



# Oklahoma Military Department

**FY 2027 Budget Hearing Presentation**

**Submitted by: MG Thomas Mancino, Adjutant General**

# MG Thomas Mancino Adjutant General



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The Oklahoma Military Department (OMD) serves as the administrative agency for all matters concerning the Oklahoma Army and Air National Guard. The Military Department traces its history to 1890 when the U.S. Congress authorized one regiment of organized militia for the Oklahoma Territory which later became the Oklahoma National Guard.

Officially established in 1951, the OMD, now encompasses the following divisions: Administrative Services, Support Services, Facility Maintenance, Museum Management, Youth Programs, Federal Programs, ISD Data Processing, and Military Construction. These divisions fall under two overarching programs, National Guard Administration and Youth Programs, which are operated and managed by OMD through Cooperative Agreements between the National Guard Bureau and the State of Oklahoma. These programs rely heavily on federal funding to conduct the majority of operations. The OMD provides both tremendous capability to OK citizens as well as an excellent monetary ROI (return on Investment) to the state.

# Agency Vision, Mission and Core Values

- **Federal** Primary Combat Reserve for the Nation
- **State** State's Emergency Reserve and Federal Grants Management
- **Civic** Youth Services, Civic Support, Citizenship Development, History/Museum
- **Personnel** Mental Health Services



# Accomplishments

## Top accomplishments for FY 2025 – FY 2026

- 1) The Guard Recruiter Incentive Program (GRIP) has been an incredible tool that has directly contributed to the overwhelming success of the Oklahoma Army National Guard recruiting efforts. The program has led to 209 enlistments since its inception making Oklahoma the #1 recruiting state in the nation in 2024 and #2 in 2025!
- 2) The Thunderbird Challenge Program housing and dining facility in Pryor, OK is expected to be completed in February 2026. This is a \$13M ARPA funded project to address educational disparities through academic, social, and emotional services provided to high school dropouts 16-18 years of age.
- 3) The Joint Operations Center in Chandler, OK is expected to be completed in December 2025. This is a \$8.8M ARPA funded state-of-the-art command and control center to provide National Guard resources to the Governor and civic leaders for domestic operations such as security, winter storms, floods, wildfires, etc.
- 4) The Holistic Health and Wellness Center in Oklahoma City is expected to be completed in February 2026. This is a \$24.3M ARPA funded wellness center designed to meet the comprehensive physical, spiritual, and mental health needs of our State's military service members and first responders.
- 5) Established an Unmanned Aerial Systems (UAS) training program at the Camp Gruber Training Site for UXS training, exercise support, and innovation capabilities through relationships with federal, state, tribal, academic and industry organizations.
- 6) Provided recovery operations for 16 winter weather missions in central and NE Oklahoma, security support for the 60<sup>th</sup> U.S. Presidential Inauguration in Washington D.C. and support to the Oklahoma DPS during the Oklahoma City Thunder NBA Championship parade in Oklahoma City.



# Analysis of Agency Challenges

|   | <b>Challenge Description</b>                      | <b>Current Actions</b><br>(Briefly describe how the agency is currently addressing the challenge.) | <b>Planned Actions</b><br>(Briefly describe how the agency plans to address the challenge going forward.) |
|---|---|--|---|
| 1 | There are no significant challenges at this time. |  |   |
| 2 |   |  |   |
| 3 |   |  |   |
| 4 |   |  |   |
| 5 |   |  |   |



# Savings & Efficiencies (Current or Planned)

| Savings or Efficiency Name                             | Brief description of how savings were achieved  | Savings in Unit of Measurement*   | FY 2025 (Actual \$ Savings) | FY 2026 (Projected \$ Savings) | FY 2027 (Projected \$ Savings) |
|--|---|---|-----------------------------|--------------------------------|--------------------------------|
| <b>Federal Government Network Usage</b>                | The National Guard provides IT network services to include desktop support, email services, data security, user storage, backup, helpdesk support, telephones, voicemail, and internet connectivity to OMD state employees. | IT network infrastructure and support costs avoided by using the military network | <b>\$498,500</b>            | <b>\$538,000</b>               | <b>\$550,000</b>               |
| <b>Federal Government Furnished Equipment</b>          | The National Guard also provides OMD state employees with IT equipment and software to operate on the DoD military network.   | Computer hardware/software  | <b>\$175,500</b>            | <b>\$175,500</b>               | <b>\$175,500</b>               |
| <b>Federal reimbursements of Centralized Personnel</b> | The National Guard provides federal reimbursements for shared services personnel in accounting & finance, human resources, and purchasing.  | Personnel Salaries  | <b>\$958,365</b>            | <b>\$976,054</b>               | <b>\$995,575</b>               |
|  |   |   |                             |                                |                                |
|  |   |   |                             |                                |                                |

\* Hours, FTE, square feet, etc.



# Agency Goals and Key Performance Metrics

| Goal   | Metric   | FY 25 Target          | FY 25 Actuals                                 | FY 26 Target  |
|--|--|-----------------------|---|---|
| 1 Modernize the legacy National Guard Readiness Centers to post 9/11 military standards.   | Readiness Center modernization projects – * Funds were used in FY21-23 to renovate the HQs building after a major flood in the basement. FY24 funds went to stand up Job Challenge | 1 – Vinita RC         | 1 – Vinita RC                                 | 2 – Bartlesville & Shawnee RC                       |
| 2 Improve the quality of life for cadets in the Thunderbird Youth Challenge Program (TCP). | TCP Facility Improvement Projects  | 1 – ARPA New Barracks | 1 – ARPA New Barracks                         | 1 – Sooner JC Barracks & Dining Facility renovation |
| 3 Meet or exceed the required number of graduates in OMD’s Thunderbird Challenge program.  | TCP Graduates<br>250   | 250                   | 259   | 250+  |
| 4 Meet or exceed the required number of cadets in OMD’s Sooner Job Challenge program.      | SJC Cadets<br>100  | 100                   | 17 due to soft start of first class in Jan 25 | 100+  |
| 5 Meet or exceed the required number of student participants in OMD’s STARBASE program.    | DoD STARBASE Participants<br>3,500   | 3500                  | 3,303 due to federal funding issues           | 4,200   |
| 6  |  |                       |   |   |



# Projects for FY 2026

- 1) Start the build out of a new Shawnee Readiness Center to meet the full DoD requirements and needs of the Field Artillery units stationed there. The project is estimated at \$28M with 100% federal funding and a completion date of September 2027.
- 2) In continued partnership with the OK Department of Aerospace and Aeronautics, establish an Unmanned Systems (UXS) Center of Excellence at the Camp Gruber Training Site for UXS training, exercise support, and innovation capabilities through relationships with federal, state, tribal, academic and industry organizations.
- 3) Renovate the Vinita legacy readiness center to post 9/11 DoD standards. Estimated at \$2.5M fed, \$2.5M state with completion in March 2026.
- 4) Complete construction on the new Oklahoma National Guard Museum. The museum is funded with a \$45M Bond and \$4.6M APPN. Completion estimate is Summer 2026.
- 5) Repair and modernize the Greenleaf Lake Dam near Braggs, OK. This project is estimated at \$10.3M with a completion date of August 2026.
- 6) Complete the OMD complex civil works project to update failing utilities, roads and other infrastructure. The project is estimated at \$12.2M federal/state funding to be completed in March 2026.



# Projects for FY 2027

- 1) Continue the build out a new Shawnee Readiness Center to meet the full DoD requirements and needs of the Field Artillery units stationed there. The project is estimated at \$28M with 100% federal funding and a completion date of September 2027.
- 2) Construct a new Army Aviation Storage Hangar at the Tulsa location to house multi-million-dollar aircraft. This project is estimated at \$18.5M in federal funding with a completion date of December 2027.
- 3) Renovate the Bartlesville legacy readiness center to post 9/11 DoD standards. The project is estimated at \$4M fed, \$4M state with a completion date of Fall 2026.
- 4) Start the design phase on six major renovation projects funded through the Legacy Capital Financing Act. Projects include:
  - Information and Technology Cyber Center
  - United States Property & Fiscal Office
  - Sensitive Compartmented Information Facility
  - Department of Engineering and State Resource Management Office
  - Airmen Center at the Tulsa Air National Guard Base
  - Airmen Center at the Oklahoma City Air National Guard Base



# Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

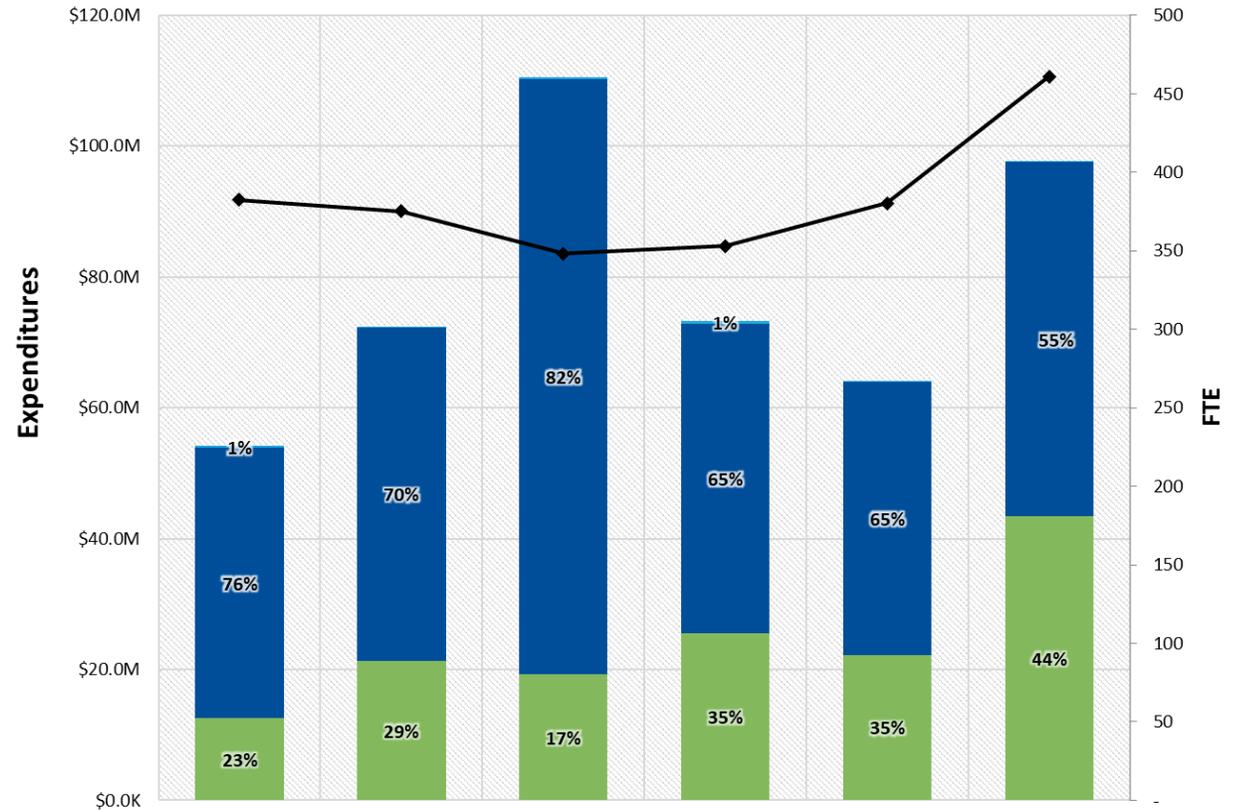
Federal funding received through agreements with the National Guard Bureau is on average two to three times that of our state appropriations depending on the annually approved federal projects.

The FY21 state expenditures were low due to an 18-month legislative funding limit that caused a large portion of appropriations to be carried over to FY22 for construction projects.

The FY23 federal increase is \$46.2M in ARPA funding.

The FY26 increase in GRF is \$21M approved for military base infrastructure needs and development.

### Historic Actual Expenditures and Current Year Budget



|              | FY 2021  | FY 2022  | FY 2023  | FY 2024  | FY 2025  | FY 2026 Current Budget |
|--------------|----------|----------|----------|----------|----------|------------------------|
| Appropriated | \$12.5M  | \$21.3M  | \$19.3M  | \$25.5M  | \$22.2M  | \$43.4M                |
| Revolving    | \$304.2K | \$103.7K | \$248.9K | \$413.9K | \$124.1K | \$258.5K               |
| Federal      | \$41.3M  | \$51.0M  | \$91.0M  | \$47.3M  | \$41.7M  | \$54.2M                |
| Total        | \$54.1M  | \$72.4M  | \$110.5M | \$73.2M  | \$64.1M  | \$97.8M                |
| FTE          | 383      | 375      | 348      | 353      | 380      | 461                    |



# Estimated Impact of Federal Funding Changes

| <i>Program Name</i> | <i>Federal Agency</i> | <i>Description of expected change (s)<br/>(i.e. change in state match, admin costs, program requirements or client eligibility, etc.)</i> | <i>Actual FY 25<br/>Total Federal<br/>Funding<br/>Received (\$)</i> | <i>Projected FY 26<br/>Total Federal<br/>Funding To Be<br/>Received (\$)</i> | <i>Estimated FY 27<br/>Total Federal<br/>Funding To Be<br/>Received (\$)</i> |
|---------------------|-----------------------|---|---|--|--|
|                     |                       | OMD is currently not aware of any federal funding changes that will impact the agreements with the National Guard in FY26 or FY27.        | \$  | \$   | \$   |
|                     |                       |   | \$  | \$   | \$   |
|                     |                       |   | \$  | \$   | \$   |

*\* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.*



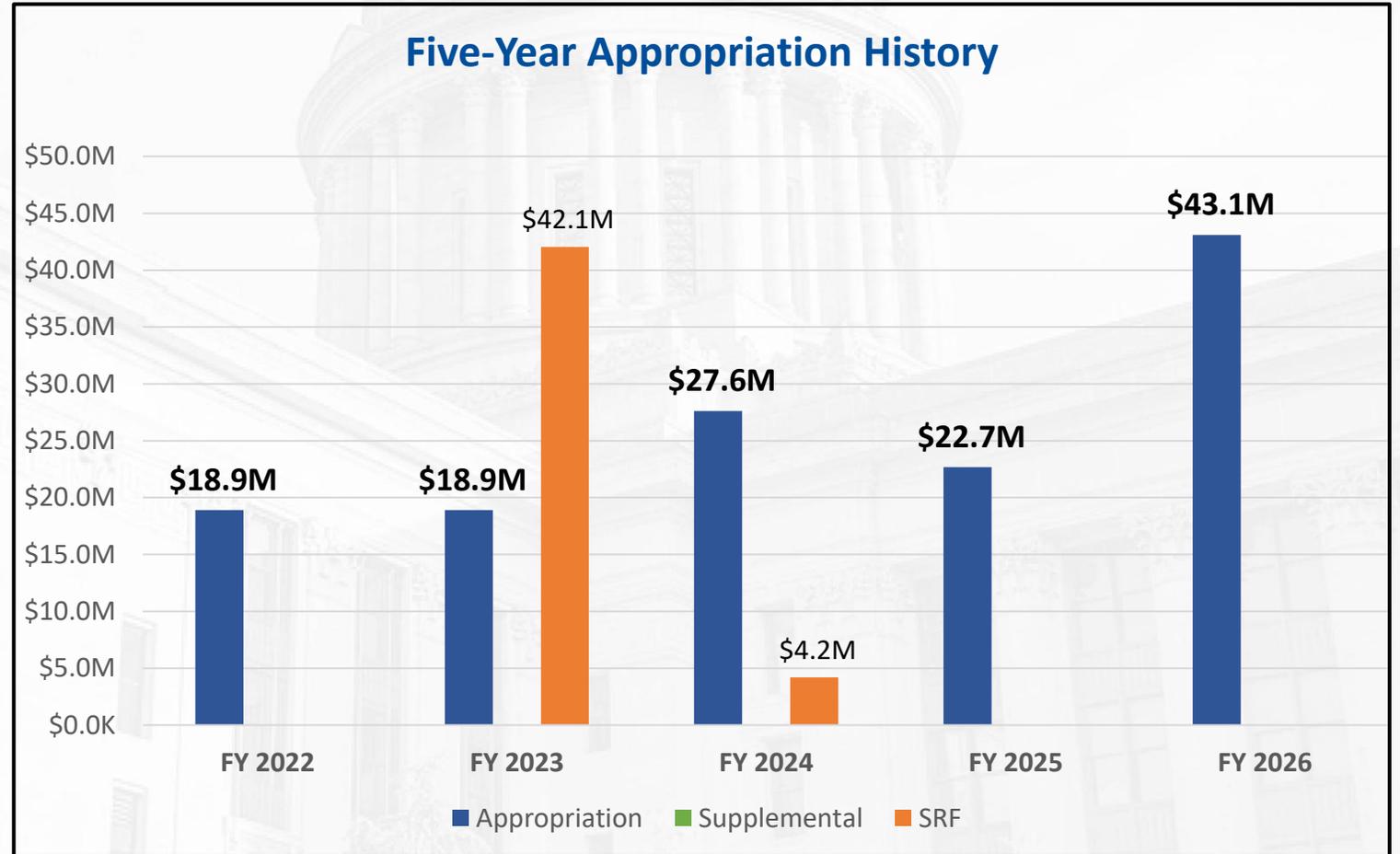


# FY 2026 Budgeted Full Time Equivalents (FTE)

|   | FY 2026 Budgeted FTE                                   |
|---|--|
| <b>Total FTE</b>                          | 461  |
| <b>Supervisor FTE</b>                     | 108  |
| <b>Supervisors to Total FTE Ratio (%)</b> | 23% due to so many military locations around the state |
| <b>Current Budgeted but Unfilled FTE</b>  | 39   |

# Appropriation History

| Fiscal Year | Legislated Appropriation (\$)<br>(Includes supplementals and SRF/ARPA.) |
|-------------|---|
| FY 2022     | \$18,911,582  |
| FY 2023     | \$60,961,582  |
| FY 2024     | \$31,817,651  |
| FY 2025     | \$22,693,460  |
| FY 2026     | \$43,097,459  |



\*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.



# Financial Resource Analysis

| Carryover  | FY 2022                                       | FY 2023     | FY 2024   | FY 2025   |
|--|---|-------------|-----------|---|
| Total appropriated carryover amount expended (\$)                  | \$4,118,407<br>FY21 Appns had an 18 mth limit | \$1,724,333 | \$878,097 | \$3,326,106 (\$6M rcv'd in FY24 for Army contract that didn't happen) |
| Historical Cash Balances   | FY 2022                                       | FY 2023     | FY 2024   | FY 2025   |
| Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i> | \$511,665                                     | \$560,106   | \$290,580 | \$400,795   |

| Revolving Class Fund # <i>(Unrestricted only)</i> | Revolving Class Fund Name <i>(Unrestricted only)</i>       | Current cash balance (\$) | Projected FY 2026 year-end cash balance (\$) |
|---|--|---------------------------|--|
| #   | All OMD revolving funds are restricted per state statutes. | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
| #   |  | \$                        | \$   |
|   | <b>Total Unrestricted Revolving Fund Cash balance:</b>     | \$                        | \$   |



*Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.*

# FY 2024 – 2025 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i>   | <i>Amount FY 2024</i> | <i>Amount FY 2025</i> | <i>Total amount received FY 2024 - 25</i> | <i>Total amount expended by 11/1/2025</i> | <i>Included in FY 2026 approp? (Yes/No)</i> | <i>If not expended fully, please explain.</i>                            |
|--|-----------------------|-----------------------|---|---|---|--|
| Workforce for defense contract   | \$6,000,000           | N/A                   | \$6,000,000                               | \$6,000,000                               | No  |  |
| 25% state match for Job Challenge Youth Program  | \$1,000,000           | \$                    | \$1,000,000                               | \$1,000,000                               | Yes   |  |
| Museum Bond Debt Service   | \$1,701,069           | \$                    | \$1,701,069                               | \$1,701,069                               | Yes   |  |
| Remove workforce one-time  |                       | -\$6,000,000          | -\$6,000,000                              |   |   |  |
| Additional One-Time funding to provide 50% state match to renovate the Vinita Readiness Center |                       | \$587,350             | \$587,350                                 | \$0                                       | No  | Construction in progress.  |
| Funding provided to establish a UXS training school at Camp Gruber                             |                       | \$500,000             | \$500,000                                 | \$164,000                                 | Yes   | 4 months (July-Oct) of the 12-month contract have been expended to date. |
| Adjustment to Bond Debt Svc Pmt  |                       | -\$6,541              | -\$6,541                                  |   |   |  |
| <b>Totals</b>  | \$8,701,069           | -\$4,919,191          | \$3,781,878                               | \$8,865,069                               |   |  |



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2026 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i>                         | <i>Amount of increase or decrease (\$)</i> | <i>Does this need to be included in your FY 2027 appropriation? (Yes/No)</i> | <i>If yes, included in appropriation for same purpose? (Yes/No)</i> | <i>If not included for same purpose, please explain.</i> |
|--|--|--|---|--|
| Removed one-time increase in FY25 for Vinita readiness center modernization. | (\$587,350)                                | No   |   |  |
| Bond payment adjustment  | (\$8,651)                                  | No   |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
|  | \$   |  |   |  |
| <b>Total adjustment</b>  | (\$587,350)                                |  |   |  |



*\*Do not include SRF / ARPA appropriation increases.*

# Incremental & Supplemental Request Summary

| Request Name |                      | FY 2027 Incremental Appropriation Request Amount (\$)<br>{or FY 2026 for Supplementals} | Type of Request:<br>Recurring, One-time, or Supplemental |
|--------------|----------------------|---|--|
| 1            | Oklahoma State Guard | \$500,000   | Recurring  |
| 2            |                      | \$  |  |
| 3            |                      | \$  |  |
| 4            |                      | \$  |  |
| 5            |                      | \$  |  |



# (1) Incremental Budget Request

|  |  |
|--|--|
| <b>Name of Request: Oklahoma State Guard</b>   |  |
| Type: Recurring  | \$500,000 Incremental Amount Requested for FY 2027 |
| Initial funding for start-up costs of an Oklahoma State Guard to enlist, train, equip, and house approximately 250 volunteers tasked with providing first response and civil defense force capabilities during Oklahoma disasters and emergencies. |  |

