

Oklahoma Military Department - 025

Lead Administrator: Major General Michael C. Thompson

FY'18 Projected Division/Program Funding By Source

	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$2,230,734	\$2,240,000	\$0	\$0	\$0	\$4,470,734
Support Services	\$3,449,664	\$34,100,000	\$200,000	\$0	\$0	\$37,749,664
Armory Maintenance	\$1,595,400	\$3,000,000	\$0	\$0	\$0	\$4,595,400
Museum Management	\$308,304	\$0	\$25,000	\$0	\$0	\$333,304
Youth Programs	\$950,495	\$4,624,385	\$0	\$0	\$0	\$5,574,880
Federal Programs	\$1,303,371	\$16,229,846	\$0	\$0	\$0	\$17,533,217
ISD	\$131,103	\$1,795,000	\$50,000	\$0	\$0	\$1,976,103
Total	\$9,969,071	\$61,989,231	\$275,000	\$0	\$0	\$72,233,302

Note: Support Services includes Military Construction. Funding for the Ardmore Readiness Center of \$22M received in FY18.

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

FY'17 Carryover and Refund by Funding Source

	Appropriations	Federal	Revolving*	Local	Other	Total
FY'17 Carryover	\$556,217	\$0	\$1,191,100	\$0	\$0	\$1,747,317

*All OMD revolving accounts have specific statutory requirements.

What Changes did the Agency Make between FY'17 and FY'18?

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

The cuts we took in Fiscal Year 2017 resulted in the termination of the State Transition and Reintegration System (STARS) Program. No further services were cut due to the FY-2018 cuts.

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

FY'19 Requested Division/Program Funding By Source

	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$2,230,734	\$2,240,000	\$0	\$0	\$4,470,734	0.00%
Support Services	\$6,849,664	\$17,800,000	\$186,000	\$0	\$24,835,664	-34.21%
Armory Maintenance	\$1,995,400	\$3,400,000	\$0	\$0	\$5,395,400	17.41%
Museum Management	\$308,304	\$0	\$15,000	\$0	\$323,304	-3.00%
Youth Programs	\$950,495	\$4,086,000	\$0	\$0	\$5,036,495	-9.66%
Federal Programs	\$1,303,371	\$13,553,000	\$0	\$0	\$14,856,371	-15.27%
ISD	\$131,103	\$1,790,000	\$0	\$0	\$1,921,103	-2.78%
Total	\$13,769,071	\$42,869,000	\$201,000	\$0	\$56,839,071	-21.31%

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

Reductions are due to unknown federal spending for FY19.

FY'19 Top Five Appropriation Funding Requests

	\$ Amount
Request 1: Legacy Armory Modernization Program for Okmulgee Readiness Center. Federal match \$3.4M.	\$3,400,000
Request 2: Facility Maintenance and Sustainment. Federal match \$400K.	\$400,000

Top Five FY'19 Requests \$ 3,800,000

How would the agency handle a 2% appropriation reduction in FY'19?

A 2% (\$200,000) reduction in appropriations would cause continued/further deferment of facilities maintenance on our readiness centers (Armories). We would not backfill employee losses aside from those with at least 75% Federal Cost Share.

How would the agency handle a 4% appropriation reduction in FY'19?

A 4% (\$400,000) reduction in appropriations would cause continued/further deferment of facilities maintenance on our readiness centers (Armories). We would not backfill employee losses aside from key positions.

How would the agency handle a 6% appropriation reduction in FY'19?

A 6% (\$600,000) reduction in appropriations places the Thunderbird Youth Program at risk. Terminating this program will result 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 also 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.

Is the agency seeking any fee increases for FY'18?

Not Applicable. We do not charge the people of Oklahoma for our services.

\$ Amount

\$0

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

1. Legacy Armory Modernization Program for Okmulgee Readiness Center. Federal match \$3.4M.

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 FY17 Operations and Maintenance accounts were \$44,412,537 with a State match of \$8,876,368; Federal funds received for Youth Programs operated by OMD were \$4,806,706 with a State match of \$1,159,236.

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 Federally funded 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?

We do not foresee any Federal Budget cuts for the Department of Defense for the coming Fiscal Year. Our program is healthy if not for the budget cuts from the State of Oklahoma.

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

The agency requested \$3.4M 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 program serves students that are historically under-represented in Science, Technology, Engineering and Math to help inspire them 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 fire protection and 75/25 for all other expenses.

IT Division

Provides automation and technology support to agency.

FY'19 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	5	3	38	5	30	6
Support Services	8	4	61	25	33	7
Armory Maintenance	14	5	32	11	26	0
Museum Management	1	3	1	2	1	1
Youth Programs	22	0	74	49	25	0
Federal Programs	25	42	90	42	90	0
Total	75	57	296	134	205	14

FTE History					
	2018 Budgeted	2017	2014	2011	2007
Administration	41	39	34	38	Not available
Support Services	60	55	40	42	Not available
Armory Maintenance	38	37	38	30	Not available
Museum Management	4	4	3	4	Not available
Youth Programs	74	90	88	99	Not available
Federal Programs	141	114	112	129	Not available
Total	358	339	315	342	0

Performance Measure Review					
	FY'17	FY'16	FY'15	FY'14	FY'13
**New Performance Measures for FY17					
Measure I					
Maintain OKNG facilities at required standards					
Execute 100% of federal funds	99%				
Measure II					
Full-time employee requirements					
State full-time workforce	95%				
Facility Maintenance workforce	100%				
Measure III					
Build or modernize readiness centers					
Execute 1 modernization project	0	1	1	1	

Revolving Funds (200 Series Funds)			
	FY'15-17 Avg. Revenues	FY'15-17 Avg. Expenditures	June '17 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.	\$15,400	\$18,100	\$6,900
Revolving Fund 210 OMD Fund Operations and maintenance, construction, and equipment for OKNG facilities. Funds from donations, sale of surplus equip., and refunds.	\$496,800	\$303,200	\$1,015,000
Revolving Fund 220 NG Relief Fund Provides emergency financial support to members of the OK National Guard. Funds from Income Tax Checkoff.	\$16,400	\$6,600	\$139,400
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.	\$8,200	\$16,300	\$24,800
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