

- Over 60% of the Adjutant General's budget comes from federal funds
- As of FY 2001, the Ohio National Guard Scholarship Program is contained in the budget for the Board of Regents

## Adjutant General

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### ROLE

The Adjutant General has a threefold mission that includes federal, state, and community components. Through the federal mission, the agency supports U.S. national security objectives. In 1998 and 1999 Ohio Army National Guard and the Air National Guard participated in a number of missions around the world including Operation Desert Fox in Iraq; a peacekeeping mission in Bosnia and neighboring countries; and Operation Allied Force in Kosovo. To fulfill its state mission, the agency is the state's largest emergency response team. The Governor can activate guard units to protect life and property and to preserve peace, order, and public safety. During calendar year 1999, the Ohio National Guard responded to the tornado that hit southwest Ohio near Cincinnati. To fulfill its community mission, the Adjutant General participates in many community service projects, such as GuardCare that provides free health care to Ohio's medically underserved population.

The major state sponsored recruiting inducement for the National Guard is the Ohio National Guard Scholarship program funded under the Board of Regents at \$12.0 million each year. This amount exceeds GRF funding that is provided directly to the Adjutant General's Department. The scholarship program was upgraded in the FY 2000-2001 budget when the reimbursement for tuition went from 60 percent to 100 percent.

<b>Agency In Brief</b>					
<b>Number of Employees</b>	<b>Total Appropriations-All Funds</b>		<b>GRF Appropriations</b>		<b>Appropriation Bill(s)</b>
	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	
361	\$31.7 million	\$33.5 million	\$9.8 million	\$10.2 million	Am. Sub. H.B. 94

### OVERVIEW

The Adjutant General's total appropriation is \$31.7 million in FY 2002, a 1.1 percent increase over FY 2001 spending and \$33.5 million in FY 2003, a 5.7 percent increase over the FY 2002 appropriation. GRF appropriations decrease 11.7 percent from FY 2001 to FY 2002 and increase 4.4 percent from FY 2002 to FY 2003.

The final total appropriation for the Adjutant General decreased 2.0 percent from the Executive proposal in FY 2002 and 1.6 percent in FY 2003. The final GRF appropriation decreased 6.1 percent from the Executive proposal in FY 2002 and 5.1 percent in FY 2003.

## BUDGET ISSUES

### *NATIONAL GUARD FUNDING*

Federal appropriations fund approximately 60 percent of the budget for the Adjutant General's Department. In addition to the appropriated federal funding, there is other federal spending for military pay and equipment, which is not appropriated by the state and is spent directly by the federal government. Federal funding supports the need for well-trained military personnel who can be called to duty when needed. Ohio's ability to continue to play a role in the national military structure depends on the state's willingness to support a National Guard presence.

Continued state support is necessary to retain a National Guard presence in Ohio. The National Guard Bureau measures the state's commitment to its National Guard units by an assessment of the state's ability to maintain the human and physical assets entrusted to it. This requires the National Guard to keep adequate staffing levels and to maintain the facilities that house its military personnel. If a state fails to maintain these standards, guard units will be moved to other states. Of the 150 Army and Air National Guard units in Ohio, several are in danger of being deactivated over the next four years. The loss of guard units means the loss of personnel and equipment that can be used to respond to state emergencies, the loss of federal funds, and reduced higher education opportunities for prospective members.

In the FY 2002-2003 budget, the Adjutant General's budget for the Army and Air National Guard personnel lines (745-499 and 745-404, respectively) was exempted from the 1.5 percent general budget cut to preserve federal matching dollars the department receives based on those line items. The facilities lines, however, were not exempt from the cut. Line item 745-403, Armory Deferred Maintenance, was eliminated.

### *OHIO NATIONAL GUARD SCHOLARSHIP PROGRAM*

Beginning in FY 2001, the tuition grant program was renamed the Ohio National Guard Scholarship Program and was moved into the budget for the Board of Regents. In addition, the tuition costs for a National Guard member at an Ohio public university are now covered 100 percent. Largely due to this increase, the program has received a significant increase in funding in the FY 2002-2003 biennium over the FY 2000-2001 biennium. In the FY 2000-2001 biennium, the actual expenditures for the scholarship program were \$14,034,688. In the FY 2002-2003 biennium, the appropriation is \$24,096,212, a 71.7 percent increase. 

**FY 2002 - 2003 Final Appropriation Amounts**

**All Fund Group**

**Line Item Detail by Agency**

*FY 1999.*      *FY 2000.*      *FY 2001.*      **FY 2002**      *% Change*      **FY 2003**      *% Change*  
*Appropriations:*      *2001 to 2002:*      *Appropriations:*      *2002 to 2003:*

**Report For: Main Operating Appropriations Bill**

**Version: Enacted**

**ADJ Adjutant General**

GRF	745-401	Ohio Military Reserve	\$ 18,783	\$ 19,026	\$8,992	\$ 14,677	63.22%	\$ 14,972	2.01%
GRF	745-403	Armory Deferred Maintenance	\$ 0	\$ 227,565	\$939,657	\$ 0	-100.00%	\$ 0	N/A
GRF	745-404	Air National Guard	\$ 2,061,833	\$ 1,866,505	\$1,868,422	\$ 1,845,527	-1.23%	\$ 1,921,854	4.14%
GRF	745-406	Tuition Grant Program	\$ 3,326,508	\$ 444,667		\$ 0	N/A	\$ 0	N/A
GRF	745-409	Central Administration	\$ 5,945,379	\$ 4,611,765	\$4,075,230	\$ 3,915,557	-3.92%	\$ 4,159,259	6.22%
GRF	745-499	Army National Guard	\$ 3,780,293	\$ 4,035,170	\$4,040,553	\$ 3,878,881	-4.00%	\$ 3,988,519	2.83%
GRF	745-502	Ohio National Guard Unit Fund	\$ 118,636	\$ 118,086	\$121,392	\$ 105,375	-13.19%	\$ 101,512	-3.67%
<b>General Revenue Fund Total</b>			<b>\$ 15,251,432</b>	<b>\$ 11,322,784</b>	<b>\$ 11,054,247</b>	<b>\$ 9,760,018</b>	<b>-11.71%</b>	<b>\$ 10,186,116</b>	<b>4.37%</b>
537	745-604	Ohio National Guard Maintenance	\$ 181,522	\$ 124,310	\$567,082	\$ 214,464	-62.18%	\$ 219,826	2.50%
534	745-612	Armory Improvements	\$ 928,953	\$ 662,058	\$175,147	\$ 529,014	202.04%	\$ 534,304	1.00%
536	745-620	Camp Perry Clubhouse & Rental	\$ 675,600	\$ 751,135	\$1,011,226	\$ 1,054,359	4.27%	\$ 1,094,970	3.85%
<b>General Services Fund Group Total</b>			<b>\$ 1,786,075</b>	<b>\$ 1,537,503</b>	<b>\$ 1,753,455</b>	<b>\$ 1,797,837</b>	<b>2.53%</b>	<b>\$ 1,849,100</b>	<b>2.85%</b>
3S0	745-602	Higher Ground Training	\$ 0	\$ 11,622		\$ 20,000	N/A	\$ 20,000	0.00%
3R8	745-603	Counter Drug Operations	---	\$ 0	\$3,442	\$ 25,000	626.31%	\$ 25,000	0.00%
340	745-614	Marksmanship Program	\$ 55,790	\$ 0		\$ 0	N/A	\$ 0	N/A
341	745-615	Air National Guard Base Security	\$ 1,417,496	\$ 1,637,152	\$1,755,066	\$ 1,770,744	0.89%	\$ 1,841,573	4.00%
342	745-616	Army National Guard Service Agreeeme	\$ 4,567,015	\$ 2,868,989	\$3,288,847	\$ 6,429,352	95.49%	\$ 6,749,210	4.97%
343	745-619	Army National Guard Training Site Agre	\$ 2,239,877	\$ 2,704,775	\$2,791,188	\$ 0	-100.00%	\$ 0	N/A
3E8	745-628	Air National Guard Operations & Mainte	\$ 9,827,745	\$ 9,976,930	\$10,629,676	\$ 11,821,084	11.21%	\$ 12,770,931	8.04%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 18,107,923</b>	<b>\$ 17,199,468</b>	<b>\$ 18,468,218</b>	<b>\$ 20,066,180</b>	<b>8.65%</b>	<b>\$ 21,406,714</b>	<b>6.68%</b>
528	745-605	Marksmanship Activities	---	\$ 36,158	\$61,225	\$ 64,466	5.29%	\$ 66,078	2.50%
<b>State Special Revenue Fund Group Total</b>			<b>----</b>	<b>\$ 36,158</b>	<b>\$ 61,225</b>	<b>\$ 64,466</b>	<b>5.29%</b>	<b>\$ 66,078</b>	<b>2.50%</b>
<b>Adjutant General Total</b>			<b>\$ 35,145,430</b>	<b>\$ 30,095,913</b>	<b>\$ 31,337,145</b>	<b>\$ 31,688,501</b>	<b>1.12%</b>	<b>\$ 33,508,008</b>	<b>5.74%</b>