

**DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS -  
MILITARY AFFAIRS**

A.R.S. § 26-101

<b>General Fund</b>	<b>FY 1998 Actual</b>	<b>FY 1999 Estimate</b>	<b>FY 2000 Approved</b>	<b>FY 2001 Approved</b>
FTE Positions	48.5	48.5	48.5	48.5
Personal Services	1,270,000	1,408,600	1,448,000	1,476,900
Employee Related Expenditures	281,600	348,400	291,300	305,700
Professional and Outside Services	3,600	24,200	24,200	24,200
Travel - In State	26,900	38,800	38,800	38,800
Travel - Out of State	11,200	8,500	8,500	8,500
Other Operating Expenditures	1,091,700	1,406,300	1,315,300	1,315,300
Equipment	<u>96,400</u>	<u>35,500</u>	<u>35,500</u>	<u>35,500</u>
<b>Operating Subtotal</b>	<b>2,781,400</b>	<b>3,270,300</b>	<b>3,161,600</b>	<b>3,204,900</b>
Service Contracts	852,300	852,300	852,300 <sup>1/</sup>	852,300 <sup>1/</sup>
Education Reimbursement	36,500	443,000	443,000	443,000
Guardsmen - State Active Duty	1,000	5,300	0	0
Uniform Allowance	3,000	3,000	0	0
Project Challenge	<u>1,510,400</u>	<u>1,400,000</u>	<u>1,500,000<sup>2/</sup></u>	<u>1,500,000<sup>2/</sup></u>
<b>Total Appropriations</b>	<b>5,184,600</b>	<b>5,973,900</b>	<b>5,956,900<sup>3/4/</sup></b>	<b>6,000,200<sup>3/4/</sup></b>

**Program Description** — *The division manages and operates the National Guard of Arizona, which includes the Army and Air National Guard.*

**Service Contracts** — The approved amounts provide the state matching share for federal contracts. The matching share varies from 0% to 25% of costs. These contracts fund activities such as the operations, maintenance, and security agreements for the Air National Guard, the Army Training Sites, and the Navajo Army Depot.

**Education Reimbursement** — The approved amounts reimburse Guard members for a portion of their education costs. Laws 1998, Chapter 201 appropriated an additional \$400,000 in FY 1999 for this Special Line Item, and that funding level has been continued in FY 2000 and FY 2001.

**Guardsmen - State Active Duty** — The approved amount transfers \$5,300 and 1 FTE Position from this Special Line Item to the operating budget.

**Uniform Allowance** — The approved amount transfers \$3,000 from this Special Line Item to the operating budget.

**Project Challenge** — The approved FY 2000 amount includes an increase of \$100,000 for Project Challenge and

the stipulation that the total \$1,500,000 appropriation for the program only be used to fund the program's operating expenditures (*see footnote 2*). This amount is continued in FY 2001.

Project Challenge is a quasi-military school for high school dropouts run by the Arizona National Guard. The program equips youth with life skills and offers classes to fulfill requirements for the General Equivalency Diploma (GED). The curriculum consists of a 5-month residential phase and a 12-month post-residential phase, with approximately 225 students per year. Originally funded entirely with federal monies, federal funding has been reduced to 75% of the FY 1994 level and will fall to 60% by FY 2002.

(*See the "Additional Legislation" section below.*)

<sup>1/</sup> The \$852,300 appropriated in FY 2000 and FY 2001 for Service Contracts is exempt from A.R.S. § 35-190, relating to lapsing of appropriations, except that all FY 2000 monies remaining unexpended and unencumbered on October 31, 2000 revert to the state General Fund, and all FY 2001 monies remaining unexpended and unencumbered on October 31, 2001 revert to the state General Fund. (General Appropriation Act footnote)

<sup>2/</sup> The \$1,500,000 appropriation for Project Challenge shall only be used to fund operating expenditures for Project Challenge. (General Appropriation Act footnote)

<sup>3/</sup> This amount does not include a \$1,920,000 "trigger" appropriation made by Laws 1999, Chapter 5, 1<sup>st</sup> Special Session. Triggered appropriations in FY 2000 or FY 2001 depend on the availability of excess revenues. (*For more information, refer to the "Additional Legislation" description in this cost center and the "Summary of Appropriations Triggered by Revenues" table at the front of this report.*)

<sup>4/</sup> General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items for the P program.

**DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS - MILITARY AFFAIRS (Cont'd)**

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**Additional Legislation:** Tax Relief and Fiscal Control (Chapter 5, 1<sup>st</sup> Special Session) — This act appropriated \$1,920,000 in FY 2000 or FY 2001 from the General Fund for Project Challenge to relocate and construct facilities. This appropriation, however, is contingent on the amount of General Fund revenues available in FY 2000 or FY 2001. Prior to September 1, 1999 and 2000, JLBC and OSPB will calculate total revenues and determine if sufficient monies are available to trigger the appropriation. *(For more information on this and other triggered appropriations, see the “Summary of Appropriations Triggered by Revenues” table at the front of this report.)*