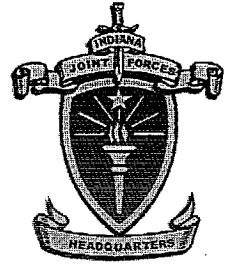




INDIANA
JOINT FORCES HEADQUARTERS
NATIONAL GUARD
2002 SOUTH HOLT ROAD
INDIANAPOLIS, INDIANA 46241-4839



TO: Mr. Adam Horst
Director, State Budget Agency
Room 212, State House
200 W. Washington Street
Indianapolis, Indiana 46204-2793

FROM: R. Martin Umbarger
Major General, The Adjutant General
2002 South Holt Road
Indianapolis, Indiana 46241-4839

DATE: November 15, 2010

RE: Transmittal of The Adjutant General Agency Overview, 2012-2013 Budget

MISSION STATEMENT. To operate the Indiana Army and Air National Guard in a manner that optimizes the utilization of both state and federal funds, and personnel necessary to complete the Agency mission. The Agency must insure that its military units attain federal readiness and mobilization standards and are prepared to respond to natural disaster and civil support requests from the State of Indiana. The following objectives are constant as we strive to pursue the accomplishment of our mission:

- a. Improve the personnel readiness of the Indiana National Guard.
- b. Support the education initiatives for Indiana National Guard personnel and provide the citizens of Indiana with education opportunities funded through National Guard membership.
- c. Deploy soldiers and airmen in support of our nation's war against terror.
- d. Place direct emphasis on Homeland Defense programs and provide support to the statewide effort.
- e. Encourage the use of local armories in support of community activities throughout Indiana.

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- f. Implement a strategic facility plan throughout Indiana.
- g. Sustain the Hoosier Youth ChalleNGe Program that enhances the education and discipline of 16-18 year old youths.
- h. Continue the commitment to preserve and protect the environment.
- i. Improve Camp Atterbury as a Mobilization Station and military Power Generation Platform and also Muscatatuck as a Complex Urban Training Site.

AGENCY PROGRAMS/FUNCTIONS. Several programs within this Agency are used to properly administer funds utilized by the Indiana National Guard. The State Controller Department, as part of the Adjutant General's Agency, is responsible for properly administrating these funds. During FY 2009, this office was responsible for the management of 38 Cooperative Agreements that included five (5) major construction agreements, 27 master cooperation agreements, four (4) agreements pertaining to the Hoosier Youth ChalleNGe Program and two (2) Grants from IDHS. All totaled, the Federal share was \$60,161,410.

The following paragraphs describe the function of each of this Agency's State Supported Programs and are listed in the order of priority to be funded:

- a. **Adjutant General Funds (Main Operating).** This program supports the overall operational and administrative costs of the Indiana Army and Air National Guard that includes the Joint Forces Headquarters, Hulman and Baer Air Fields and 62 armories.
- b. **Muscatatuck Urban Training Center (MUTC).** Located at North Vernon, Indiana, this facility provides both kinetic and non-kinetic training venues for federal, state and local governmental and military organizations.
- c. **Camp Atterbury-Muscatatuck Center for Complex Operations (CAMCCO).** This organization, co-located at Camp Atterbury, is the integrating headquarters for federal, state and private organizations utilizing Camp Atterbury and MUTC facilities and ranges.
- d. **Hoosier Youth ChalleNGe Academy (HYCA).** Located at its new location at Knightstown, Indiana, HYCA is a federal and state funded organization that targets 16-18 year old "at risk" youth. The purpose is to offer students a variety of educational opportunities and life skills to be successful members of their communities.

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e. **Governor's Civil and Military Contingency Funds.** The purpose of these funds is to provide State emergency funds for the commitment of National Guard forces in case of civil disturbance or natural disaster.

ACCOMPLISHMENTS/CHALLENGES.

Accomplishments.

a. **The Adjutant General's Main Operating Funds.** During FY 2010, this headquarters managed 38 Cooperative Agreements in which the Federal share was over \$60,000,000. Total state cost during FY10 was \$9,297,282. This was accomplished in the following manner:

(1) **War Against Terror.** The Indiana National Guard has mobilized and deployed 17,234 soldiers and airmen since 9/11 to fight in the War Against Terror. Currently we have over 1,000 National Guardsmen mobilized supporting overseas contingency operations.

(2) **Human Resources.** This agency is currently authorized 551 full-time positions. These positions support facility maintenance at Stout Field and 62 armories located throughout the State. They also provide maintenance, security and fire protection for the Air National Guard bases at Fort Wayne and Terre Haute, as well as maintenance at Camp Atterbury and Muscatatuck Urban Training Center. State positions assigned to Stout Field provide administrative and logistical support functions. Currently 439 of our 551 State positions are funded in whole or part by Federal funds through cooperative agreements. This represents 79.6% of our State employees salaries and benefits reimbursed with Federal funds.

(3) **Facilities and Contracting.** This agency supports the Adjutant General in providing management and caring for Armories and Support Facilities for the use of the Military Forces of the State of Indiana. The Agency currently has 230 buildings and 62 armories throughout Indiana. The Facilities section executed/obligated over \$45,900,000 in Federal construction funds during SFY10 to support the assigned soldiers and airmen and training facilities. National Guard Armories are used in support of a variety of activities beyond their primary purpose as a military installation. Examples of this utilization are:

1. Community Centers, especially in the smaller communities throughout the State.

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2. Distance Learning and Education Centers for military and civilian use. The Distance Learning Centers provide communities broad access to education, training and information for the development of new skills to enhance the quality of life. They also serve as a means of communication during times of emergency.

3. Supplemental classrooms for primary, secondary and post secondary educational institutions.

4. Emergency operations centers and shelters (civil emergencies).

5. Senior citizens dining and exercise centers.

6. Employer guard support meetings.

7. Family support groups supporting deployed troops.

b. Camp Atterbury Joint Maneuver Training Center (CAJMTC), located near Edinburgh, Indiana, continues as one of the U.S. Army's six (6) enduring mobilization training centers. During federal FY09 the installation saw the largest concentration of troops at the installation since World War II with more than 4,000 soldiers conducting post-mobilization training prior to deployment to Afghanistan. Since it's activation in 2003, nearly 117,915 personnel have mobilized and demobilized in South-Central Indiana. During the State's FY09, federal spending for payroll, facilities maintenance and construction, supplies and services contracts was \$320.5 Million.

In addition, CAJMTC is processing for deployment and training Department of State civilians working in Afghanistan. CAJMTC along with its sub-installation Muscatatuck Urban Training Center (MUTC) provides many unique municipal training opportunities and venues to prepare to meet challenges at home and abroad.

During federal FY09, the CAJMTC and MUTC supported soldiers training for missions at home and around the world including those deploying to Kosovo, Afghanistan, and Iraq. The installation trains the Army's sister services of the US Marines and US Air Force and US Navy. Finally, CAJMTC in conjunction with Indiana University is home to the Army National Guard's Agribusiness Development Teams. These teams from states around the country train in central Indiana prior to deploying to Afghanistan to train Afghan farmers in agriculture, including both crops and animals.

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c. Muscatatuck Urban Training Center (MUTC). During State FY10, the Indiana National Guard continued to transform the Muscatatuck Urban Training Center located near North Vernon, Indiana, into a State of the Art Training Center for local/state/federal governmental, military and non-military organizations with a state cost of \$1,248,215. Its higher headquarters, Camp Atterbury Center for Complex Operations (CAMCCO), is located at Edinburgh, Indiana with a state cost of \$914,031. This initiative entails a consortium of participants that includes local, state and national governmental agencies and activities, public state institutions of higher education and private sector businesses and firms. MUTC was recently designated as the location for integrated Civilian-Military training established through a partnership with the Department of State and other agencies. During 2009, MUTC received new tenants with the induction of the Patriot Academy. Using the installation's renovated schoolhouse, this facility is the first of its kind allowing Guardsmen, who are also high school dropouts ages 17-20, a second opportunity to earn their diploma.

d. Hoosier Youth ChalleNGe Academy (HYCA). The Indiana National Guard continues to improve on the successes with the Hoosier Youth ChalleNGe program at a federal/state total cost during SFY10 of approximately \$2,890,522 with the state share of \$1,148,948.00. This program, which targets 16-18 year old at risk students has already achieved significant success after six classes. The reading and math skills of students greatly improve as a result of this program; most students begin with an approximate 6th grade level and improve to an 8th grade level during the 22 week course.

A total of 361 cadets have graduated from this program with 158 receiving a GED. 96 students have received at least 3 college credits from Ivy Tech State College and 23 students have actually enrolled in Ivy Tech. College scholarships totaling \$44,200 have been awarded to graduating students.

Other significant accomplishments include 111 students registering to vote and 166 signing up for selective service. Leading students to become responsible citizens is one of the key goals of this program. This goal is being accomplished by providing the students opportunities to perform community service. To date, 17,848 hours of community service have been completed. This translates into \$131,182 of free labor to local communities.

Challenges.

The most significant challenge associated with the HYCA program involves its move from its former headquarters at Camp Atterbury to its new home at the former

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Indiana Soldiers' and Sailors' Children's Home in Knightstown, Indiana. This move, while greatly expanding the program's ability to positively impact both the community and the program's students, has required us to maintain a much larger facility. The increase in payroll, utilities, and maintenance costs continue to be a challenge to our agency; however, this challenge has been met through a spirit of cooperation between our agency, the State Budget Agency, and the State Armory Board. This cooperation, which has resulted in fully funding the program's need, will allow the Hoosier Youth Challenge Program and Knightstown to continue to provide quality service to our troubled youth.

STRATEGIC OBJECTIVES/ NEW INITIATIVES.

Strategic Objectives.

Our armories are a vital link between our National Guard units and the public for which they serve. We will strive to continue to renovate them as best we can through our limited Capital Improvement funds and the State Armory Board resources. During SFY10 we announced the closing of three (3) armories that were determined to be cost prohibitive to maintain. At the same time we announced and held ground breaking ceremonies for the construction of two (2) new armories that allow for the consolidation of units into these facilities.

Next to personnel costs, energy costs are this Agency's second highest expense. To that end, an Energy Committee has been formed to research and look at possible alternative energy sources that may be available as well as searching for other-than-state funding streams to support these initiatives. During SFY10, significant savings were realized by this Agency partly due to this committee's initiatives.

New Initiatives.

This Agency has no new initiatives for SFY 2012-2013 that will require additional state funding. Our efforts will focus on strengthening the programs currently in place and looking ahead for opportunities that will allow us to remain a vital resource to the Governor and to the citizens of this great state.

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KEY PERFORMANCE INDICATORS.

Total number of soldiers and airmen authorized/assigned in the Indiana National Guard:

Organization	Authorized	Assigned	% Assigned
Army	13,604	12,797	94.1%
Air	<u>1,822</u>	<u>1,859</u>	<u>102.0%</u>
Total	15,426	14,656	95%

Total number of Federally reimbursed State employees:

Total # Authorized State Positions:	551
Total # Federally reimbursed:	439
% Federally reimbursed:	79.6%

Indiana National Guard ability to respond to Governor's request for a state emergency:

Total # State Active Duty Operations (2008-2009)	7
Total # Days of State Active Duty Operations	30
Total number soldiers/airmen currently mobilized:	1,024
Total # soldiers/airmen available for State Active Duty:	9,500
Total # Soldiers performed State Active Duty	1,475

Proposed new Performance Indicators (MUTC):

Number of Department of Defense training events at MUTC

Number of Training Events conducted by State/Non-DOD Organizations:

ORGANIZATIONAL CHART. (See attached chart)

PROGRAMS REDUCED/ELIMINATED/REPLACED. During SFY10 the Federal Government agreed to pay 50% of our Building Service Workers' salaries/benefits which helped to enable this agency to meet our reserve requirement and pay the medical retiree benefit costs. We also negotiated with our Federal Director of Communications to increase the percent of reimbursement for communication costs from 95% federal/5% State to 98% federal/2% State. This change will result in approximately \$50,000 savings in our communications costs

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REALLOCATION OF FUNDS TO ACCOMPLISH CHANGES. Utility costs as well as maintenance/repair costs of our 62 armories and numerous maintenance facilities continue to be a serious challenge. Our State Armory Board makes up the shortfall between our appropriated amount and the federal reimbursement for this expense, averaging approximately \$1,500,000 per year. With the increased state reserve in SFY2011 the State Armory Board share will no doubt increase. One revenue generating measure that we have aggressively pursued is the renting of our armories to local organizations. Rental revenues are maintained at the local armory level and are used specifically to assist in the maintenance and upkeep of that armory. Another key cost-saving factor is our state warehouse. This facility provides supplies to our armories at a significant savings because of our ability to purchase large quantities from our Indiana businesses and pass these savings on to our armory managers.

SUMMARY.

The Indiana National Guard currently has over 14,600 (107%) members assigned. Indiana is one of only a few States that is authorized an Army National Guard Division Headquarters, an Infantry Brigade Combat Team, a Battle Field Surveillance Brigade, two (2) Air National Guard Wings and two (2) Air Ground Ranges. These organizations represent a total authorized strength of 13,685 soldiers and airmen. The most critical issue for the Indiana National Guard continues to be our ability to maintain the numbers of assigned soldiers and airmen. They are stationed in 62 armories, two (2) airbases and two (2) major training areas throughout the State. High personnel readiness levels are part of the driving force in the federal appropriations to Indiana National Guard units.

As the fourth largest Army National Guard and the 13th largest Air National Guard in the United States, the Indiana National Guard received over \$468.6 million in federal funds in fiscal year 2009 to support training throughout Indiana, Slovakia and many other parts of the world. This is approximately \$32,000 of federal funds per National Guard member brought into Indiana's economy.

We are very proud of how we have transformed the MUTC facility. A facility that was destined to be closed has been transformed into a state-of-the-art training facility used by all sorts of agencies, both military and civilian, to prepare to go into harms way and be successful. At the same time, it provides much needed jobs and resources into our state's economy.

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We are equally proud and excited with the success of our Hoosier Youth ChalleNGe Program and the lives of our young Hoosier men and women being changed by it. The move to the Knightstown facility provides for the possibility of even greater accomplishments and growth through this program.

Likewise, we are proud of being able to take this facility that was destined to be closed and turn it into something positive that changes lives and provides jobs for Hoosiers.

Our people are our most precious resource. This includes our state employees as well as our soldiers and airmen. This agency appreciates the great support we have received from the State. It is imperative that we continue to receive adequate funding that will allow us to continue to sustain our Guardsmen in our state facilities and reward our state employees as they continue to provide outstanding support to our armories in the maintenance and upkeep of our facilities.



R. Martin Umbarger
Major General, Indiana
Army National Guard
The Adjutant General