5% Base Budget Reduction Form

17-7-111-3(f)

AGENCY CODE & NAME: Department of Military Affairs - 6701

		Minimum Requirement	
		General Fund	State Special Revenue Fund
	TARGETED REDUCTION TO EQUAL 5% OF CURRENT BASE BUDGET	$ 329,250	$ 7,457

Priority	SERVICE(S) TO BE ELIMINATED OR REDUCED	General Fund Annual Savings	State Special Revenue Annual Savings
1	IT Personal Services - (01-DO)	$ 50,663	
2	Army Guard Repair and Maintenance of Facilities (12-ARNG)	$ 97,368	
3	MT Youth Challenge Operations (02-MYCA)	$ 67,178	
4	Reduction of National Guard Scholarships (03-Scholarship)	$ 12,500	
5	Air Guard Repair, Maintenance, and Contracts (13-ANG)	$ 19,889	
6	DES Personal Services and Search and Rescue Reimbursements (21-DES)	$ 81,652	$ 7,457
7			
8			
9			
10			
11			
	TOTAL SAVINGS	$ 329,250	$ 7,457
	DIFFERENCE	0	0

Form A

5% Base Budget Reduction Form

AGENCY CODE & NAME: 6701 - Department of Military Affairs

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

The Director's Office would have to implement a vacancy savings plan in the Military Affairs Information Technology (MAIT) program. Reducing HR or Finance staff would result in an additional funding loss in federal funds.

#2 THE SAVINGS THAT ARE EXPECTED:

The Director's Office would save $50,663 in general fund.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

MAIT provides IT support for DMA for over 260 employees scattered across 13 locations throughout the state. In a previous staffing survey, it was determined that compared to similar-sized state agencies, MAIT currently has half of the recommended number of IT personnel. Additionally, the Veterans Benefits program within Montana Veterans Affairs Division is required by the federal Public Law 109-461 (known as the Veterans Benefits, Health Care, and Information Technology Act of 2006) to comply “with information security requirements set by the National Institute of Standards and Technology (NIST) and the Office of Management and Budget (OMB).” As part of the MOM SITSD Information Security Policy, DMA is additionally required to comply with NIST 500-83 standards. Loss of IT personnel would cause DMA to fall out of compliance with both requirements.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Reducing IT staff puts the department at risk of failure to comply with Public Law 109-461 and MOM SITSD Information Security Policy would unnecessarily open the state’s network to the risk of a cybersecurity incident and would jeopardize the Veterans Benefits program that provides benefit and claim assistance for our state’s veterans.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes. Public Law 109-461, 2-17-505, MCA

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 6701 - Department of Military Affairs

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

The Army Program will reduce repair and maintenance to the facilities.

#2 THE SAVINGS THAT ARE EXPECTED:

The Army Program could save $97,368 in general fund.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

Deferring maintenance and repair projects will result in costly major repairs in future years. Army program will lose matching federal funds on state owned facilities for repair and maintenance projects. The splits are 50/50 or 75/25 which result in a loss of $97,368 to $292,104 in federal funds.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Reducing facility repair and maintenance postpones unavoidable maintenance activities (ie roofs, siding, plumbing, HVAC). Deferring maintenance will eventally cost more and take longer to repair and increased risk of more damage to the facility.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 6701 - Department of Military Affairs

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

MYCA would have to reduce program operations including, food, clothing, hygiene/supplies, travel/training, contracts/education materials, and vocational education.

#2 THE SAVINGS THAT ARE EXPECTED:

MYCA is funded 75% federal Dept. of Defense and 25% state general fund. A reduction of $67,168 in general fund would result in a reduction of $268,712 in federal funds.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

A base budget reduction for MYCA would require a reduction in cadet numbers because the budget is based on bona fide need. MYCA typically receives over 200 applications per class. We can only accommodate 135 students per class. Further reducing the number of Cadets would be detrimental to at-risk youth and Montana Communities. A reduction of state match funding causes a loss of federal funding therefore creating a greater shortage of funds.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

These cuts would significantly redefine the MYCA to a basic HiSet program with reduced occupancy levels. MYCA would be unable to provide the opportunitites/incentives which currently exist to promote life changes in the youth we serve.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes, The Cooperative Agreement between the DoD and the State of Montana established standards for our operations and curiculum.

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME: 6701 - Department of Military Affairs

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

The National Guard Scholarship Program would have to reduce the amount provided to OCHE to apply to tuition waivers.

#2 THE SAVINGS THAT ARE EXPECTED:

The program would save $12,500 in general fund.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

The elimination of these tuition waivers could negatively impact recruiting and retention in the Montana National Guard.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Recruitment and retention is already difficult in the Army and Air National Guard, this program helps offset college tuition costs.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

5% Base Budget Reduction Form

AGENCY CODE & NAME:

#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

The MT Air National Guard (ANG) will reduce craftsman supplies and if needed, reduce custodial contracts.

#2 THE SAVINGS THAT ARE EXPECTED:

ANG would save $19,889 in general fund.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

ANG has a required federal/general fund match. This reduction would also result in $59,667 in federal funding which could impact future budgets as well as the 27 Biennium.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Preventative maintence will not be performed which may impact the cost of future repairs. State empoyees will be required to assume custodial duties in addition to those they alreasdy have.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

No

Form B

5% Base Budget Reduction Form

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#1 BRIEF DESCRIPTION OF SERVICE TO BE CONSIDERED FOR *ELIMINATION* OR *REDUCTION*:

The MT DES personal services and operating budget is a 50/50 match with federal funds. To implement a 5% reduction, MT DES would implement a vacancy savings plan equivalent to 2 full time FTE. To implement reductions to state special revenue, the division would reduce the amount of funding for local Search and Rescue reimbursements.

#2 THE SAVINGS THAT ARE EXPECTED:

The program would save $81,652 in general fund and $7,457 in state special revenue.

#3 THE CONSEQUENCES OR IMPACTS OF THE PROPOSED *ELIMINATION* OR *REDUCTION*:

The division workload currently exceeds the FTE. Loss of FTE will shift an even greater workload to other employees resulting in overtime costs. This will likely result in untimely reimbursements, slower disaster recovery to communities, and fewer resources to assist with disaster response. Additionally, the division would lack the spending authority to reimburse counties.

#4 HOW THE IMPACT TO CONSTITUENTS AND STAFF MIGHT BE MITIGATED

Consider using the disaster appropriation for staff salaries.

#5 WHETHER THE SERVICE IS SPECIFICALLY REQUIRED BY STATE & /OR FEDERAL STATUTE - YES OR NO:

Yes - 10-3-105, MCA

Form B