



Background Briefing

MILITARY AND VETERANS AFFAIRS

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December 2011

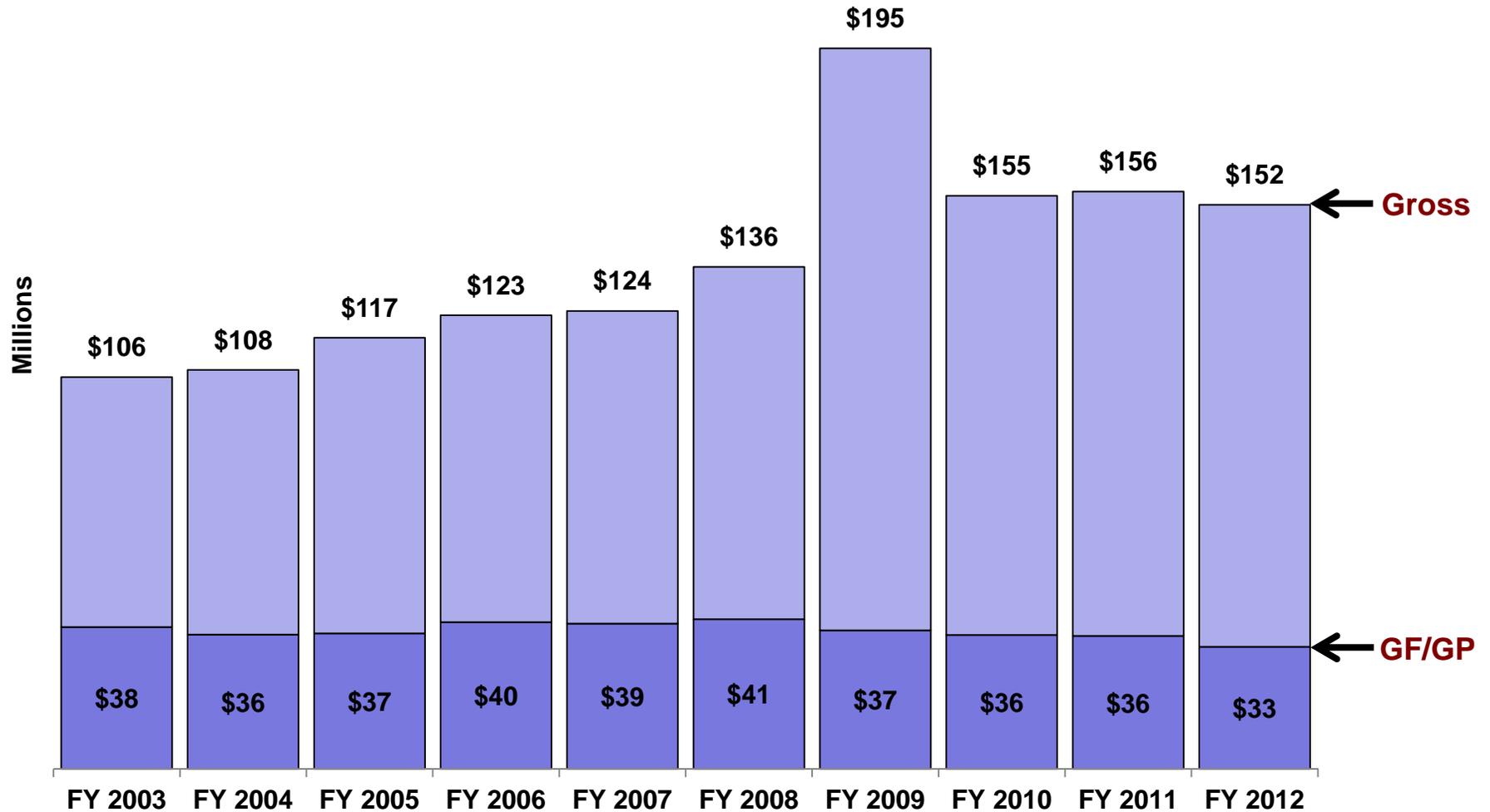
The fiscal information in this background briefing is based on data through December 31, 2011.

Military and Veterans Affairs

- **The Michigan Department of Military and Veterans Affairs (DMVA) has three primary missions:**
 - **To execute the duties mandated by various state statutes and the Governor**
 - **To administer state regulated services**
 - **To ensure preparedness of the Michigan National Guard to assist both state and federal authorities**

Military and Veterans Affairs: Gross Appropriations

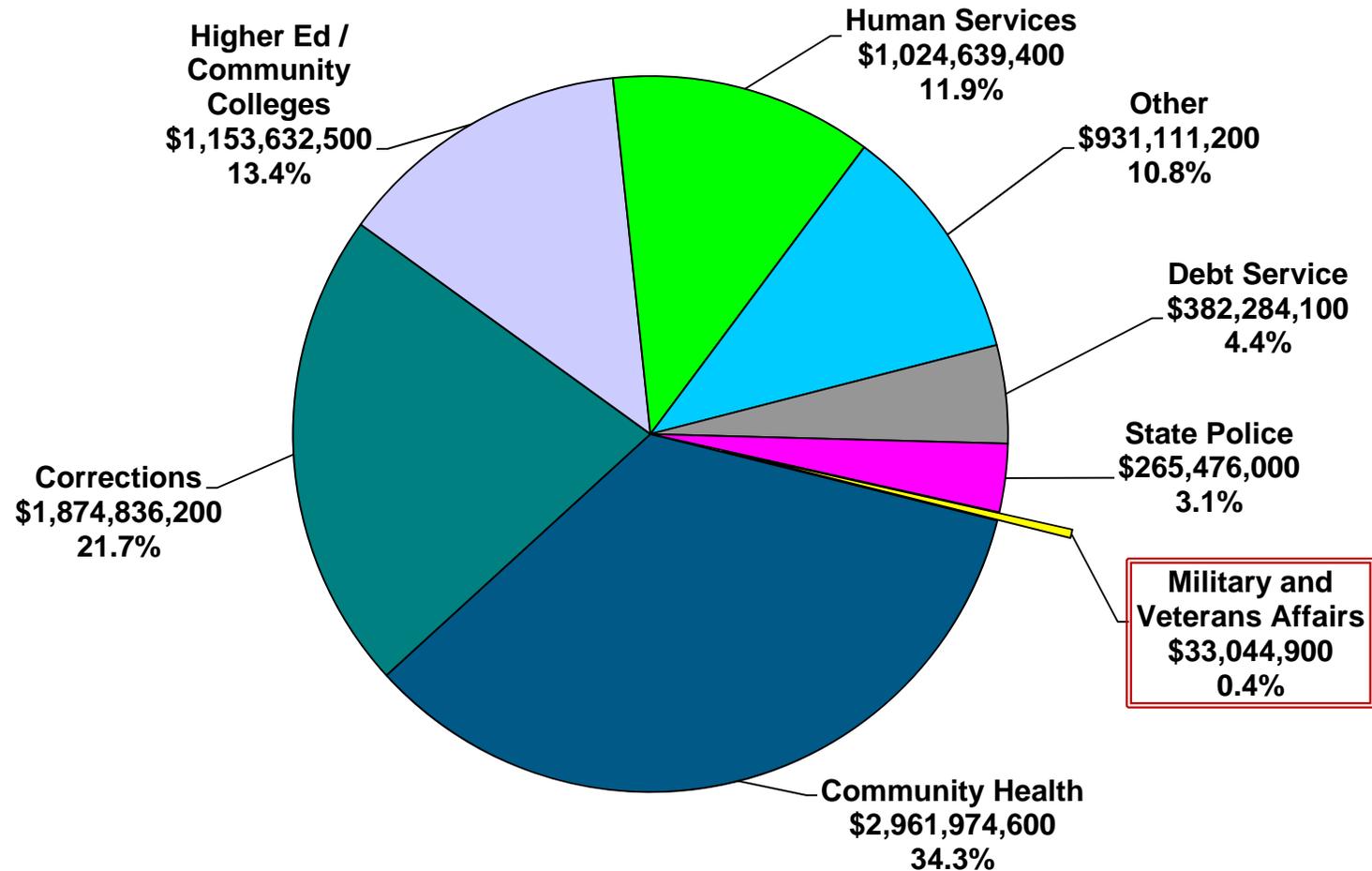
Significant increase in FY 2009 due to appropriations for capital outlay projects being included in the department's budget. Increases in federal funding have resulted in decreased GF/GP.



Military and Veterans Affairs Share of State GF/GP

Military and Veterans Affairs makes up 0.4% of the total state GF/GP budget

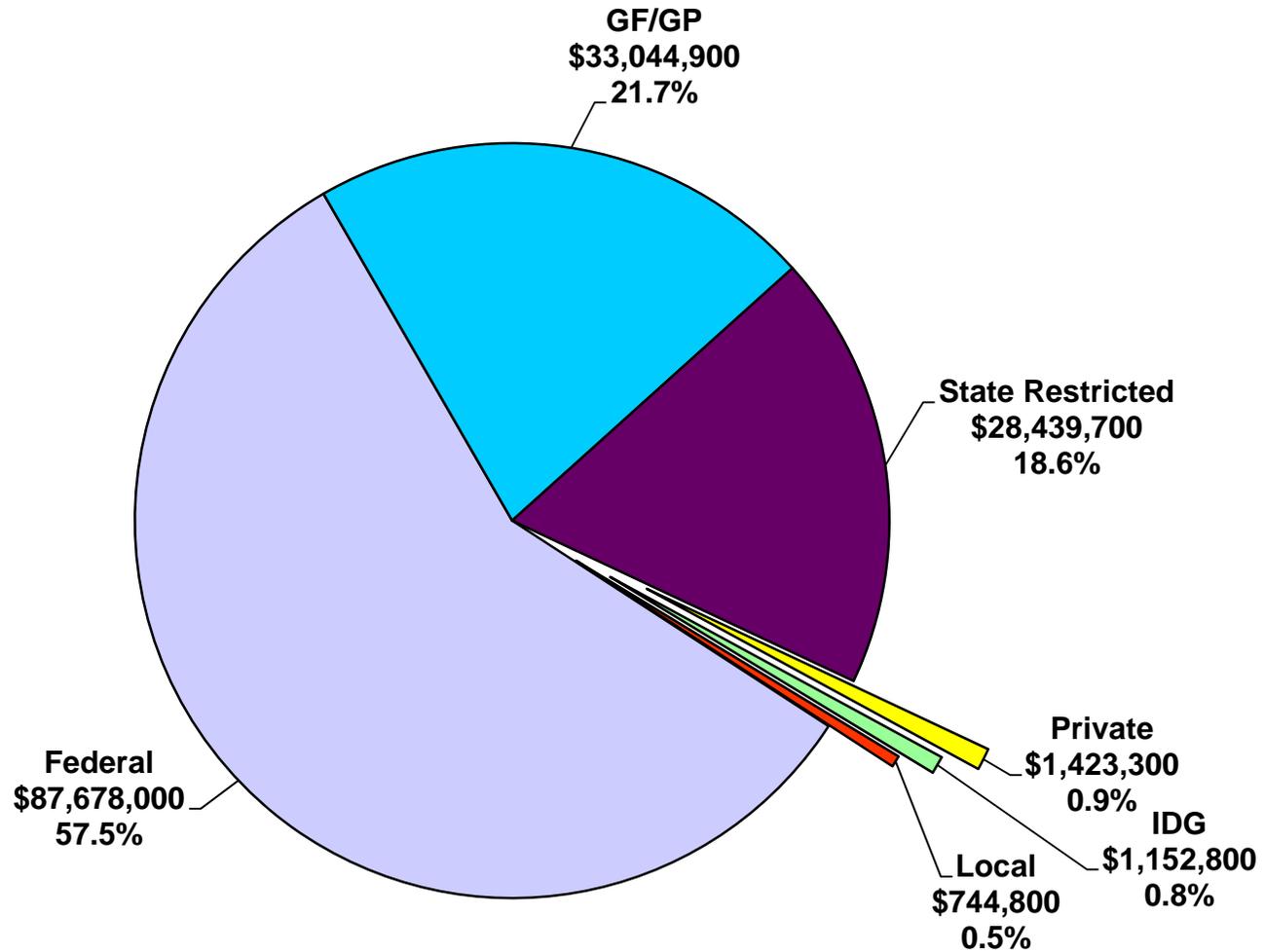
FY 2011-12 GF/GP Total = \$8,626,998,900



SOURCES OF FUNDING

Military and Veterans Affairs Funding Sources

FY 2011-12 Military and Veterans Affairs Budget = \$152,483,500



DEPARTMENT APPROPRIATIONS

Military and Veterans Affairs Appropriations

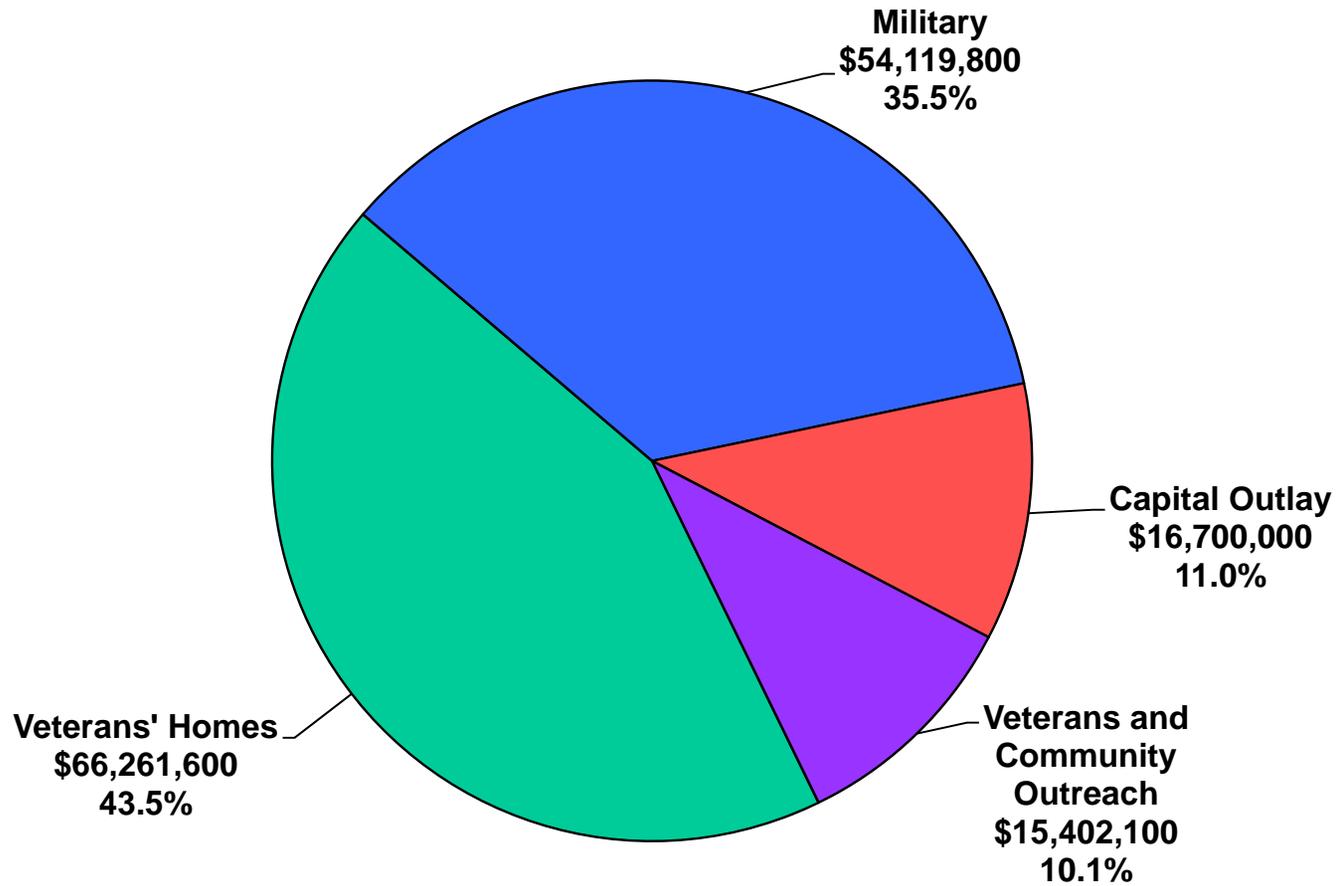
The Military and Veterans Affairs budget is allocated into the following major spending areas:

- **Military**
- **Veterans and Community Outreach**
- **Veterans Homes**
- **Capital Outlay**

Appropriations are contained in four line items, by major spending areas, in the appropriations bill. Schedules of Programs appear for each of the line items with anticipated appropriation amounts. The Schedules of Programs are informational in nature and the anticipated appropriation amounts can be adjusted administratively, without legislative approval, within the larger line items into which the programs have been rolled up. Boilerplate language in the bill states that Schedules of Programs are not required to be funded as presented in the bill.

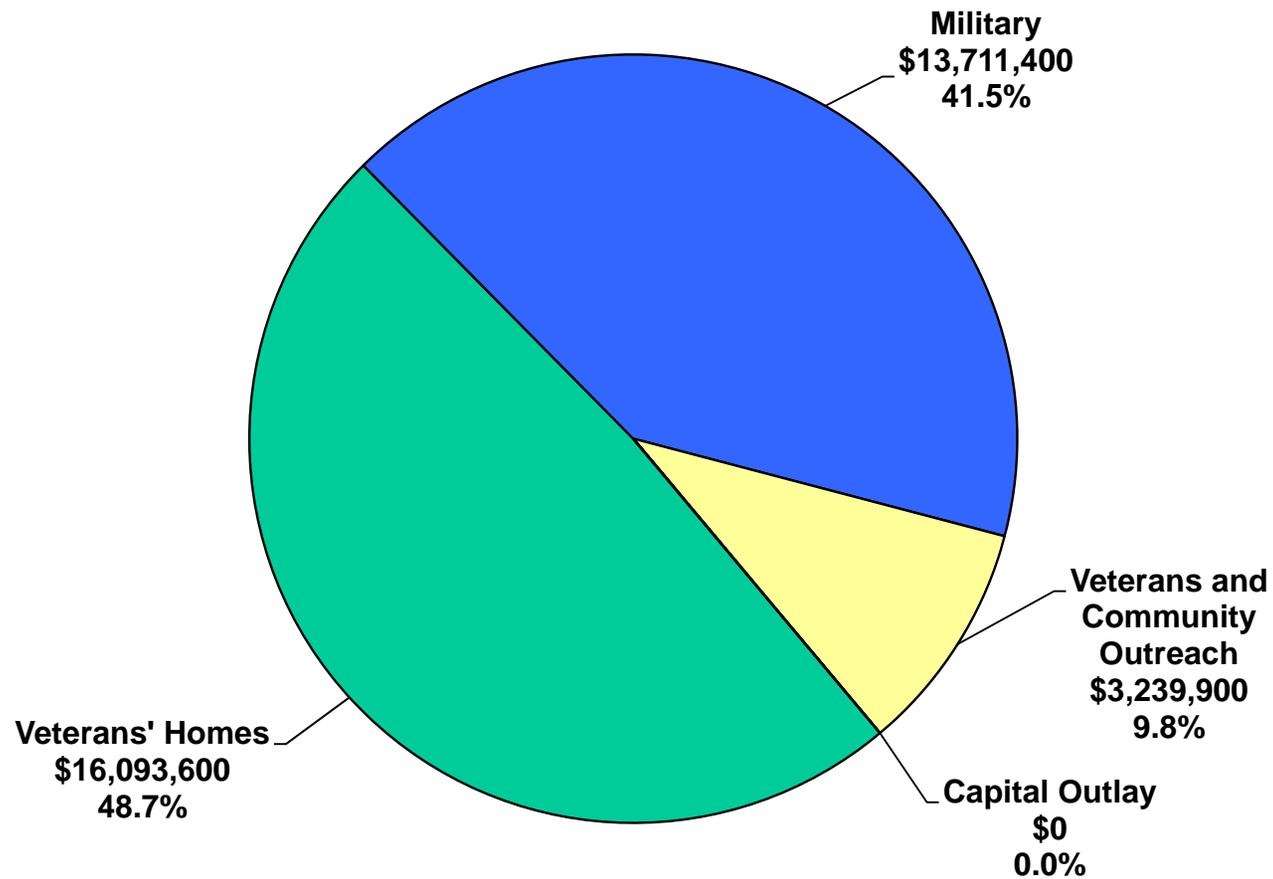
Military and Veterans Affairs Appropriations

FY 2011-12 Military and Veterans Affairs Total Budget = \$152,483,500



Military and Veterans Affairs Appropriations

FY 2011-12 Military and Veterans Affairs GF/GP Budget = \$33,044,900



MAJOR BUDGET ISSUES

Military

- **The Michigan National Guard**
 - Serves to protect the lives and property of Michigan citizens during times of natural disaster and civil unrest
 - Responds as needed to state, local, and regional emergencies to ensure peace, order, and public safety
 - Assists federal government in defending sovereign interests of the United States when they are threatened or violated

- **Under the National Defense Act, the Michigan Army and Air National Guard are reserve components of the United States Army and Air Force, apportioned and assigned to this state**

- **There are approximately 11,700 members of the Michigan National Guard**
 - 1,640 on active duty and mobilized to serve around the world
 - Additional 630 scheduled to be deployed through 2012

Military

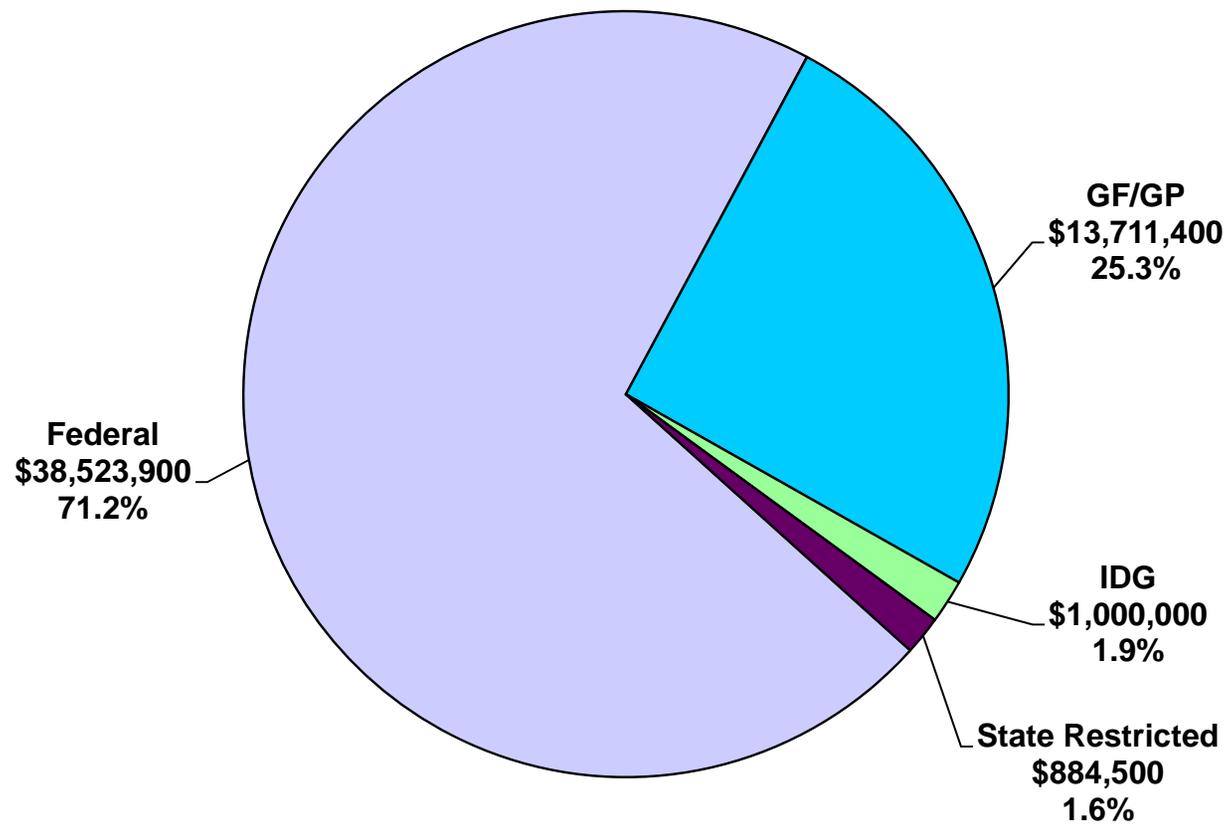
FY 2011-12 Total Appropriation = \$54,119,800

▪ **Schedule of Programs with anticipated appropriations:**

Headquarters and Armories	\$11,363,300
Unclassified Military Personnel	\$665,000
Military Appeals Tribunal	\$900
State Active Duty	\$100,100
Homeland Security	\$1,000,000
Military Training Sites and Support Facilities	\$28,212,100
Military Training Site and Support Facilities Test Projects	\$100,000
Departmentwide Accounts	\$1,861,300
Special Maintenance - State	\$651,200
Special Maintenance - Federal	\$5,300,000
Military Retirement	\$3,784,100
Counter Narcotic Operations	\$50,000
Information Technology Services and Projects	\$1,031,800

Military Funding Sources

FY 2011-12 Total Appropriation = \$54,119,800



Military

- **Headquarters and Armories – administration of Michigan National Guard; physical operations and maintenance at 43 National Guard armories**
- **Military Training Sites and Support Facilities – operation and maintenance of Michigan Army and Air National Guard training and support facilities and logistical support facilities**
 - **Camp Grayling**
 - **Fort Custer**
 - **Battle Creek Air National Guard Base**
 - **Selfridge Air National Guard Base**
 - **Alpena Combat Readiness Training Center**
- **Military Retirement – annual payments of \$600 to retired Michigan Army and Air National Guard personnel and \$500 to surviving spouses of such retirees**
- **Homeland Security – assessment, development, and evaluation of plans to detect, prepare for, prevent, protect against, respond to, and recover from terrorist threats or attacks**

Veterans and Community Outreach

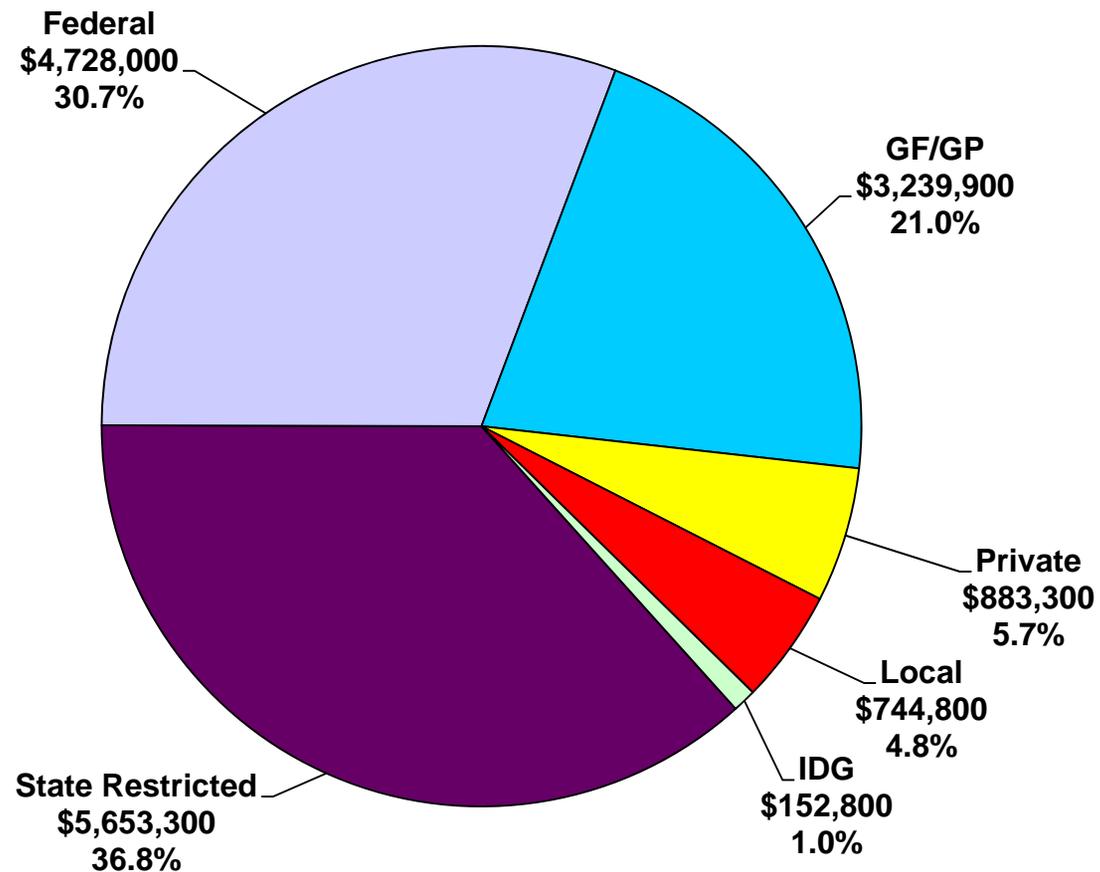
FY 2011-12 Total Appropriation = \$15,402,100

- **Schedule of Programs with anticipated appropriations:**

Veterans Advice, Advocacy, and Assistance Grants	\$3,029,600
Veterans' Affairs Directorate Administration	\$205,300
Veterans' Trust Fund Administration	\$1,306,800
Veterans' Trust Fund Grants	\$3,746,500
Michigan Emergency Volunteers	\$5,000
Challenge Program	\$4,186,900
Military Family Relief Fund	\$600,000
Starbase Grant	\$2,322,000

Veterans and Community Outreach Funding Sources

FY 2011-12 Total Appropriation = \$15,402,100



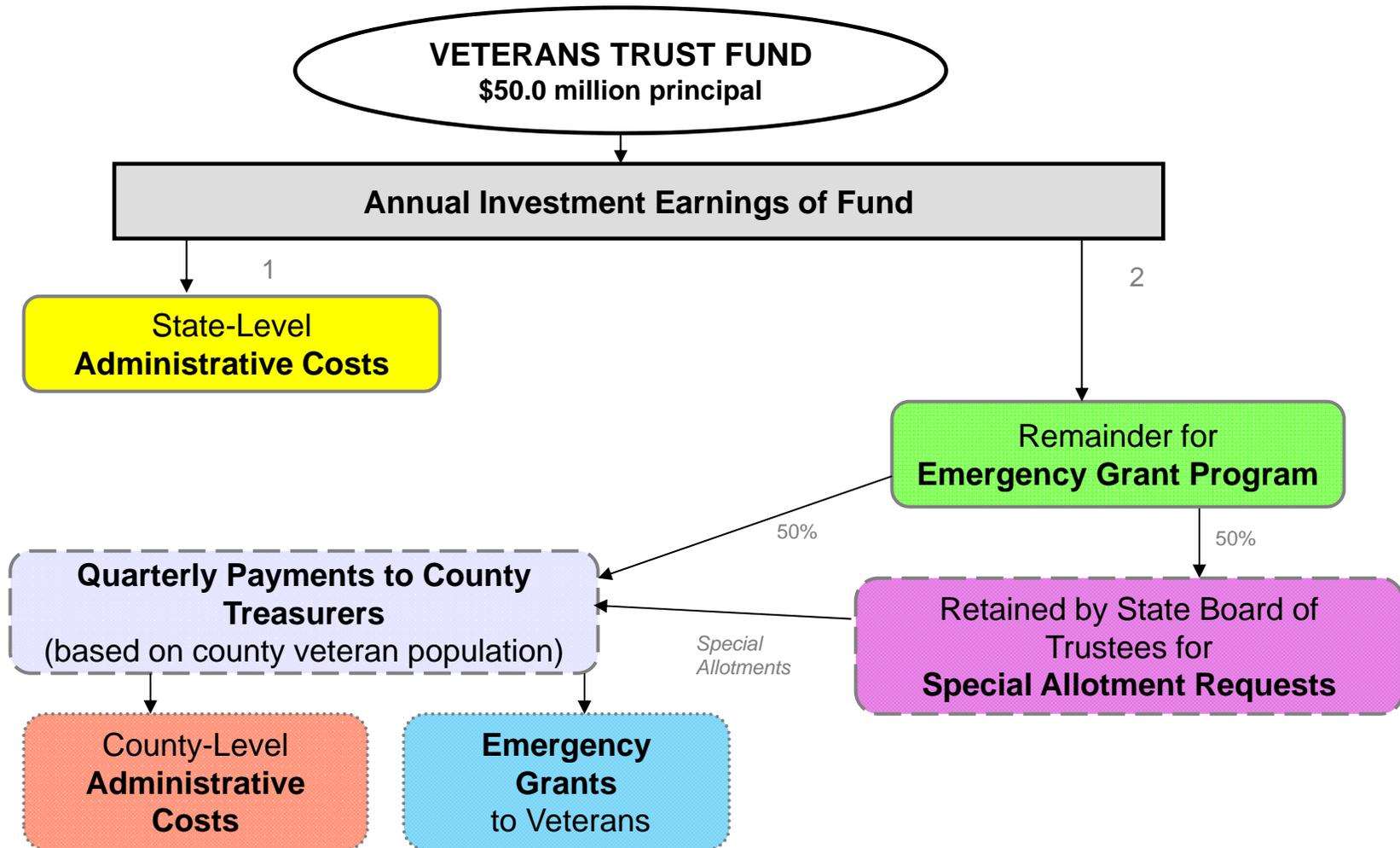
Veterans and Community Outreach

- **Veterans Advice, Advocacy, and Assistance Grants**
 - **Grant funding is distributed in the form of five grants - two larger grants, two smaller grants, and one specialized grant**
 - **Grant 1A valued at \$1,000,000 to support veteran service throughout the state with a special emphasis on the Upper Peninsula and the D.J. Jacobetti Veterans' Home**
 - **Grant 1B valued at \$1,000,000 to support veteran service throughout the state with a special emphasis on the Grand Rapids Veterans' Home**
 - **Grant 2A valued at \$600,000 to support veteran service in the eastern portion of the state's Lower Peninsula**
 - **Grant 2B valued at \$300,000 to support veteran service in the western portion of the state's Lower Peninsula**
 - **Grant 3 valued at \$129,600 to support advocacy, advice, and assistance for veterans who may be challenged by mobility handicaps**

Veterans and Community Outreach

- **Michigan Veterans Trust Fund (MVTF) Grants**
 - **MVTF established in 1946 with \$50 million principal; investment and common cash earnings of fund provide emergency financial assistance grants to veterans**
 - **Financial assistance grants provided to qualified veterans for emergent needs which are unforeseen and cause temporary hardship**
 - **Grant funds given for housing, utility, food, medical, transportation, and tax costs**
 - **Total expended in FY 2010 was \$1,703,102**
 - **\$867,881, or 51%, expended on grants**
 - **\$835,221, or 49%, expended on state and local administrative costs**
 - **\$530,761, or 63.5%, for state administrative costs**
 - **\$304,460, or 36.5%, for local administrative costs**
 - **2,189 applications processed**
 - **1,182 applications approved**

Veterans Trust Fund Distribution



Veterans and Community Outreach

- **Challenge Program – voluntary boot-camp style program for 16- to 18-year-old high school drop-outs administered by the department at the U.S. Department of Veterans Affairs facility in Battle Creek**
 - Two 22-week residential programs per calendar year
 - Followed by 12-month post-residential mentoring phase for graduates

- **STARBASE Grant Program – targeted at disadvantaged, at-risk 6th- to 12th-grade students**
 - Promotes math, science, and engineering literacy, drug demand reduction, goal setting skills, physical fitness, and environmental responsibility
 - Located at Selfridge Air National Guard Base and at Fort Custer
 - 100% federally funded

Veterans' Homes

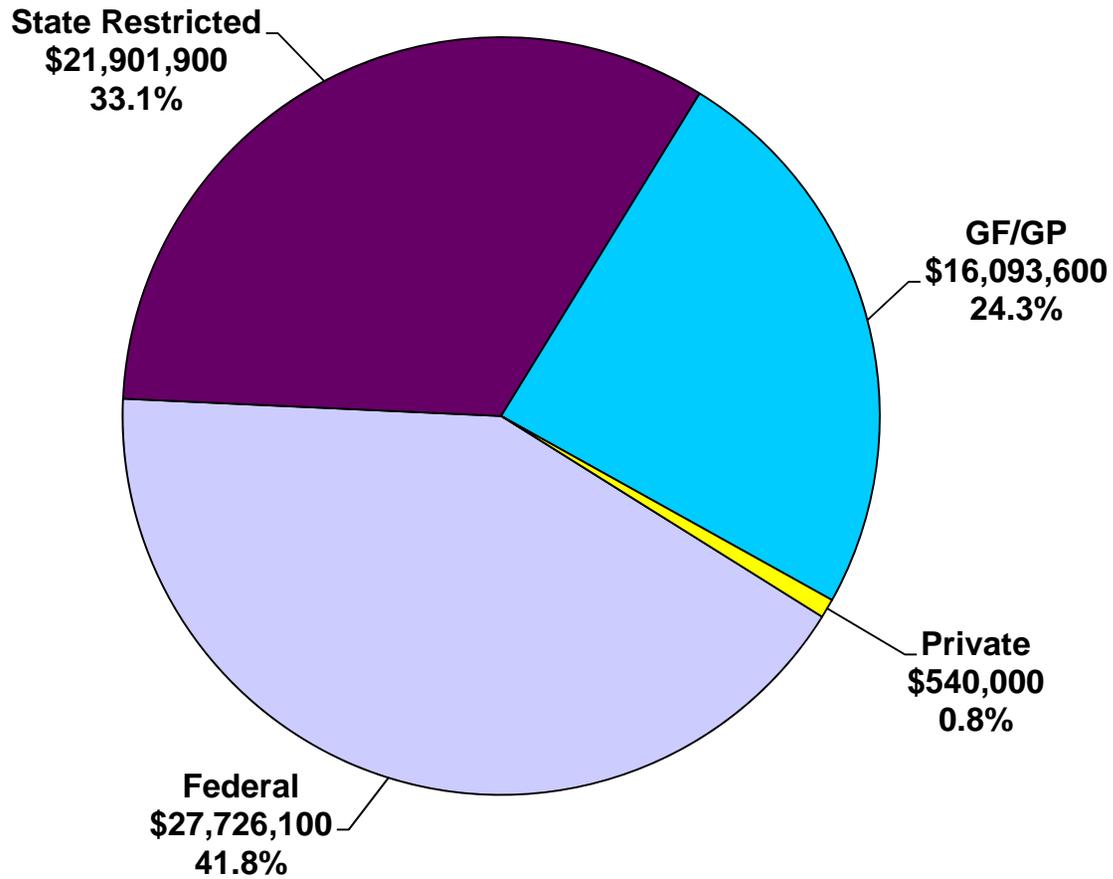
FY 2011-12 Total Appropriation = \$66,261,600

- **Schedule of Programs with anticipated appropriations:**

Grand Rapids Veterans' Home	\$48,251,000
Board of Managers	\$665,000
D.J. Jacobetti Veterans' Home	\$17,070,600
Board of Managers	\$275,000

Veterans' Homes Funding Sources

FY 2011-12 Total Appropriation = \$66,261,600



Veterans' Homes

- **Grand Rapids Veterans' Home opened in 1886**
- **D.J. Jacobetti Veterans' Home opened in 1981 in Marquette**
- **755 beds at Grand Rapids home; 241 beds at D.J. Jacobetti home**
- **Homes governed by seven-member Boards of Managers appointed by the Governor**
- **Residence open to wartime and disabled veterans; parents, widows, and spouses of eligible veterans may also be admitted**
- **Homes provide three levels of care: domiciliary, nursing, and special needs**

Veterans' Homes Revenue Sources

<u>Revenue Source</u>	<u>Grand Rapids</u>		<u>D.J. Jacobetti</u>	
	<u>FY 2011-12 Anticipated Appropriation</u>	<u>% of Total</u>	<u>FY 2011-12 Anticipated Appropriation</u>	<u>% of Total</u>
General Fund/General Purpose	\$11,095,600	22.7	\$4,998,000	28.8
Income and Assessments	16,176,500	33.1	5,313,200	30.6
U.S. Dept. of Veterans Affairs	18,156,400	37.1	6,137,700	35.4
Medicare	2,640,900	5.4	610,400	3.5
Medicaid	169,400	0.4	11,300	0.1
Military Family Relief Fund	250,000	0.5	150,000	0.9
Lease Revenue	12,200	0.0	0	0.0
Veterans' Home Post and Posthumous Funds	<u>415,000</u>	<u>0.8</u>	<u>125,000</u>	<u>0.7</u>
TOTAL	\$48,916,000	100.0	\$17,345,600	100.0

Capital Outlay

FY 2011-12 Total Appropriation = \$16,700,000

- **Schedule of Programs with anticipated appropriations:**
 - **Special Maintenance, Remodeling, and Additions \$15,000,000**
 - **Funding for maintenance projects at armories statewide**
 - **100% federally funded**
 - **Camp Grayling – Light Demolition Range \$1,700,000**
 - **Funding for construction of a light demolition range comprised of six stations and facilities for training individual soldiers on employment techniques of explosives and demolition**
 - **100% federally funded**

**For more information about the
Military and Veterans Affairs budget,
contact:**

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