

Oklahoma Military Department - 025

Lead Administrator: Major General Robbie Asher, Adjutant General

FY'17 Projected Division/Program Funding By Source

	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$2,405,795	\$2,104,225	\$0	\$0	\$0	\$4,510,020
Support Services	\$2,131,227	\$40,813,369	\$450,000	\$0	\$0	\$43,394,596
Armory Maintenance	\$2,634,838	\$5,013,128	\$0	\$0	\$0	\$7,647,966
Museum Management	\$307,729	\$0	\$25,000	\$0	\$0	\$332,729
Youth Programs	\$1,159,236	\$5,029,489	\$0	\$0	\$0	\$6,188,725
Federal Programs	\$1,276,779	\$16,109,063	\$0	\$0	\$0	\$17,385,842
ISD	\$120,000	\$1,755,000	\$60,000	\$0	\$0	\$1,935,000
Total	\$10,035,604	\$70,824,274	\$535,000	\$0	\$0	\$81,394,878

Note: Support Services includes Military Construction. FY17 construction of Ardmore Readiness Center is \$22M.

*Source of "Other" and % of "Other" total for each.

FY'16 Carryover and Refund by Funding Source

	Appropriations	Federal	Revolving*	Local	Other	Total
FY'16 Carryover	\$342,073	\$0	\$717,772	\$0	\$0	\$1,059,845
FY'16 GR Refund**	\$291,276	\$0	\$0	\$0	\$0	\$291,276

*All OMD revolving accounts have specific statutory requirements.

**The FY16 GR Refund was used to provide a 25% state match to additional federal funding received in September 2016 for Thunderbird Youth Academy uniforms, computers, roof/HVAC replacements, and A&E studies on the auditorium, barracks, and dining facility. 75% federal match was \$943,013.

What Changes did the Agency Make between FY'16 and FY'17?

1.) Are there any services no longer provided because of budget cuts?

Yes. The State Transition and Reintegration System (STARS) Program, providing GPS tracking and monitoring of juvenile offenders being returned to their communities was terminated by OMD. This resulted in a loss of 16 FTE positions and the mission was subsumed by OJA.

2.) What services are provided at a higher cost to the user?

We are unable to pass along any costs to the end user due to the nature of our agency.

3.) What services are still provided but with a slower response rate?

Due to the nature of our agency and the large percentage of Federal employees, we respond to the Governor at the same speed. Unfortunately, further reductions in funding will most likely cause our servicemen and women to be reimbursed at a slower rate. So those Soldiers and Airmen responding to tornadoes, fires, and floods may not receive their State Active Duty pay in as timely a manner as we would like.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed descr. in a separate document.

Yes, in some instances, in order to retain qualified personnel, we provided increases to employees that were given substantial additional duties and/or responsibilities many of which were reimbursed by the Federal Government at 100%. Our salary rate is still below the midpoint of like positions across other State agencies. Further, the majority of our salaries are reimbursed by the Federal Government between 25% and 100%.

FY'18 Requested Division/Program Funding By Source

	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$2,405,795	\$2,104,225	\$0	\$0	\$4,510,020	0.00%
Support Services	\$5,131,227	\$18,813,369	\$450,000	\$0	\$24,394,596	-43.78%
Armory Maintenance	\$3,034,838	\$5,013,128	\$0	\$0	\$8,047,966	5.23%
Museum Management	\$307,729	\$0	\$25,000	\$0	\$332,729	0.00%
Youth Programs	\$1,559,236	\$5,029,489	\$0	\$0	\$6,588,725	6.46%
Federal Programs	\$1,276,779	\$16,109,063	\$0	\$0	\$17,385,842	0.00%
ISD	\$120,000	\$1,755,000	\$60,000	\$0	\$1,935,000	0.00%
Total	\$13,835,604	\$48,824,274	\$535,000	\$0	\$63,194,878	-22.36%

*Source of "Other" and % of "Other" total for each.

-43.78% change in support services is due to the Ardmore Readiness Center construction in FY17 of \$22M.

FY'18 Top Five Appropriation Funding Requests

	\$ Amount
Request 1: Legacy Armory Modernization Program for Okmulgee RC. Federal match \$3M.	\$3,000,000
Request 2: Facility Maintenance and Sustainment. Federal match \$400K.	\$400,000
Request 3: Improve facilities at the Thunderbird Youth Academy in Pryor, OK.	\$400,000
Total Increase above FY-17 Request	3,800,000

How would the agency handle a 5% appropriation reduction in FY'18?

A 5% (\$502K) reduction in appropriations would lower our appropriations to under \$10 million for the first time since 2005. This level of funding reduces our ability to maintain operations and maintenance to the barest of minimum standards and places all of our programs, even those funded at 100% Federal reimbursement, at risk of failure. Even a 5% cut places our non-core function programs at risk - the Thunderbird Youth Program (75% Federal/25% State) and DoD STRABASE Program, (100% Federal) would be considered for closure.

How would the agency handle a 7.5% appropriation reduction in FY'18?

A 7.5% (\$753K) reduction would cause us to terminate the Thunderbird Youth Program, resulting in the loss of 60-70 full-time jobs, all of which are funded at 75% Federal reimbursement. This program currently services over 240 at-risk youth a year, easing the burden on public institutions across the State. We might cancel the DoD STARBASE Program to preserve administrative capabilities. We would also continue to defer maintenance at our facilities across the State and hope that no

major repairs are needed at any of our facilities which would outstrip our ability to meet the State's cost share for repair.

How would the agency handle a 10% appropriation reduction in FY'18?

A 10% (\$1M) reduction in appropriations would result in both of the courses of action outlined in the 5% and 7.5% reductions in addition to the cancellation of the DoD STARBASE Program, a 100% Federally reimbursed STEM Education program (though 100% Federally funded, administration of the program would need to cease to conserve all available funds). All but emergency maintenance on our facilities would be deferred placing many of our facilities at or near the point of failure. In essence, a 10% cut will place the agency at whole at a risk of failure from the DoD perspective.

Is the agency seeking any fee increases for FY'16?

		\$ Amount
Increase 1	N/A	\$0
Increase 2	N/A	\$0
Increase 3	N/A	\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Each year the Military Department seeks funding to remodel at least one state-owned facility with a 50/50 split of federal funding. The total construction project ranges between \$2.5M and \$6M depending on the size of the facility. In FY18, the Okmulgee Readiness Center is scheduled to be remodeled for a total of \$6M. Without the state match, we would look at smaller projects to execute within budget.

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

All of the Federal funds provided to the agency are based in Article II, Section 2 of the US Constitution - "Congress shall have power to provide for organizing, arming, and disciplining, the militia, and for governing such part of them as may be employed in the service of the United States..." Federal funding provides for the purchase and maintenance of all equipment, and for the training and salaries of all OKNG personnel. These personnel and equipment are available for use by the State at a fair reimbursable rate. The Oklahoma Military Department (State) receives Federal dollars through various Cooperative Agreements which the State must have a matching share. The Federal funds executed for FY16 Operations and Maintenance accounts were \$52,085,351 with a State match of \$9,267,679 (\$1M from supplemental funds); Federal funds received for Youth Programs operated by OMD were \$4,048,187 with a State match of \$1,889,925.

2.) Are any of those funds inadequate to pay for the federal mandate?

To date, the Federal Cooperative Agreements have always been fully funded if the State meets its matching share. We have lost Federal matching funds in the past due to the State's inability to meet the required match.

3.) What would the consequences be of ending all of the federal funded programs for your agency?

The Oklahoma Army and Air National Guard would cease to exist. The OKNG must receive Federal funds to recruit, train, house, and equip its personnel to meet its Federal and State mission requirements. The Cooperative Agreement funds 75% of State employee salaries that support the OKNG's mission through operations and maintenance of its facilities. Ending all Federal funding Cooperative Agreements would drastically reduce the FTE of the OMD as well as all other areas that rely on a Federal share, ie. utilities, maintenance, security, youth programs. The budget request for the OMD would see an increase from \$12M to well over \$50M. It should be noted that TOTAL Federal spending on the OKNG is between \$250 million and \$300 million per year.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

The OKNG's share of Federal spending cuts through the NDAA will result in the loss of some Army National Guard units and personnel as well as some full-time manning. None of these cuts impact the Oklahoma Military Department's Cooperative Agreements or Federal cost share. Long-term, continued cuts in Federal funding could have a serious impact on the Oklahoma National Guard's readiness to respond to State and Federal emergencies and could cause a reduction in funding to the Cooperative Agreements which would result in fewer Federal funds reimbursed to the state.

5.) Has the agency requested any additional federal earmarks or increases?

The agency requested \$3M in additional funds to execute the Okmulgee Readiness Center Remodel project. NGB confirmed that funds were available in FY18.

Division and Program Descriptions

Administrative Services

Responsible for the implementation of all regulations and statutes regarding the accomplishment of the State and Federal Mission of the Oklahoma National Guard.

Support Services

Provides and administers all budgetary information, operational expenditures and procurement services for the agency. Dept 91 Military Construction is included in this funding.

Facility Maintenance

Provides maintenance, construction and renovation for facilities owned or leased by the agency.

Museum Management

Provides military artifacts for viewing by the public.

Youth Programs

Thunderbird Youth Academy: A residential 22 week program working with 16-18 year old at-risk youth and an additional 1 year mentoring. STARBASE: A DOD program that focuses on elementary students, primarily 5th graders. The academies serve students that are historically under-represented in STEM. The goal is to motivate them to explore Science, Technology, Engineering and Math as they continue their education.

Federal Programs

Administers operational activities for the Camp Gruber Training Site which is 100% federally funded, and the Oklahoma City and Tulsa Air National Guard Bases that are 100% federally funded for security and 75/25% for all other expenses.

IT Division

Provides automation and technology support to agency.

FY'18 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	5	8	31	12	24	3
Support Services	10	15	40	21	30	4
Armory Maintenance	14	6	31	15	22	0
Museum Management	1	3	1	2	1	1
Youth Programs	22	0	74	54	20	0
Federal Programs	25	45	71	68	48	0
Total	77	77	248	172	145	8

FTE History						
	2017 Budgeted	2016	2013	2010	2006	
Administration	39	39	35	38		Not available
Support Services	55	54	60	42		Not available
Armory Maintenance	37	36	34	30		Not available
Museum Management	4	4	4	4		Not available
Youth Programs	90	89	94	102		Not available
Federal Programs	116	114	115	130		Not available
Total	341	336	342	346		0

Performance Measure Review					
	FY'16	FY'15	FY'14	FY'13	FY'12
**New Performance Measures for FY17					
Measure I					
Force structure needs and requirements					
OKNG Armories/AFRCs	26	26	26	26	27
OKNG Personnel strength	100%	100%	100%	100%	100%
Measure II					
Full-time employee requirements					
Federal full-time workforce	1,780	1,795	-	-	-
State full-time workforce	334	333	340	341	336
Measure III					
Upgrade facilities					
Roof replacement	2	1	1	3	3
Meet required facility codes	2	1	1	3	3
Measure IV					
IT Systems					
Communication Costs		650,000	-	-	-
Network database availability	100%	100%	100%	100%	100%

Revolving Funds (200 Series Funds)			
	FY'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures	June '16 Balance
Revolving Fund 205 Museum Fund Operations and maintenance of the 45th Inf Div Museum. Funds from donations and sale of Vet Motorcycle License Plates.	\$14,872	\$15,911	\$8,001
Revolving Fund 210 OMD Fund Operations and maintenance, construction, and equipment for OKNG facilities. Funds from donations, sale of surplus equip., and refunds.	\$189,996	\$182,410	\$417,232
Revolving Fund 220 NG Relief Fund Provides emergency financial support to members of the OK National Guard. Funds from Income Tax Checkoff.	\$13,383	\$18,579	\$119,830
Revolving Fund 225 Patriot License plate Fd Deployment related purposes for members of the OK National Guard. Funds from the fee authorized for the Patriot License Plate.	\$8,220	\$0	\$68,888
Revolving Fund 230 Military Justice Fund Used to pay fees and travel expenses for witnesses, experts, victims, interpreters, etc. for Military Justice cases. Funds appropriated by the legislature in 2007.	\$0	\$0	\$5,000