

**FY22 Budget Performance Review  
Oklahoma Military Department - 025**

Lead Administrator: Major General Michael C. Thompson

Lead Financial Officer: Angela Tackett

**Agency Mission**

The Oklahoma Military Department provides Federal and State resources enabling the Oklahoma National Guard to provide ready units and personnel to the state and nation in three roles: State, Federal and Community. State Role: To provide fully trained units, Soldiers, and Airmen to support civil authorities in times of natural or manmade disasters. Mobilize in order to provide special services in preserving peace, order, and public safety, at any time, on order of the Governor of Oklahoma. Federal Role: As a part of the United States Army and Air Force, to provide fully trained units, Soldiers, and Airmen prepared to mobilize, deploy, and execute all war-time missions on order of the President of the United States. Community Role: Implement and execute Federal Programs in the areas of Drop-Out Recovery/High School Completion; Science, Technology Engineering and Math (STEM) for at risk youth; and participate in local, state, and national programs that add value to America.

**Division and Program Descriptions**

Note: Please define any acronyms used in program descriptions.

**01 - 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. Also, provides family support to Soldiers and Airmen during deployments and HR personnel services to the agency.

**02 - Support Services**

Provides and administers all budgetary information, operational expenditures and procurement services for the agency as well as environmental services, security for the facilities and the Director of Engineering management. Dept 91 Military Construction is included in this funding.

**03 - Facility Maintenance**

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

**04 - Museum Management**

Educating and inspiring the public on the history, heritage, and selfless service of Oklahoma National Guard Soldiers and Airmen through historical exhibits and interactive displays.

**05 - 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 program serves students that are historically under-represented in Science, Technology, Engineering and Math to help inspire them as they continue their education.

**06 - 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 75% federally funded for operations and maintenance and 100% for security and fire protection services.

**88 - IT Division**

Provides automation and technology support to agency and programs.

**FY'21 Budgeted Department Funding By Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
100100	Adjutant General	2,675,000	830,000				\$3,505,000
100102	DOIM, Information Management	73,000	1,370,000				\$1,443,000
100103	Employee Personnel	550,000	250,000				\$800,000
200201	State Accounting	2,140,000	1,800,000	279,500			\$4,219,500
200202	Environmental		1,400,000				\$1,400,000
200203	Plans, Operations & Training		1,830,000				\$1,830,000
200204	Director of Engineering	70,000	2,050,000				\$2,120,000
200206	State Active Duty				1,215,000		\$1,215,000
300301	Facility Maintenance	3,000,000	7,000,000				\$10,000,000
400401	45th Infantry Division Museum	575,000		17,300			\$592,300
500502	Thunderbird Challenge Program	2,193,619	3,680,851				\$5,874,470
500503	Starbase youth program		1,400,000				\$1,400,000
600605	Camp Gruber Training Site		10,770,000				\$10,770,000
600606	Witacker Education Training Site	275,000					\$275,000
600607	OKC Air Base Operations and Maintenance	553,973	1,922,015				\$2,475,988
600609	Tulsa Air Base Operations and Maintenance, Firefighters	559,026	3,296,102				\$3,855,128
600610	Tulsa Air Base Security		1,210,000				\$1,210,000
8800001	ISD Admin	257,000	1,800,000	5,000			\$2,062,000
8800005	ISD Youth	50,000	150,000				\$200,000
8858305	ISD Starbase		100,000				\$100,000
9100006	Military Construction	3,439,964	19,000,000				\$22,439,964
							\$0
							\$0
<b>Total</b>		<b>\$16,411,582</b>	<b>\$59,858,968</b>	<b>\$301,800</b>	<b>\$1,215,000</b>	<b>\$0</b>	<b>\$77,787,350</b>

1. Please describe source of Local funding not included in other categories: Reimbursements from OEM for State Active Duty support.

2. Please describe source(s) and % of total of "Other" funding if applicable for each department:

**FY'20 Carryover by Funding Source**

Carryover	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
	\$210,000	#VALUE!	\$820,400	#VALUE!	\$0	#VALUE!
	\$0					\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

**What changes did the agency make between FY'20 and FY'21?**

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

No

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 that support State Active Duty missions to be reimbursed at a slower rate. So those Soldiers and Airmen responding to tornadoes, fires, and floods may not receive their pay in as timely a manner as we would like.

**4.) Did the agency provide any pay raises that were not legislatively/statutorily required?**

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 heavily subsidized by the Federal Government, with the average State cost share at only 26%.

FY'22 Requested Funding By Department and Source							
Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
100100	Adjutant General	\$2,675,000	\$830,000	\$0	\$0	\$3,505,000	0.00%
100102	DOIM, Information Management	\$73,000	\$1,370,000	\$0	\$0	\$1,443,000	0.00%
100103	Employee Personnel	\$550,000	\$250,000	\$0	\$0	\$800,000	0.00%
200201	State Accounting	\$2,140,000	\$1,800,000	\$279,500	\$0	\$4,219,500	0.00%
200202	Environmental	\$0	\$1,400,000	\$0	\$0	\$1,400,000	0.00%
200203	Plans, Operations & Training	\$0	\$1,830,000	\$0	\$0	\$1,830,000	0.00%
200204	Director of Engineering	\$70,000	\$2,050,000	\$0	\$0	\$2,120,000	0.00%
200206	State Active Duty	\$0	\$0	\$0	\$1,215,000	\$1,215,000	0.00%
300301	Facility Maintenance	\$3,000,000	\$7,000,000	\$0	\$0	\$10,000,000	0.00%
400401	45th Infantry Division Museum	\$575,000	\$0	\$17,300	\$0	\$592,300	0.00%
500502	Thunderbird Challenge Program	\$2,193,619	\$3,680,851	\$0	\$0	\$5,874,470	0.00%
500503	Starbase youth program	\$0	\$1,400,000	\$0	\$0	\$1,400,000	0.00%
600605	Camp Gruber Training Site	\$0	\$10,770,000	\$0	\$0	\$10,770,000	0.00%
600606	Witacker Education Training Site	\$275,000	\$0	\$0	\$0	\$275,000	0.00%
600607	OKC Air Base Operations and Maintenance	\$553,973	\$1,922,015	\$0	\$0	\$2,475,988	0.00%
600609	Tulsa Air Base Operations and Maintenance, Firefighters	\$559,026	\$3,296,102	\$0	\$0	\$3,855,128	0.00%
600610	Tulsa Air Base Security	\$0	\$1,210,000	\$0	\$0	\$1,210,000	0.00%
8800001	ISD Admin	\$257,000	\$1,800,000	\$5,000	\$0	\$2,062,000	0.00%
8800005	ISD Youth	\$50,000	\$150,000	\$0	\$0	\$200,000	0.00%
8858305	ISD Starbase	\$0	\$100,000	\$0	\$0	\$100,000	0.00%
9100006	Military Construction	\$3,439,964	\$7,000,000	\$0	\$0	\$10,439,964	-53.48%
<b>Total</b>		<b>\$16,411,582</b>	<b>\$47,858,968</b>	<b>\$301,800</b>	<b>\$1,215,000</b>	<b>\$65,787,350</b>	<b>-15.43%</b>

1. Please describe source(s) and % of total of "Other" funding for each department: OEM Reimbursements 100%

FY'22 Top Five Operational Appropriation Funding Requests		
Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:	OMD is requesting the FY22 budget to be stabilized at our FY20 and 21 budget levels to allow for the development of a true long-range maintenance and sustainment program for our 500+ facilities. This will also allow the agency to properly coordinate state appropriations with the federal budget cycle to guarantee funding for capital projects in the 5 year Army POM cycle..	\$0
Request 2:		
Request 3:		
Request 4:		
Request 5:		
<b>Top Five Request Subtotal:</b>		<b>\$0</b>
<b>Total Increase above FY-21 Budget (including all requests)</b>		<b>\$ -</b>
Difference between Top Five requests and total requests:		\$0

**Does the agency have any costs associated with the Pathfinder retirement system and federal employees?**

Yes, the National Guard Bureau has ruled that paying into the OPERS system for a Pathfinder employee is an unauthorized cost for reimbursement because that individual does not benefit from the OPERS contribution. The current cost for the agency that would have been reimbursed by the federal government before the implementation of Pathfinder is \$523K annually. That cost will continue to rise as OPERS retirees are replaced with new hires into the Pathfinder system. NGB has also determined that the agency's percentage paid over the OPERS actuarially rate of 10.07% is not an authorized cost for reimbursement. The additional cost to the agency to pay the 6.43% above the actuarially rate is \$595K annually. Total cost to the agency for these two issues is now over \$1.1M each year that could have been used for armory modernization and maintenance.

**How would the agency be affected by receiving the same appropriation for FY '22 as was received in FY '21? (Flat/ 0% change)**

A 0% change in appropriations will allow the agency to continue working down the deferred maintenance on our facilities, as well as meet the federal match to remediate the OMD Headquarters Building from flood damage in 2019 and to renovate additional facilities at the Thunderbird Challenge Program.

**How would the agency handle a 2% appropriation reduction in FY '22?**

A 2% (\$328,000) reduction from FY21 funding levels would be absorbed through the delayed hiring of positions vacated from retiring personnel and minimizing agency expenses where possible.

**Is the agency seeking any fee increases for FY '22?**

Increase #	Description	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	No, we do not charge the citizens of Oklahoma for our services.		
Increase 2			
Increase 3			

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

Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)
Priority 1 Phase II remediation of OMD HQs basement due to flooding	\$1,550,000	Yes
Priority 2 Phase III remediation of OMD HQs basement due to flooding	\$1,327,000	Yes
Priority 3 Thunderbird Challenge Program Facility Improvements	\$1,000,000	No

**Federal Funds**

CFDA	Federal Program Name	Agency Dept. #	FY 21 budgeted	FY 20	FY 19	FY 18	FY 17
12.401	Army and Air National Guard Administration	100100, 100102, 200202, 200203, 200204, 300301, 400401, 600605, 600607, 600609, 600610, 8800001, 9100006	\$42,498,117	\$29,477,767	\$41,485,233	\$34,545,000	\$35,400,000

12.404	Army and Air National Guard Youth Programs	500502, 500503, 8800005, 8858305	\$5,330,851.00	\$4,866,417.00	\$5,056,116	\$4,845,000	\$5,007,000
12.400	Major Military Construction	9100006	\$12,000,000.00	\$8,346,865.00	\$1,420,834	\$0	\$0

#### 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.

**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 50-100% of each State employee's salary that supports the OKNG's mission through operations and maintenance of its facilities. Ending all federally funded Cooperative Agreements would drastically reduce the FTE of OMD as well as all other areas that rely on a federal share, ie. utilities, maintenance, security, youth programs. The budget request for 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?**

We do not foresee any Federal Budget cuts for the Department of Defense for the upcoming Fiscal Year.

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

The agency requested \$8M in additional funds to execute the Tulsa Air National Guard Small Arms Range project, 100% federally funded.

#### FY'21 Budgeted FTE

Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
1	Administration	8	6	39	1	35	9
2	Support Services/Military Const.	12	6	62	15	45	8
3	Armory Maintenance	17	4	36	12	27	1
4	Museum Management	1	2	3	0	4	1
5	Youth Programs	16	0	86	29	55	2
6	Federal Programs	30	13	138	31	117	3
<b>Total</b>		<b>84</b>	<b>31</b>	<b>364</b>	<b>88</b>	<b>283</b>	<b>24</b>

#### FTE History

Division #	Division Name	2021 Budgeted	2020	2019	2017	2012
1	Administration	45.0	48.0	44.0	39.0	38.0
2	Support Services/Military Const.	68.0	60.0	53.0	55.0	40.0
3	Armory Maintenance	40.0	38.0	37.0	37.0	28.0
4	Museum Management	5.0	4.0	4.0	4.0	4.0
5	Youth Programs	86.0	77.0	69.0	85.0	100.0
6	Federal Programs	151.0	148.0	123.0	124.0	126.0
<b>Total</b>		<b>395.0</b>	<b>375.0</b>	<b>330.0</b>	<b>344.0</b>	<b>336.0</b>

#### Performance Measure Review

Program Name	FY 20	FY 19	FY 18	FY 17	FY 16
National Guard Administration - Readiness Center Modernization Project	1	0	0	0	1
National Guard Administration - Adequate funding to execute maintenance and construction plans	\$6M	\$2.3M	\$3M	\$2.8M	\$3M
National Guard Youth Programs - Facility Improvement Funding	\$1,000,000	\$0	\$0	\$0	\$0
National Guard Youth Programs - Maximum Thunderbird Challenge Program Graduates	120 due to COVID	214	212	201	196
Maximum Starbase Student Participation	2,311 due to COVID	4,032	3,955	4,012	3,968

#### Revolving Funds (200 Series Funds)

Please provide fund number, fund name, description, and revenue source	FY'18-20 Avg. Revenues	FY'18-20 Avg. Expenditures	June '20 Balance
<b>Revolving Fund 205 Museum Fund</b>			
Operations and maintenance of the 45th Inf Division Museum. Funds from donations and sale of Veterans Motorcycle License Plates.	\$16,021	\$18,012	\$2,533
<b>Revolving Fund 210 OMD Fund</b>			
Operations and maintenance, construction, and equipment for Oklahoma National Guard facilities. Funds from donations, sale of surplus equipment and refunds.	\$161,976	\$380,863	\$369,666
<b>Revolving Fund 220 NG Relief Fund</b>			
Provides emergency financial support to members of the Oklahoma National Guard. Funds from Income Tax Checkoff.	\$19,997	\$18,375	\$150,860
<b>Revolving Fund 225 Patriot License plate Fund</b>			
Deployment related purposes for members of the Oklahoma National Guard. Funds from the fees	\$9,906	\$0	\$56,370

authorized for the Patriot License Plate.			
<b>Revolving Fund 230 Military Justice Fund</b>			
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