returned the Military Department as a separate line agency responsible to the Governor. In addition, Act 45 merged the Arkansas Civil Air Patrol with the Military Department.

In 1985, the Department was authorized by Act 984 to establish regular positions to be payable from the State Military Department Training Site Federal Fund for maintenance, operation, and security of facilities and equipment which are supported from 100% federal funds.

In 1990, the National Guard Marksmanship Center relocated to Camp Robinson from the State of Tennessee. This Center is supported from 100% federal funds.

The National Guard is divided into two basic components, the Air National Guard and the Army National Guard. The Air National Guard has installations at Little Rock Air Force Base, Hot Springs, and Fort Smith. The Army National Guard consists of 250 units located around the State. The total military strength of the National Guard in Arkansas is approximately 9,981.

Arkansas statutes provide that the Governor is the Commander-In-Chief of the National Guard, except when the Guard is federalized by the power of the President. The Governor has the power to promote duties and regulations for the Guard and Militia and he can call them up in times of invasion, disaster, insurrection, riot, or breach of peace. The Governor can appoint an Adjutant General of the State who shall be Commander of the State Militia.

The Adjutant General provides for the orderly administration of the National Guard through the direction provided by twenty separate organizational units. The personnel supporting these divisions are a combination of State and Federal employees based on the function of the support. The organization structure is depicted on the attached chart.

The State Military Department is responsible for all matters relating to the command, control, and supervision of the Militia, National Guard or other military organization under the jurisdiction of the Governor. It provides Army and Air military units/individuals to protect life and property; to preserve the peace, provide for order and safety of all the citizens of Arkansas in the event of civil disorders, natural disasters, and any other emergencies; to provide facilities and operation/maintenance of buildings and grounds, military ranges, warehousing, and fire/security protection to supported National Guard Units; to provide procurement and resource management, military personnel/administration management, and military plans, operations and training management; and to provide budget/funding support for the operation of the Arkansas Civil Air Patrol. The Arkansas Civil Air Patrol conducts air search and rescue for downed aircraft in the State as well as training programs across the State in aeronautics and aviation.

The Arkansas National Guard also serves a Federal mission in that it is available upon the order of the President to serve in any capacity as he may designate. The State Military Department is responsible to provide trained and equipped units capable of expansion to war strength and available for service in time of war or national emergency; to provide military support to civil authorities in support of civil defense, civil assistance, and disaster relief missions; to provide and coordinate plans for assigned land defense missions; to provide for organizing and training the militia, if required; to provide direction and monitorship over the use of federal funds in support of the National Guard; and to provide assistance to all military family members in the State which are beyond the area of existing military facilities support.

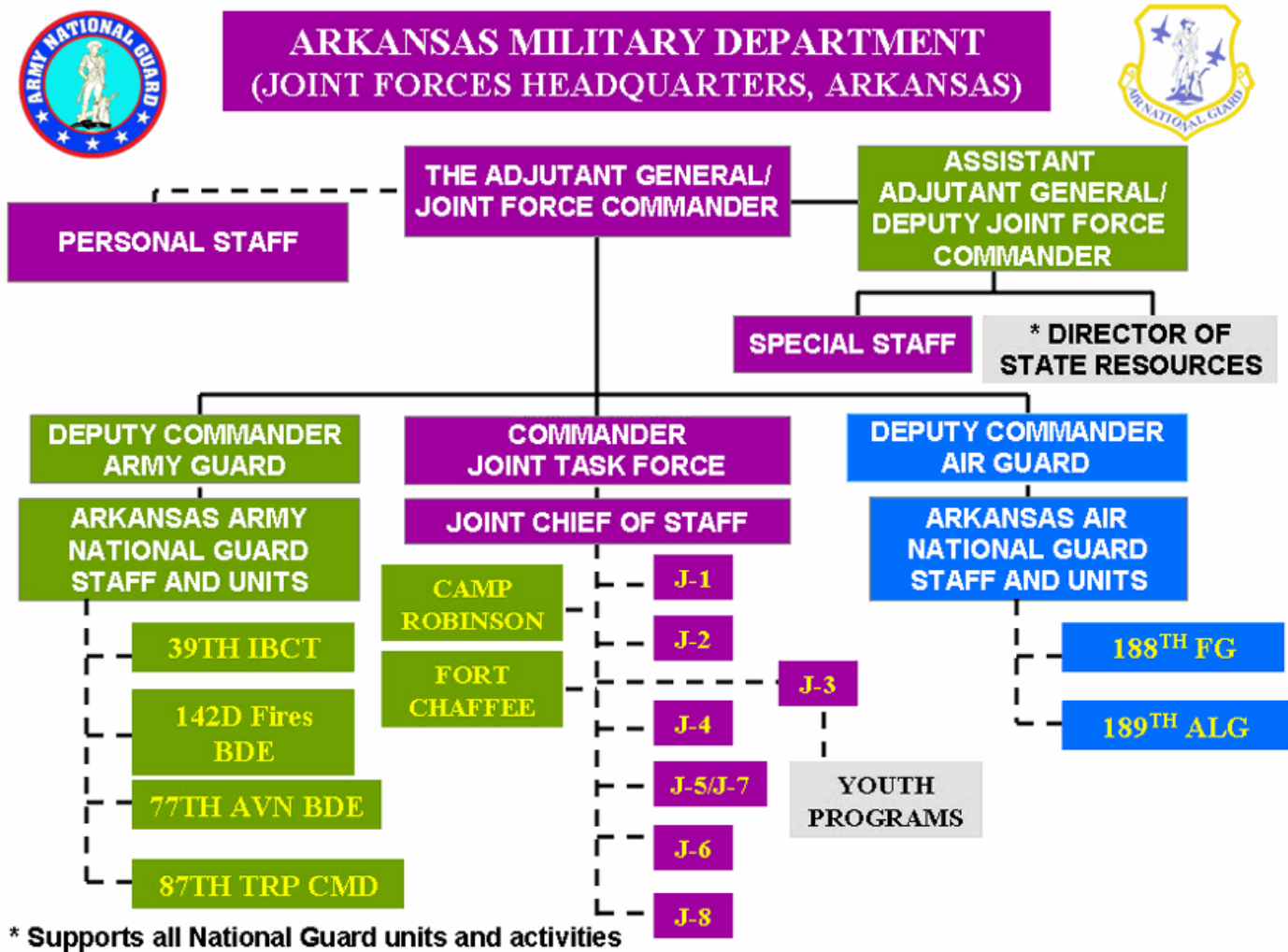
The National Guard Professional Education Center, a National Guard Bureau Activity (Federal) located at Camp Robinson is supported from 100% federal funds. This activity conducts a structured education program for National Guard and federal technicians. Students attending the Center receive specialized training designed for full time employees of the National Guard nationwide, including the territories.

The National Guard Marksmanship Center, a National Guard Bureau Activity (Federal) located at Camp Robinson is supported from 100% federal funds. This activity conduct a structured marksmanship training program for individuals and teams from National Guard Units nationwide, including sponsoring the national Winston P. Wilson Marksmanship Matches conducted at Camp Robinson each year.

The Civilian Student Training Program located at Camp Robinson was established in July 1993 by Acts 375, and 1133. It is a comprehensive, rigorous program for males, 13 to 17 years of age, set in a military environment providing values, skills, education, and self-discipline to at-risk youth so they may redirect their lives, continue their education, obtain employment and succeed as responsible, productive citizens. Students are referred through Juvenile Court in a probationary status.

The Arkansas National Guard Youth Challenge Program located at Camp Robinson was established in

September 1993 and is 60% federally funded, and 40% state funded. It is a 22 week residential program for high school dropouts to enable participants to receive a Graduation Equivalency Diploma (GED) and assistance in pursuing further education or employment.



Agency Commentary

The State Military Department provides for responsible fiscal actions and a trained, professional staff of state employees that will ensure well-maintained armories and facilities, trained personnel and administrators, so that National Guard soldiers can maintain ready units, responsive to the needs of the nation, state, and community. The Agency also supports two programs for the State's at-risk youth; the Civilian Student Training Program for male juvenile offenders and the Youth Challenge Program for high school dropouts. Funding for this Agency consists of general revenue, Revolving Funds, General Improvement Funds, Federal Reimbursements, and fees collected from rents. The Agency has 778 total Regular Salary positions authorized by the 2005 General Assembly and 10 other Regular Salary positions authorized by Miscellaneous Federal Grants.

Agency request for the Civilian Student Training Program for FY08 and FY09 is to re-establish \$36,000 each year in Capital Outlay for a capital lease for the Program's security camera system. An additional \$75,000 in Maintenance and Operations funding is requested for maintenance and repair

of the Program's facilities. The buildings utilized by the Program are 10-12 years old. Re-painting and re-roofing are essential in the near future, along with life cycle replacement of HVAC systems and the boiler assembly in the barracks facility. The estimated cost for these critical maintenance items is \$75,000. Property damage and deterioration is likely if the repairs are not accomplished. Replacement of critical HVAC systems and the boiler are essential to the safety, security and proper care of the juveniles entrusted to the Agency and Program. Information technology funds and appropriation of \$22,500 in FY08 and \$24,000 in FY09 are requested for replacement of an older, outdated telephone system that does not adequately support the Programs 32 extensions and incoming WATS line that provides public access to the Program. The increase will also provide for two desktop workstations for Program coordination staff, for routine repair and replacement of existing PC equipment utilized in the computer lab and by administrative and educational staff, and repair and replacement of two-way radio system equipment as needed.

The Agency request for the State Operations Program for FY08 and FY09 is to authorize three new positions, with corresponding funding and matching to meet the increased maintenance requirements for the State's National Guard headquarters and training facilities. Two of these positions will be funded through 75% Federal reimbursement. Utility and maintenance costs for National Guard armories and facilities statewide comprise the majority of this appropriation's operating budget. Even with stringent energy conservation measures in place, current and projected electric and gas usage and unprecedented rate increases mandate a significant increase in funding and appropriation for these line items. An increase of \$500,000 for building and grounds maintenance is requested to accomplish repainting and re-roofing of our oldest armories and facilities and insure that the facilities are in a suitable status to support readiness training for National Guard units who may be required to deploy for local, national, or international missions at any time. The Air National Guard requires an additional \$42,000 in FY08 and \$63,000 in FY09 state matching funds at our Fort Smith facility and \$24,153 in FY08 and \$29,966 in FY09 state matching funds at Little Rock Air Force Base facilities to secure the 75% or 85% Federal matching funds available for maintenance and repair of Air National Guard buildings. Without the additional state matching funds, the Federal matching funds will have to be turned back for redistribution to other states. \$70,000 each year in funds and appropriation are requested for publication of the Military Department's Adjutant General's Annual Report. An additional \$5,000 each year is required to secure license plate stickers for National Guard license plates which are required by law. An increase of \$10,000 each year is requested to provide training, travel costs, and uniforms for our state-funded Military Fire & Police Officers who provide fire fighting, police, and security services for Camp Robinson. An increase of \$500,000 each fiscal year in appropriation only is requested due to the recent change in the State's Refund to Expenditure procedures. When the Federal government gives the Agency a reimbursement for expenditures we have made from our Maintenance and Operations budget, the appropriation can no longer be restored. This unfunded appropriation increase will allow the Agency to spend Federal reimbursement dollars for armory maintenance. The Agency requests \$30,000 each year for repair and replacement of computers used in the state payroll, accounting, and purchasing processes. These computers are critical to continued operations of these functions. Also requested is \$950 annually for monitoring services for the storage facility that holds state military personnel records. An additional \$50,000 each year is required to update and maintain hardware and software used by the State Military Department records holding area. Files are maintained electronically and in hard copy. \$20,000 annually is requested for information technology training that is essential to State Military Department employees operating the software packages used on Arkansas National Guard networks. A total of \$10,000 is requested for

telecommunications instruments such as telephones for state employees of the Agency. The three new positions requested for this area will support the technology requirements for just under 600 state employees of the Agency.

The Agency requests an appropriation increase of \$525,350 for Emergency Call-Up of the National Guard. Recent emergencies have shown a critical need for the Call-Up appropriation to be \$1 million. During National disasters and call-up of the Arkansas National Guard, our ability to pay soldiers and cover additional expenses from current appropriation has severely taxed our ability to promptly pay the additional cost incurred. FEMA reimbursement checks help buy back appropriation by the Refund to Expenditure process; however, this takes time and historically, appropriation is exhausted before the process can be completed.

The Agency request for the Federal Training Site Program for Camp Robinson is that 152 positions not budgeted due to Personnel Cap restrictions be restored. These positions will be used to meet unanticipated Federal manning requirements during the biennium. The Agency requests nine new positions for fire fighting, maintenance, and information technology needs; 10 Extra Help positions provided by Miscellaneous Federal Grants be continued; and an increase of \$50,000 each year for payment of Overtime to Military Firefighters who are required to be on duty during all flight exercises and training.

For the Camp Robinson Federal Training Site Grant Program, the Agency requests appropriation increases of \$12,037,146 for FY08 and \$11,791,915 for FY09 in the overall operating budget. This program is funded 100% by the Federal government and the increases have been authorized and are needed for operations and construction.

The request for the Agency's Cash in Treasury Program is for appropriation increases of \$536,587 each year for support of Camp Robinson. Maturing investments will increase the available cash fund balance and enable the Agency to do additional minor repair and upkeep of Camp Robinson facilities. A requested increase of \$30,000 will provide for lifecycle replacement of a vehicle during FY08 for the Agency Assistant Director. Establishment of \$5,000 appropriation each year is needed in Professional Fees to allow payment of legal fees required to properly record deeds of land trades, purchases or donations. A request of \$25,500 in FY08 will provide for purchase of a clamshell bucket loader and tractor disk to be used in the Camp Robinson Timber Management Program.

The Agency request for the Counter Drug Asset Forfeiture Program is to increase the appropriation each year from \$26,000 to \$50,000. The requested increase in this cash fund will bring the appropriation amount to the available funds amount to provide ability to spend the current fund balance and projected drug seizure/asset forfeiture money allotted to the Agency by the Federal Justice and Treasury Departments.

The Agency requests no change in the Military Support Revolving appropriation nor the Federal Armory Assistant appropriation.

Agency request for the Fort Chaffee Federal Training Site Program is restoration of 12 positions not budgeted due to Personnel Cap restrictions. These positions will be used to meet unanticipated Federal manning requirements during the biennium. The Agency requests continuation of ten Security Officer III positions authorized by Miscellaneous Federal Grant. These positions are vital to

the protection and security of the Fort Chaffee Training Site. An increase of \$3,796,192 in FY08 and \$3,794,192 in FY09 is needed in the overall operation of this program to meet Federal requirements in the areas of security and infrastructure maintenance.

The Agency requests increases each year of \$804 in Operating Expenses and \$1,200 in Conference and Travel Expenses for the National Guard Museum. These increases will help defray additional costs for goods and services caused by rising fuel costs. The Museum's limited budget does not allow absorption of these expenses. An increase of \$1,200 is requested for attendance at the National Curators Conference for the Museum Director.

The Agency is requesting full State General Revenue funding for the \$1 million State matching share of the Arkansas National Guard Youth Challenge Program in order to secure \$1.68 million in Federal matching funds for a 60/40 cost share. Full general revenue funding will restore the Youth Challenge Program to its original mission and will provide an opportunity for 200 Arkansas high school drop-outs each year to earn a GED and continue on to higher education, enlist in the military, or enter the Arkansas workforce with a high school education. Due to current State funding limitations, the Program and number of students served has been reduced to 130 students per year. Restoration of 41 positions not budgeted due to Personnel Cap and funding restrictions is requested. These positions will be used to fill staffing needs during the biennium within available funding. An increase in appropriation is requested to provide for information technology requirements including replacing 25 PC's used by students and staff, 2 printers, and 5 telephone sets. Expenditures for these requirements will be from established Federal and State funding provided for the Program.

The Agency requests to discontinue the Federal Distance Learning appropriation. This program has been consolidated with the Federal Training Site Grant Program.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE MILITARY DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 2004

<u>Findings</u>	<u>Recommendations</u>
None	None

Employment Summary

	Male	Female	Total	%
White Employees	275	124	399	77 %
Black Employees	61	49	110	21 %
Other Racial Minorities	5	2	7	2 %
	Total Minorities		117	23 %
	Total Employees		516	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

Department Appropriation Summary

		Historical Data						Agency Request and Executive Recommendation							
Appropriation		2005-2006		2006-2007		2006-2007		2007-2008				2008-2009			
		Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
266	Civilian Student Training Program	3,007,917	66	3,231,705	69	3,255,745	69	3,373,240	69	3,323,740	69	3,374,740	69	3,313,740	69
268	General Operations	6,329,645	103	6,739,364	109	6,836,860	109	8,667,643	115	7,700,559	109	8,694,456	115	7,700,559	109
269	Military Call-up and Court Martial	80,893	0	477,650	0	477,650	0	1,003,000	0	477,650	0	1,003,000	0	477,650	0
270	Federal Training Site	10,430,972	286	11,820,746	276	15,802,477	428	16,257,760	437	16,257,760	437	16,257,760	437	16,257,760	437
275	Federal Training Site Grant	17,598,059	0	24,984,985	0	20,899,639	0	32,506,155	0	32,506,155	0	32,260,924	0	32,260,924	0
393	Cash Operations	300,488	0	485,913	0	485,913	0	1,063,000	0	1,063,000	0	1,007,500	0	1,007,500	0
443	Counter Drug Asset Forfeiture	12,781	0	43,530	0	26,000	0	50,000	0	50,000	0	50,000	0	50,000	0
455	Military Support Revolving	117,234	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
556	Federal Armory Assistance	19,553	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0	300,000	0
575	Fort Chaffee Training Site	8,014,513	78	14,633,173	80	14,954,798	92	18,149,455	102	18,149,455	102	18,147,455	102	18,147,455	102
576	National Guard Museum	80,073	1	83,481	1	83,481	1	85,845	1	84,645	1	85,845	1	84,645	1
577	AR Ntl Guard Yth Challenge Prgm	2,333,321	52	2,378,203	38	3,667,893	79	3,743,023	79	3,743,023	79	3,743,023	79	3,743,023	79
NOT REQUESTED FOR THE BIENNIUM															
1SW	Federal Distance Learning	0	0	0	0	50,000	0	0	0	0	0	0	0	0	0
Total		48,325,449	586	65,678,750	573	67,340,456	778	85,699,121	803	84,155,987	797	85,424,703	803	83,843,256	797

Funding Sources			%		%		%		%		%		%
Fund Balance	4000005	1,078,437	2.2	1,060,726	1.6	1,071,283	1.2	1,071,283	1.3	598,283	0.7	598,283	0.7
General Revenue	4000010	8,033,634	16.3	8,784,110	13.2	10,726,728	12.5	9,658,944	11.5	10,755,041	12.6	9,648,944	11.6
Federal Revenue	4000020	39,767,444	80.5	55,387,547	83.0	71,856,393	83.8	71,856,393	85.3	71,609,162	84.1	71,609,162	85.8
Cash Fund	4000045	295,558	0.6	540,000	0.8	640,000	0.7	640,000	0.8	640,000	0.8	640,000	0.8
Budget Stabilization Trust	4000130	80,893	0.2	477,650	0.7	1,003,000	1.2	477,650	0.6	1,003,000	1.2	477,650	0.6
DFA Motor Vehicle Acquisition	4000184	12,975	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Military Support Revolving	4000342	117,234	0.2	500,000	0.7	500,000	0.6	500,000	0.5	500,000	0.6	500,000	0.5
Total Funds		49,386,175	100.0	66,750,033	100.0	85,797,404	100.0	84,204,270	100.0	85,105,486	100.0	83,474,039	100.0
Excess Appropriation/(Funding)		(1,060,726)		(1,071,283)		(98,283)		(48,283)		319,217		369,217	
Grand Total		48,325,449		65,678,750		85,699,121		84,155,987		85,424,703		83,843,256	

The FY07 Budgeted amount exceeds the Authorized amount in the Federal Training Site Grant Appropriation (275) due to a transfer from the DFA-Miscellaneous Federal Grant Account. The FY07 Budgeted amount exceeds the Authorized amount in the Counter Drug Asset Forfeiture Appropriation (443) due to a transfer from the DFA-Cash Holding Account. Variances in fund balances are due to unfunded appropriation in the General Operations Appropriation (268).

Agency Position Usage Report

FY2004-2005						FY2005-2006						FY2006-2007					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Total	Total	Total	Total			Total				
771	528	10	538	233	31.52%	778	526	47	573	205	32.39%	778	516	57	573	205	33.68%

Analysis of Budget Request

Appropriation: 266 - Civilian Student Training Program

Funding Sources: HMD-State Military Department

Acts 375 and 1133 of 1993 established the Civilian Student Training Program (CSTP) located at Camp Robinson. CSTP offers rehabilitation for juveniles (11-17 years of age) who are referred to the Program by juvenile justices throughout the State. With full staff and funding, the Program can accommodate an annual maximum population of 390 students. This appropriation is funded by general revenues to support the operations and employee services of the residential juvenile training and behavior management facility.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Department is requesting restoration of \$36,000 in Capital Outlay authorized for the 2005-2007 Biennium. Additional appropriation in Operating Expenses of \$97,500 in FY08 and \$99,000 in FY09 is requested to address building, grounds and equipment maintenance needs for the next biennium.

The Executive Recommendation provides appropriation and general revenue funding of \$58,000 each year in Operating Expenses for maintenance costs and \$26,000 in FY08 and \$16,000 in FY09 is provided for the Capital Outlay request.

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$58,000 each year in Operating Expenses for maintenance costs
- \$26,000 in FY08 and \$16,000 in FY09 in Capital Outlay to address agency request

Appropriation Summary

Appropriation: 266 Civilian Student Training Program
Funding Sources: HMD-State Military Department

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,697,572	1,817,794	1,870,481	1,817,794	1,817,794	1,817,794	1,817,794	1,817,794	1,817,794
#Positions	66	69	69	69	69	69	69	69	69
Extra Help 5010001	51,295	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000
#Extra Help	5	6	6	6	6	6	6	6	6
Personal Services Matching 5010003	644,801	687,407	658,760	711,442	711,442	711,442	711,442	711,442	711,442
Operating Expenses 5020002	568,847	584,104	584,104	584,104	681,604	642,104	584,104	683,104	642,104
Conference & Travel Expenses 5050009	2,299	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees 5060010	2,103	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	32,600	36,000	36,000	20,000	56,000	46,000	20,000	56,000	36,000
Stipends 5900038	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Total	3,007,917	3,231,705	3,255,745	3,239,740	3,373,240	3,323,740	3,239,740	3,374,740	3,313,740
Funding Sources									
General Revenue 4000010	3,007,917	3,231,705		3,239,740	3,373,240	3,323,740	3,239,740	3,374,740	3,313,740
Total Funding	3,007,917	3,231,705		3,239,740	3,373,240	3,323,740	3,239,740	3,374,740	3,313,740
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	3,007,917	3,231,705		3,239,740	3,373,240	3,323,740	3,239,740	3,374,740	3,313,740

The FY07 Budgeted amount in Personal Services Matching exceeds the Authorized amount due to matching rate adjustments during the 2005-07 biennium.

Change Level by Appropriation

Appropriation: 266-Civilian Student Training Program

Funding Sources: HMD-State Military Department

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,239,740	69	3,239,740	100.0	3,239,740	69	3,239,740	100.0
C01	Existing Program	111,000	0	3,350,740	103.4	111,000	0	3,350,740	103.4
C08	Technology	22,500	0	3,373,240	104.1	24,000	0	3,374,740	104.1

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,239,740	69	3,239,740	100.0	3,239,740	69	3,239,740	100.0
C01	Existing Program	84,000	0	3,323,740	102.5	74,000	0	3,313,740	102.2
C08	Technology	0	0	3,323,740	102.5	0	0	3,313,740	102.2

Justification

C01	Agency request to re-establish \$36,000 each year in Capital Outlay for a capital lease for the Program's security camera system. Additional Maintenance and Operations funding is required for maintenance and repair of Civilian Student Training Program facilities. The buildings utilized by the Program are 10-12 years old. Re-painting and re-roofing are essential in the near future, along with life cycle replacement of HVAC (Heating, Ventilating and Air Conditioning) systems and the boiler assembly in the barracks facility. The estimated cost for these critical maintenance items is \$60,000 - \$75,000. Property damage and deterioration is likely if the repairs are not accomplished. Replacement of critical HVAC systems and the boiler are essential to the safety, security and proper care of the juveniles entrusted to the Agency and Program.
C08	Information Technology funds and appropriation are needed for replacement of an older, outdated telephone system that does not adequately support the Program's 32 extensions and incoming WATS line that provides public access to the Program. The increase will also provide for two desktop workstations for Program coordination staff, for routine repair and replacement of existing PC equipment utilized in the computer lab and by administrative and educational staff, and repair and replacement of two-way radio system equipment as needed.

Analysis of Budget Request

Appropriation: 268 - General Operations

Funding Sources: HMD-State Military Department

The State Operations appropriation provides for the administration of the Arkansas Military Department. The staffing costs and maintenance and general operation expenses in support of the Agency headquarters and National Guard training complex at Camp Robinson as well as the administration and up keep for armories in communities around the State are included in this fund center.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Department is requesting 6 new positions to address workload requirements and technology needs. Out of \$1,574,103 for FY08 and \$1,600,916 in FY09 for Operating Expenses, over \$1 million each year is for the maintenance and building requirements of the facilities and armories. The remainder of the request is for fuel costs and utility increases, training/travel and technology expenses. \$50,000 each year in Capital Outlay is requested for equipment and/or equipment replacement. The Department has requested that \$500,000 each year of the total Maintenance & Operations appropriation requests be established as unfunded appropriation to provide authority to spend federal reimbursements as needed.

The Executive Recommendation does not include the new position requests but does provide \$350,000 each year in general revenue funded appropriation in Operating Expenses for fuel and utility costs as well as the request for \$500,000 each year in unfunded appropriation. Capital Outlay of \$50,000 each year in appropriation only is approved. The request for Conference & Travel Expenses is not approved.

The Executive also recommends that \$1 million in appropriation for maintenance, equipping, construction, acquisition and/or renovation of Department facilities or armories be included for funding from the 86th Sessions Account of the General Improvement Fund.

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$350,000 each year in Operating Expenses for fuel and utility costs

Appropriation Summary

Appropriation: 268 General Operations
Funding Sources: HMD-State Military Department

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	3,043,726	3,372,299	3,494,433	3,372,299	3,529,377	3,372,299	3,372,299	3,529,377	3,372,299
#Positions		103	109	109	109	115	109	109	115	109
Extra Help	5010001	42,698	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
#Extra Help		6	6	6	6	6	6	6	6	6
Personal Services Matching	5010003	1,070,800	1,171,065	1,146,427	1,232,260	1,293,163	1,232,260	1,232,260	1,293,163	1,232,260
Overtime	5010006	0	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Operating Expenses	5020002	2,135,740	2,097,987	2,097,987	2,097,987	3,672,090	2,947,987	2,097,987	3,698,903	2,947,987
Conference & Travel Expenses	5050009	6,006	12,313	12,313	12,313	37,313	12,313	12,313	37,313	12,313
Professional Fees	5060010	700	700	700	700	700	700	700	700	700
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	12,975	0	0	0	50,000	50,000	0	50,000	50,000
Special Maintenance	5120032	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Officer Candidate School	5900046	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Purchase of Flags	5900048	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total		6,329,645	6,739,364	6,836,860	6,800,559	8,667,643	7,700,559	6,800,559	8,694,456	7,700,559
Funding Sources										
General Revenue	4000010	4,313,522	4,834,364		4,900,559	6,267,643	5,250,559	4,900,559	6,294,456	5,250,559
Federal Revenue	4000020	2,003,148	1,905,000		1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000
DFA Motor Vehicle Acquisition	4000184	12,975	0		0	0	0	0	0	0
Total Funding		6,329,645	6,739,364		6,800,559	8,167,643	7,150,559	6,800,559	8,194,456	7,150,559
Excess Appropriation/(Funding)		0	0		0	500,000	550,000	0	500,000	550,000
Grand Total		6,329,645	6,739,364		6,800,559	8,667,643	7,700,559	6,800,559	8,694,456	7,700,559

The FY07 Budgeted amount in Personal Services Matching exceeds the Authorized amount due to matching rate adjustments during the 2005-07 biennium. The FY06 Actual amount in Capital Outlay exceeds the Authorized amount due to a transfer from the DFA-Motor Vehicle Fund. The FY06 Authorized amount in Operating Expenses was greater than the FY07 Authorized amount. FY06 expenditures in Operating Expenses did not exceed the Authorized amount.

Change Level by Appropriation

Appropriation: 268-General Operations
Funding Sources: HMD-State Military Department

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	6,800,559	109	6,800,559	100.0	6,800,559	109	6,800,559	100.0
C01	Existing Program	1,144,600	3	7,945,159	116.8	1,171,413	3	7,971,972	117.2
C05	Unfunded Appropriation	500,000	0	8,445,159	124.1	500,000	0	8,471,972	124.5
C08	Technology	222,484	3	8,667,643	127.4	222,484	3	8,694,456	127.8

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	6,800,559	109	6,800,559	100.0	6,800,559	109	6,800,559	100.0
C01	Existing Program	350,000	0	7,150,559	105.1	350,000	0	7,150,559	105.1
C05	Unfunded Appropriation	500,000	0	7,650,559	112.5	500,000	0	7,650,559	112.5
C08	Technology	50,000	0	7,700,559	113.2	50,000	0	7,700,559	113.2

Justification

C01	Utility and maintenance costs for National Guard armories and facilities statewide comprise the majority of the Military Department's operation budget. Even with stringent energy conservation measures in place, current and projected electric and gas usage and unprecedented rate increases mandate a significant increase in funding and appropriation for these line items. An increase of \$500,000 for building and grounds maintenance is requested to accomplish repainting and re-roofing of our oldest armories and facilities and insure that the facilities are in a suitable status to support readiness training for National Guard units who may be required to deploy for local, national, or international missions at any time. The Air National Guard requires an additional \$105,000 State matching funds at our Fort Smith facility and \$54,119 State matching funds at Little Rock Air Force Base facilities to secure the 75% or 85% Federal matching funds available for maintenance and repair of Air National Guard buildings. Without the additional State matching funds, the Federal matching funds will have to be turned back for redistribution to other states. \$70,000 each year in funds and appropriation are requested for publication of the Military Department's Adjutant General's Annual Report. An additional \$10,000 is required to secure license plate stickers each year of the biennium for National Guard license plates which are required by law. An increase of \$40,000 is required to provide training, travel costs, and uniforms for our state-funded Military Fire & Police Officers who provide fire fighting, police, and security services for Camp Robinson. The 3 new positions requested for this Change Level will enable the Agency to meet the increased maintenance requirements for the State's National Guard headquarters and training facilities.
C05	An increase of \$500,000 each fiscal year in appropriation only is requested due to the recent change in State Refund to Expenditure procedures. When the Federal government gives the Agency a reimbursement for expenditures we have made from our Maintenance and Operations budget, the appropriation can no longer be restored. This appropriation increase will allow the Agency to spend Federal reimbursement dollars for armory maintenance.
C08	This request is for \$30,000 for repair and replacement of computers used in the State payroll, accounting, and purchasing processes. These computers are critical to continued operations of these functions. Also requested is \$950 annually for monitoring services for the storage facility that holds State military personnel records. An additional \$50,000 each year is required to update and maintain hardware and software used by the State Military Department records holding area. Files are maintained electronically and in hard copy. \$20,000 annually is requested for information technology training that is essential to State Military Department employees operating the software packages used on Arkansas National Guard networks. A total of \$10,000 is requested for telecommunications instruments such as telephones for State employees of the agency. The 3 new positions requested for this change level will support the technology requirements for just under 600 State employees of the Agency.

Analysis of Budget Request

Appropriation: 269 - Military Call-up and Court Martial

Funding Sources: HMD-State Military Department

This appropriation provides for emergency Military Call-Up and Military Court Martial expenses. Funding for this program comes from the Miscellaneous Revolving Fund of the Budget Stabilization Trust Fund. The Department is requesting an increase to \$1,000,000 to address recent increased needs related to national and state disasters and emergencies.

The current authorization of \$474,650 has remained essentially the same for several decades and expenditures require draws against the limited resources of the State's Budget Stabilization Trust Fund.

The Executive Recommendation provides for Base Level only.

Appropriation Summary

Appropriation: 269 Military Call-up and Court Martial
Funding Sources: HMD-State Military Department

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Emergency Call Up 5900046	80,893	474,650	474,650	474,650	1,000,000	474,650	474,650	1,000,000	474,650
Court Martial Expenses 5900047	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total	80,893	477,650	477,650	477,650	1,003,000	477,650	477,650	1,003,000	477,650
Funding Sources									
Budget Stabilization Trust 4000130	80,893	477,650		477,650	1,003,000	477,650	477,650	1,003,000	477,650
Total Funding	80,893	477,650		477,650	1,003,000	477,650	477,650	1,003,000	477,650
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	80,893	477,650		477,650	1,003,000	477,650	477,650	1,003,000	477,650

Change Level by Appropriation

Appropriation: 269-Military Call-up and Court Martial

Funding Sources: HMD-State Military Department

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	477,650	0	477,650	100.0	477,650	0	477,650	100.0
C01	Existing Program	525,350	0	1,003,000	209.9	525,350	0	1,003,000	209.9

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	477,650	0	477,650	100.0	477,650	0	477,650	100.0
C01	Existing Program	0	0	477,650	100.0	0	0	477,650	100.0

Justification

C01 The need exists because of past emergencies to increase the Emergency Call Up appropriation to \$1,000,000. During National Disasters and call up of the National Guard our ability to pay soldiers and cover additional expenses from current appropriation has severely taxed our ability to promptly pay the additional cost incurred. FEMA (Federal Emergency Management Association) reimbursement checks help buy back appropriation by the refund to expenditure process however this takes time and historically appropriation is exhausted before the process can be completed.

Analysis of Budget Request

Appropriation: 270 - Federal Training Site

Funding Sources: FMF-State Military Federal

This appropriation provides Regular Salaries, Extra Help, Overtime, and Personal Services Matching costs for state positions funded 100% with federal funds to support operations of the Camp Robinson Federal Training Site.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Department is requesting an additional \$4,381,721 each fiscal year to meet anticipated federal funding. The Department also requests restoration of 152 Regular Salary positions currently authorized, 10 Extra Help positions created through the miscellaneous federal grant process and 9 new positions to address any personnel needs for this federal program.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 270 Federal Training Site
Funding Sources: FMF-State Military Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	6,532,689	7,064,942	10,061,637	7,064,942	10,034,186	10,034,186	7,064,942	10,034,186	10,034,186
#Positions		286	276	428	276	437	437	276	437	437
Extra Help	5010001	890,291	1,524,908	1,524,908	1,524,908	1,524,908	1,524,908	1,524,908	1,524,908	1,524,908
#Extra Help		74	85	75	75	85	85	75	85	85
Personal Services Matching	5010003	2,714,244	2,882,896	3,917,932	2,988,189	4,350,666	4,350,666	2,988,189	4,350,666	4,350,666
Overtime	5010006	293,748	348,000	298,000	298,000	348,000	348,000	298,000	348,000	348,000
Total		10,430,972	11,820,746	15,802,477	11,876,039	16,257,760	16,257,760	11,876,039	16,257,760	16,257,760
Funding Sources										
Federal Revenue	4000020	10,430,972	11,820,746		11,876,039	16,257,760	16,257,760	11,876,039	16,257,760	16,257,760
Total Funding		10,430,972	11,820,746		11,876,039	16,257,760	16,257,760	11,876,039	16,257,760	16,257,760
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		10,430,972	11,820,746		11,876,039	16,257,760	16,257,760	11,876,039	16,257,760	16,257,760

FY07 Budgeted amount for Overtime exceeds the Authorized amount due to a transfer from the DFA-Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 270-Federal Training Site
Funding Sources: FMF-State Military Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	11,876,039	276	11,876,039	100.0	11,876,039	276	11,876,039	100.0
C01	Existing Program	4,286,540	160	16,162,579	136.0	4,286,540	160	16,162,579	136.0
C06	Restored Position	61,365	0	16,223,944	136.6	61,365	0	16,223,944	136.6
C08	Technology	33,816	1	16,257,760	136.9	33,816	1	16,257,760	136.9

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	11,876,039	276	11,876,039	100.0	11,876,039	276	11,876,039	100.0
C01	Existing Program	4,286,540	160	16,162,579	136.0	4,286,540	160	16,162,579	136.0
C06	Restored Position	61,365	0	16,223,944	136.6	61,365	0	16,223,944	136.6
C08	Technology	33,816	1	16,257,760	136.9	33,816	1	16,257,760	136.9

Justification

C01	The eight new positions requested for this Change Level will enable the Agency to meet the increased maintenance and fire-fighting/security requirements for the state's National Guard headquarters and Camp Robinson Training Site. These positions have been identified as a need that will be filled in FY08. Also requesting that 152 positions that were not budgeted in FY07 be restored to meet unanticipated federal manning requirements during the biennium.
C06	Request continuation of \$50,000 Overtime appropriation for the fire-fighters at Fort Smith. A requirement to maintain certification and to man the station for aircraft emergencies creates the need for this overtime and is cost productive verses additional manning. We also request continuation of the Extra Help positions for the Family Support program, and the \$11,365 in fringe benefits, which assists in family transition both prior to and re-deployment of troops to the war zones and border patrol.
C08	One Telephone Technician position is requested to support Information Technology requirements. This position will be 100% federally funded.

Analysis of Budget Request

Appropriation: 275 - Federal Training Site Grant

Funding Sources: FMF-State Military Federal

The State Military Department's appropriation for operational costs of the Camp Robinson Federal Training Site Grant Program is 100% federally funded.

The Department is requesting increases of \$12,037,146 in FY08 and \$11,791,915 in FY09 for communications, utility costs, building and grounds maintenance, vehicle insurance, professional services, travel-training expenses, purchase of shop machinery and tools, and other operating expenses to meet the potential needs of the national guard and its part in the global war on terrorism.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 275 Federal Training Site Grant
Funding Sources: FMF-State Military Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses	5020002	14,390,583	19,981,945	17,142,599	17,142,599	25,753,195	25,753,195	17,142,599	25,815,849	25,815,849
Conference & Travel Expenses	5050009	112,348	189,210	189,210	189,210	269,110	269,110	189,210	274,445	274,445
Professional Fees	5060010	1,994,849	3,614,200	3,068,200	3,068,200	4,860,850	4,860,850	3,068,200	4,890,630	4,890,630
Data Processing	5090012	0	69,000	69,000	69,000	69,000	69,000	69,000	69,000	69,000
Capital Outlay	5120011	1,100,279	1,130,630	430,630	0	1,554,000	1,554,000	0	1,211,000	1,211,000
Total		17,598,059	24,984,985	20,899,639	20,469,009	32,506,155	32,506,155	20,469,009	32,260,924	32,260,924
Funding Sources										
Federal Revenue	4000020	17,598,059	24,984,985		20,469,009	32,506,155	32,506,155	20,469,009	32,260,924	32,260,924
Total Funding		17,598,059	24,984,985		20,469,009	32,506,155	32,506,155	20,469,009	32,260,924	32,260,924
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		17,598,059	24,984,985		20,469,009	32,506,155	32,506,155	20,469,009	32,260,924	32,260,924

The FY06 Actual amount in Capital Outlay exceeds the Authorized amount due to a transfer from the DFA-Miscellaneous Federal Grant Holding Account. The FY07 Budgeted amounts in Operating Expenses, Professional Fees and Capital Outlay exceed the Authorized amount due to a transfer from the DFA-Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: 275-Federal Training Site Grant

Funding Sources: FMF-State Military Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	20,469,009	0	20,469,009	100.0	20,469,009	0	20,469,009	100.0
C01	Existing Program	8,651,800	0	29,120,809	142.2	8,406,569	0	28,875,578	141.0
C06	Restored Position	3,385,346	0	32,506,155	158.8	3,385,346	0	32,260,924	157.6

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	20,469,009	0	20,469,009	100.0	20,469,009	0	20,469,009	100.0
C01	Existing Program	8,651,800	0	29,120,809	142.2	8,406,569	0	28,875,578	141.0
C06	Restored Position	3,385,346	0	32,506,155	158.8	3,385,346	0	32,260,924	157.6

Justification

C01	Additional appropriation is needed to cover the expenditures required by the National Guard Bureau as a result of the Global War on Terrorism and Army Modular Force Transformation requirements for armories, maintenance facilities and training sites. These funds will help beef up security, increase infrastructure, and promote growth on the Military Installations.
C06	Request that the appropriation received in FY07 from the DFA-Miscellaneous Federal Grant Holding Account be continued into the new biennium.

Analysis of Budget Request

Appropriation: 393 - Cash Operations

Funding Sources: NMD-Military Oprs - Cash in Treasury

This appropriation is funded from cash funds in the State Treasury that are derived from rentals and fees for usage of the facilities at Camp Robinson and is used for general maintenance and operating expenses at Camp Robinson as well as building and grounds maintenance on departmental facilities.

The Department is requesting additional maintenance and general operations appropriation of \$597,087 for FY08 and \$541,587 for FY09.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 393 Cash Operations
Funding Sources: NMD-Military Oprs - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	180,859	463,413	463,413	463,413	1,000,000	1,000,000	463,413	1,000,000	1,000,000
Conference & Travel Expenses 5050009	0	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Professional Fees 5060010	5,517	0	0	0	5,000	5,000	0	5,000	5,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	114,112	20,000	20,000	0	55,500	55,500	0	0	0
Total	300,488	485,913	485,913	465,913	1,063,000	1,063,000	465,913	1,007,500	1,007,500
Funding Sources									
Fund Balance 4000005	1,035,155	1,019,142		1,033,229	1,033,229	1,033,229	1,167,316	570,229	570,229
Cash Fund 4000045	284,475	500,000		600,000	600,000	600,000	600,000	600,000	600,000
Total Funding	1,319,630	1,519,142		1,633,229	1,633,229	1,633,229	1,767,316	1,170,229	1,170,229
Excess Appropriation/(Funding)	(1,019,142)	(1,033,229)		(1,167,316)	(570,229)	(570,229)	(1,301,403)	(162,729)	(162,729)
Grand Total	300,488	485,913		465,913	1,063,000	1,063,000	465,913	1,007,500	1,007,500

FY06 Actual amounts in Professional Fees and Capital Outlay exceed the Authorized amounts for these line items due to a transfer from the DFA-Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 393-Cash Operations

Funding Sources: NMD-Military Oprs - Cash in Treasury

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	465,913	0	465,913	100.0	465,913	0	465,913	100.0
C01	Existing Program	597,087	0	1,063,000	228.1	541,587	0	1,007,500	216.2

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	465,913	0	465,913	100.0	465,913	0	465,913	100.0
C01	Existing Program	597,087	0	1,063,000	228.1	541,587	0	1,007,500	216.2

Justification

C01 Additional appropriation of \$536,587 for both years of the Biennium is necessary in the operations arena for support of Camp Robinson. Due to maturing investments and funds availability the Military Department is now in position to put these funds to much needed use to do minor repair and upkeep of facilities and maintenance on Camp. Lifecycle replacement of \$30,000 for a vehicle will also occur during FY08 for the assistant director. A clamshell bucket loader and tractor disk costing \$25,500 also needs to be purchased during FY08 to continue the timber management program on Camp Robinson. Appropriation of \$5,000 is also needed in C.I. 10 to cover the cost of legal fees incurred during the process of land trades, purchases or donations so proper deeds can be filed on State Records.

Analysis of Budget Request

Appropriation: 443 - Counter Drug Asset Forfeiture

Funding Sources: NMD-Counter Drug - Cash in Treasury

The Counter Drug Asset Forfeiture Program uses funds held in the Department's cash fund in the State Treasury. The Department assists in Federal counter drug operations and receives a portion of the proceeds derived from the sale of seized assets. These funds must be used for law enforcement operations and training in accordance with rules and regulations of the U.S. Department of Justice. The Agency's request is to increase the program's appropriation to \$50,000 each year.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 443 Counter Drug Asset Forfeiture
Funding Sources: NMD-Counter Drug - Cash in Treasury

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Counterdrug Asset Forfeiture 5900046	12,781	43,530	26,000	26,000	50,000	50,000	26,000	50,000	50,000
Total	12,781	43,530	26,000	26,000	50,000	50,000	26,000	50,000	50,000
Funding Sources									
Fund Balance 4000005	43,282	41,584		38,054	38,054	38,054	52,054	28,054	28,054
Cash Fund 4000045	11,083	40,000		40,000	40,000	40,000	40,000	40,000	40,000
Total Funding	54,365	81,584		78,054	78,054	78,054	92,054	68,054	68,054
Excess Appropriation/(Funding)	(41,584)	(38,054)		(52,054)	(28,054)	(28,054)	(66,054)	(18,054)	(18,054)
Grand Total	12,781	43,530		26,000	50,000	50,000	26,000	50,000	50,000

The FY07 Budgeted amount exceeds the Authorized amount due to a transfer from the DFA-Cash Fund Holding Account.

Change Level by Appropriation

Appropriation: 443-Counter Drug Asset Forfeiture
Funding Sources: NMD-Counter Drug - Cash in Treasury

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	26,000	0	26,000	100.0	26,000	0	26,000	100.0
C01	Existing Program	24,000	0	50,000	192.3	24,000	0	50,000	192.3

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	26,000	0	26,000	100.0	26,000	0	26,000	100.0
C01	Existing Program	24,000	0	50,000	192.3	24,000	0	50,000	192.3

Justification

C01	The requested increase in this cash fund will bring the appropriation amount to the available funds amount to provide ability to spend the current fund balance and projected drug seizure/asset forfeiture money allotted to the Agency by the Federal Justice and Treasury Departments.
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Analysis of Budget Request

Appropriation: 455 - Military Support Revolving

Funding Sources: MSR-Military Support Revolving Fund

This appropriation is used for non-emergency Military Call-Up to support military training activities. Funding is from the Military Support Revolving Fund which was established by Act 959 of 1999 and consists of fund transfers and deposits from federal agencies.

The Agency Request is to maintain the Base Level of \$500,000 each year in the event that funds up to that amount are received from the Department of Defense or other federal agencies.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 455 Military Support Revolving
Funding Sources: MSR-Military Support Revolving Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Various Expenses 5900046	117,234	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	117,234	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Military Support Revolving 4000342	117,234	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	117,234	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	117,234	500,000		500,000	500,000	500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: 556 - Federal Armory Assistance

Funding Sources: FMF-State Military Federal

This appropriation is used for operating costs of State armories, including State Area Command (STARC) armories. This program is 100% federally funded. The Department is requesting continuation of the Base Level of \$300,000 each year.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 556 Federal Armory Assistance
Funding Sources: FMF-State Military Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	0	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	19,553	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	19,553	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Funding Sources									
Federal Revenue 4000020	19,553	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Total Funding	19,553	300,000		300,000	300,000	300,000	300,000	300,000	300,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	19,553	300,000		300,000	300,000	300,000	300,000	300,000	300,000

Analysis of Budget Request

Appropriation: 575 - Fort Chaffee Training Site

Funding Sources: FMF-State Military Federal

This appropriation is 100% federally funded for the personal services and operational costs of the Fort Chaffee Training Site. The activities of this program are in support of the global war on terrorism and the Army Modular Force Transformation requirements.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Department is requesting restoration of 12 unbudgeted positions and authorization of 10 positions established through Miscellaneous Federal Grant procedures. Maintenance & General Operation appropriation consistent with anticipated federal funding is also requested for the next biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 575 Fort Chaffee Training Site
Funding Sources: FMF-State Military Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
		Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	1,955,786	2,199,533	2,470,426	2,199,533	2,647,501	2,647,501	2,199,533	2,647,501	2,647,501
#Positions		78	80	92	80	102	102	80	102	102
Extra Help	5010001	156,024	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000
#Extra Help		22	32	32	32	32	32	32	32	32
Personal Services Matching	5010003	732,154	858,742	909,474	887,195	1,081,419	1,081,419	887,195	1,081,419	1,081,419
Overtime	5010006	29,828	147,000	147,000	147,000	147,000	147,000	147,000	147,000	147,000
Operating Expenses	5020002	4,097,111	8,823,500	8,923,500	8,823,500	10,937,500	10,937,500	8,823,500	10,958,500	10,958,500
Conference & Travel Expenses	5050009	26,285	138,160	138,160	138,160	138,160	138,160	138,160	138,160	138,160
Professional Fees	5060010	936,142	1,982,875	1,982,875	1,982,875	2,297,875	2,297,875	1,982,875	2,302,875	2,302,875
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	81,183	308,363	208,363	0	725,000	725,000	0	697,000	697,000
Total		8,014,513	14,633,173	14,954,798	14,353,263	18,149,455	18,149,455	14,353,263	18,147,455	18,147,455
Funding Sources										
Federal Revenue	4000020	8,014,513	14,633,173		14,353,263	18,149,455	18,149,455	14,353,263	18,147,455	18,147,455
Total Funding		8,014,513	14,633,173		14,353,263	18,149,455	18,149,455	14,353,263	18,147,455	18,147,455
Excess Appropriation/(Funding)		0	0		0	0	0	0	0	0
Grand Total		8,014,513	14,633,173		14,353,263	18,149,455	18,149,455	14,353,263	18,147,455	18,147,455

Change Level by Appropriation

Appropriation: 575-Fort Chaffee Training Site

Funding Sources: FMF-State Military Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	14,353,263	80	14,353,263	100.0	14,353,263	80	14,353,263	100.0
C01	Existing Program	3,490,986	12	17,844,249	124.3	3,488,986	12	17,842,249	124.3
C06	Restored Position	305,206	10	18,149,455	126.4	305,206	10	18,147,455	126.4

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	14,353,263	80	14,353,263	100.0	14,353,263	80	14,353,263	100.0
C01	Existing Program	3,490,986	12	17,844,249	124.3	3,488,986	12	17,842,249	124.3
C06	Restored Position	305,206	10	18,149,455	126.4	305,206	10	18,147,455	126.4

Justification

C01	Additional appropriation in necessary and federal funds will be available to institute the National Guard Bureau's requirements on Military Installations to increase security, infrastructure, and promote growth as a result of the Global War on Terrorism and Army Modular Force Transformation requirements for armories, maintenance facilities and training sites. Request that the positions eliminated because of personnel cap restrictions be restored. These positions will be used to meet unanticipated federal manning requirements during the biennium.
C06	Request that the MFG establishing 10 Security positions at Ft Chaffee be carried forward into the new biennium. These fulltime positions are vital to security of the Post where gate access is necessary.

Analysis of Budget Request

Appropriation: 576 - National Guard Museum

Funding Sources: HUA-Miscellaneous Agencies Fund

This appropriation receives general revenues from the Miscellaneous Agencies Fund for personal services and operational costs of the Arkansas National Guard Museum.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

Change Level requests for Operating Expenses and Conference and Travel Expenses appropriation for training are requested.

The Executive Recommendation provides for Base Level and the additional request of \$804 each year in Operating Expenses.

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$804 each year in Operating Expenses to defray rising costs of the National Guard Museum

Appropriation Summary

Appropriation: 576 National Guard Museum
Funding Sources: HUA-Miscellaneous Agencies Fund

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	44,449	45,828	45,828	45,828	45,828	45,828	45,828	45,828	45,828
#Positions	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	13,775	14,257	13,294	14,617	14,617	14,617	14,617	14,617	14,617
Operating Expenses 5020002	20,355	19,196	21,359	19,196	20,000	20,000	19,196	20,000	20,000
Conference & Travel Expenses 5050009	1,494	4,200	3,000	4,200	5,400	4,200	4,200	5,400	4,200
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	80,073	83,481	83,481	83,841	85,845	84,645	83,841	85,845	84,645
Funding Sources									
General Revenue 4000010	80,073	83,481		83,841	85,845	84,645	83,841	85,845	84,645
Total Funding	80,073	83,481		83,841	85,845	84,645	83,841	85,845	84,645
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	80,073	83,481		83,841	85,845	84,645	83,841	85,845	84,645

The FY06 Actual and FY07 Budgeted amounts in Personal Services Matching exceed the Authorized amount due to matching rate adjustments during the 2005-07 biennium.

Change Level by Appropriation

Appropriation: 576-National Guard Museum
Funding Sources: HUA-Miscellaneous Agencies Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	83,841	1	83,841	100.0	83,841	1	83,841	100.0
C01	Existing Program	2,004	0	85,845	102.3	2,004	0	85,845	102.3

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	83,841	1	83,841	100.0	83,841	1	83,841	100.0
C01	Existing Program	804	0	84,645	100.9	804	0	84,645	100.9

Justification

C01	An increase in appropriation of \$804 for operations is needed to help defray the rising cost of all expenses for the National Guard Museum . Fuel surcharge increases has added cost to nearly all invoices received and the Museum limited budget does not allow absorbtion of these expenses. In addition a National Curators Conference has increased the need for \$1200 additional funding in the Museum's Director travel budget.
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Analysis of Budget Request

Appropriation: 577 - AR Ntl Guard Yth Challenge Prgm

Funding Sources: FMF-State Military Federal

The Arkansas National Guard Youth Challenge Program provides for the general operation and personnel expenses to support a residential educational training program for high school dropouts to enable them to receive a General Educational Development (GED) Diploma and assistance for further education or employment. The Program is designed for two (2) cycles per year to accommodate a total of 200 students per year.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

This program is funded each year by state general revenue and matching federal National Guard Bureau funds. The Department is requesting restoration of 41 unbudgeted positions and Operating Expenses in order to return the program to full capacity of 200 students using the 60/40 federal/state matching.

The Executive Recommendation provides for the Agency Request.

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$365,440 each year for state matching of anticipated federal funds

Appropriation Summary

Appropriation: 577 AR Ntl Guard Yth Challenge Prgm
Funding Sources: FMF-State Military Federal

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,172,264	1,057,252	2,015,378	1,057,252	1,983,674	1,983,674	1,057,252	1,983,674	1,983,674
#Positions	52	38	79	38	79	79	38	79	79
Extra Help 5010001	0	32,960	32,960	32,960	32,960	32,960	32,960	32,960	32,960
#Extra Help	0	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	442,817	396,213	727,777	409,335	792,111	792,111	409,335	792,111	792,111
Overtime 5010006	0	26,666	26,666	26,666	26,666	26,666	26,666	26,666	26,666
Operating Expenses 5020002	547,758	652,027	668,113	652,027	694,527	694,527	652,027	694,527	694,527
Conference & Travel Expenses 5050009	1,317	6,951	6,951	6,951	6,951	6,951	6,951	6,951	6,951
Professional Fees 5060010	285	25,642	25,642	25,642	25,642	25,642	25,642	25,642	25,642
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	58,352	58,406	58,406	58,406	58,406	58,406	58,406	58,406	58,406
Capital Outlay 5120011	24,128	16,086	0	16,086	16,086	16,086	16,086	16,086	16,086
Stipends 5900038	86,400	106,000	106,000	106,000	106,000	106,000	106,000	106,000	106,000
Total	2,333,321	2,378,203	3,667,893	2,391,325	3,743,023	3,743,023	2,391,325	3,743,023	3,743,023
Funding Sources									
General Revenue 4000010	632,122	634,560		634,560	1,000,000	1,000,000	634,560	1,000,000	1,000,000
Federal Revenue 4000020	1,701,199	1,743,643		1,756,765	2,743,023	2,743,023	1,756,765	2,743,023	2,743,023
Total Funding	2,333,321	2,378,203		2,391,325	3,743,023	3,743,023	2,391,325	3,743,023	3,743,023
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	2,333,321	2,378,203		2,391,325	3,743,023	3,743,023	2,391,325	3,743,023	3,743,023

The FY06 Actual and FY07 Budgeted amounts in Capital Outlay exceed the Authorized amount due to Budget Classification Transfers from Operating Expenses during the 2005-07 biennium.

Change Level by Appropriation

Appropriation: 577-AR Ntl Guard Yth Challenge Prgm

Funding Sources: FMF-State Military Federal

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	2,391,325	38	2,391,325	100.0	2,391,325	38	2,391,325	100.0
C01	Existing Program	1,309,198	41	3,700,523	154.7	1,309,198	41	3,700,523	154.7
C08	Technology	42,500	0	3,743,023	156.5	42,500	0	3,743,023	156.5

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	2,391,325	38	2,391,325	100.0	2,391,325	38	2,391,325	100.0
C01	Existing Program	1,309,198	41	3,700,523	154.7	1,309,198	41	3,700,523	154.7
C08	Technology	42,500	0	3,743,023	156.5	42,500	0	3,743,023	156.5

Justification

C01	Agency is requests to restore 41 positions that were not budgeted in FY07. These positions will be used to fill unanticipated personnel needs during the biennium within available funding. The Agency is requesting \$1 million State matching funds to secure \$1.68 million in Federal matching funds for a 60/40 cost share. This will restore the Youth Challenge Program to its full capacity of 200 students.
C08	An increase in appropriation is requested to provide for information technology requirements including replacing 25 PC's used by students and staff, 2 printers, and 5 telephone sets. Expenditures for these requirements will be from established Federal and State funding provided for the Program.

Appropriation Summary

Appropriation: 1SW Federal Distance Learning
Funding Sources: FMF-State Military Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Distance Learning Expenses 5900046	0	0	50,000	0	0	0	0	0	0
Total	0	0	50,000	0	0	0	0	0	0

This appropriation is not requested for the new biennium.