



OREGON MILITARY DEPARTMENT
JOINT FORCE HEADQUARTERS, OREGON NATIONAL GUARD
OFFICE OF THE ADJUTANT GENERAL
P.O. BOX 14350
SALEM, OREGON 97309-5047

18 January 2018

Kip Memmott, Director
Secretary of State, Audits Division
255 Capitol St. NE, Suite 500
Salem, OR 97310

Dear Mr. Memmott:

This letter serves as the Oregon Military Department's written response to the Audit Division's final draft of the audit report *The State Must Do More to Prepare Oregon for a Catastrophic Disaster*, as provided to the department on January 12, 2018.

The department and specifically the Office of Emergency Management (OEM) appreciates the opportunity to respond to the report and the recommendations. I would also like to express my gratitude to the staff at OEM and partners throughout the emergency management system for their time and candor in assisting the audit team throughout this process. As outlined in this report, emergency management is a complex and critically important function across each jurisdiction and through all levels of government. The audit team should be commended for their work assessing that system and making these recommendations.

Emergency management encompasses the responsibility to ensure communities are prepared to respond to and recover from any emergency or disaster, regardless of cause, and to mitigate natural and human-caused hazards. This responsibility does not fall solely on the shoulders of any one discipline, agency, or level of government. Rather, engagement is needed from local, tribal, and federal partners, private industry and non-profit organizations, and the individuals who make up the communities we serve if we are to be successful in this mission. This report articulates the vast scope of emergency management, but does so through the lens of a capability that has not been resourced to meet the expectations we all have for our emergency management system.

At the state level, OEM has done remarkable work on behalf of Oregonians. Since 2012, the staff at OEM has managed more than \$70 million dollars of federal preparedness, disaster recovery, and mitigation grants with most of those funds benefiting local or tribal governments and other state agencies. The last three years have seen OEM manage three presidential disaster declarations, coordinate state planning actions to the 2017 eclipse, support Oregon National Guard wildland fire deployments to save lives and property during catastrophic wildfires and broker agreements with neighboring states to bring critical resources into Oregon and to send some of our state firefighting resources to California to do the same there during that state's unprecedented wildfire season. There are, however, opportunities to improve upon the role OEM plays in protecting Oregonians, and we will

work diligently to continue improving as an agency long after the recommendations in this report have been implemented.

It is my hope that this report will spark further dialogue about the importance of appropriately resourcing emergency management across Oregon, while also acknowledging the incredible work the emergency management community has done at all levels throughout Oregon with the minimal staff, funding, and equipment available to meet these challenges.

Below is our detailed response to each recommendation in the audit.

RECOMMENDATION 1		
Continue to advocate for resources through the state budget process to be able to fulfill its role as the state’s emergency management coordinator. This advocacy is especially critical to support the State Hazard Mitigation Officer, to prevent the Natural Hazard Mitigation Plan from losing its enhanced status.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	August 1, 2018 - Due date for next Agency Budget submission	Oregon Military Department Deputy Director Dave Stuckey 503-584-3985

Narrative for Recommendation 1

The Oregon Military Department agrees with Recommendation 1. The OMD/OEM will continue to request resources through the state budget process to help fulfill its role as the state’s emergency management coordinator. Dating back to the 2009-11 biennium, the OMD/OEM has requested the following positions specific to emergency management operations, and the management and development of both State and Local Natural Hazard Mitigation Plans (*this is not inclusive of positions requested for the State 9-1-1 program, the Public Private Partnership Program, or Information Technology staff*):

- 2009-11 – 30 Positions
- 2011-13 – 7 Positions
- 2013-15 – 6 Positions
- 2015-17 – 4 Positions
- 2017-19 – 12 Positions
 - *Two positions were added through a new grant program created by the Legislature.*

The OMD/OEM is planning to submit a number of policy packages for consideration by the Executive and Legislative Branches for the 2019-21 biennial budget. These packages will include a continuation of what has previously been requested such as:

- Regional Emergency Management Coordination Staff
- Dedicated staff to support and sustain local and state mitigation plans and programs and to ensure continued Enhanced Status for the state plan
- Dedicated staff to provide Incident Management Assistance team development, planning activities, and sustainment
- Resources and staff to obtain and maintain EMAP accreditation for the state

There will also be new packages submitted related to modifying how certain existing positions are funded due to requirements outlined in the Code of Federal Regulation.

The OMD/OEM understands its role as the coordinating entity for emergency management response to, and recovery from, disasters. The expectations, both external and internal, placed on the OMD/OEM do require an increase in resources in order to be met. Without increased resources, both personnel and financial, maintaining the current operational capacity of the OMD/OEM will be challenging. Existing staff are struggling to meet the day to day requirements of the multiple duties assigned to them, especially during an activation of the state’s Emergency Coordination Center (ECC). Increased demands on the same staff to meet the needs outlined in this audit are unreasonable.

The OMD/OEM understands the competing priorities the Executive and Legislative branches are tasked with balancing, and there is not an expectation that all the needs outlined in this audit will be met in one budget cycle. The OMD/OEM is prepared for this to be an iterative process where needs are addressed one by one as resources and capacity become available. There must be an understanding though that the ability of the OMD/OEM to successfully accomplish the other recommendations outlined in this audit, as well the expectations of parties external to the organization, are directly impacted by the speed at which resources are applied.

The target date identified above is consistent with the submittal of the 2019-21 Agency Request Budget where all needs will be outlined for the next two years of operations within the Oregon Military Department.

RECOMMENDATION 2		
In conjunction with Cascadia Rising participants, finalize a plan to implement and track corrective actions for the recommendations from the Cascadia Rising After Action Report, including corrective actions relevant to catastrophic planning. Ensure this corrective action plan includes the following:		
<ul style="list-style-type: none"> a. deficiencies identified during the exercise; b. the actions that should be taken in response; c. the resources required to address these deficiencies; d. justification for the need to correct them; e. a person responsible for the corrective action; and f. an assigned due date for each action. 		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation

Agree	Complete	Operations and Preparedness Section Manager Sonya Andron 503-378-2911
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Narrative for Recommendation 2

The OMD/OEM agrees with recommendation 2. OEM, in partnership with each partner agency and organization that participated in the 2016 Cascadia Rising exercise, developed an after-action report that identified areas of strength in the exercise as well as areas where improvement is warranted. This report was released in February, 2017. While this report was being finalized, many of the state’s emergency management resources began to focus on preparations for the 2017 eclipse, an unprecedented event that would see the state’s population swell and lead to emergency response challenges across the entire state.

Following the response to the eclipse and an historic wildfire season that extended into the fall, OEM planning staff completed the final component of the after-action report: the improvement plan appendices. This plan was shared with partners in December to further validate the recommendations previously included in the report, and ensure the appropriateness of the assigned ESF and timeline for completing each recommendation.

Now that the improvement plan appendices have been finalized, OEM will continue to track progress on each outstanding Cascadia Rising after-action report and improvement plan recommendation through regular updates by cognizant ESF lead agencies at quarterly OERS Council meetings.

Although not specifically articulated as a recommendation in the audit report, OEM will also include an after-action report and improvement plan template, as well as recommended processes and timelines to follow in the development of these reports and plans, as part of the current revision of the state’s Preparedness Plan, the second volume of the state’s Comprehensive Emergency Management Plan. OERS Council quarterly meetings will also have a standing agenda item for ESF after-action report recommendation and improvement plan corrective action updates.

RECOMMENDATION 3

Clearly define the roles, responsibilities, and expectations for preparedness efforts, in addition to response and recovery, for ESF, SRF, agencies designated in ORS 401.054, and those with a role to play in the emergency services system. Provide written guidance and expectations for agency staff who will serve as a liaison to OEM per ORS 401.054, such as a position description or orientation materials to prepare staff on how to fulfill their roles.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	September 30, 2018	OEM Deputy Director Matt Marheine 503-378-2911

Narrative for Recommendation 3

The OMD/OEM agrees with recommendation 3. OEM will conduct an assessment of the office’s statutory requirements to define roles and responsibilities, and develop guidance documents for any areas for which OEM has a specific requirement but has not clearly provided guidance. OEM will also work with partners to identify areas in which a role or responsibility may be unclear and collaboratively work to ensure clarity is achieved and appropriately documented.

OEM has offered to provide briefings to each of the 11 agencies, offices, and organizations added to the Oregon Emergency Response System Council following the passage of Senate Bill 61 in the 2017 legislative session. OEM will ensure each of the 33 OERS Council agencies, offices, and organizations, as well as non-OERS organizations that may have a support or adjunct role in an ESF, clearly understand the expectations of ESF lead, support, or adjunct agencies and OERS Council participation.

OEM will also include training for ESF representatives and other ECC staff on ECC operations, the Real-time Assessment and Planning Tool for Oregon (RAPTOR), and OpsCenter annually as documented on the OEM Multi-Year Planning, Exercise, Training and Events calendar. OEM will continue to provide guidance to local emergency managers through direct technical assistance as resources allow, working with federal partners to provide emergency management training, guidance for ECC operations, and guidance for elected and appointed officials through the publication and dissemination of OEM’s emergency declaration guide for local elected and appointed officials.

RECOMMENDATION 4

Develop internal policies, procedures and a schedule for implementing, maintaining, exercising, and revising the four volumes of the state’s Comprehensive Emergency Management Plan. Ensure plans are up-to-date and contain relevant and timely information.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	June 30, 2018	Operations and Preparedness Section Manager Sonya Andron 503-378-2911

Narrative for Recommendation 4

The OMD/OEM agrees with recommendation 4. OEM has already drafted a Multi-Year Planning, Exercise, Training, and Events (MY-PETE) calendar that assigns dates to planning initiatives for each component of the Comprehensive Emergency Management Plan, the Cascadia Playbook, the office’s Continuity of Operations Plan, Strategic Plan, State Preparedness Report, and Capability Assessment. The calendar also schedules OEM-led hazard- and plan-specific exercises and trainings that encompass professional development and emergency management proficiency. These exercises and training opportunities support planning initiatives and planned events for which the state ECC may be

activated. OEM will also evaluate the maintenance component for each plan to ensure review and update timelines are clearly defined and are scheduled on the MY-PETE.

Each plan for which OEM bears responsibility will have a corresponding policy and standard operating procedure describing the review timeline, integration of lessons-learned and updated state or federal doctrine, policies, directives, or orders, the inclusion of partner feedback, the provision of training associated with the plan, and considerations for the conduct of exercises to assess and evaluate the plan.

RECOMMENDATION 5		
Complete revisions to the strategic plan to ensure it includes metrics. Ensure the strategic plan clearly identifies gaps in existing programs and also identifies resources needed. OEM should also clearly communicate this plan to staff and others in the emergency management system.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	June 30, 2018	OEM Director Andrew Phelps 503-378-2911

Narrative for Recommendation 5

The OMD/OEM agrees with recommendation 5. As with all plans maintained by OEM, the strategic plan is reviewed and updated regularly. The current plan, which has been in place since 2014, is being updated to include additional metrics to evaluate progress towards achieving the goals identified in the plan. Upon completion of the current revisions, OEM will disseminate the plan to emergency management partners, post the plan to the OEM website, conduct a staff training seminar to ensure the plan’s mission, vision, values, and goals are clearly understood and each OEM team member sees their work reflected in the plan. The plan will be reviewed annually to assess progress towards the identified goals.

We look forward to implementing the recommendations from the report and continuing to lead Oregon’s efforts to better prepare our communities.

Sincerely,



MICHAEL E. STENCEL
Major General
The Adjutant General

**KATE BROWN
GOVERNOR**



January 19, 2018

Kip Memmott, Director
Secretary of State, Audits Division
255 Capitol St. NE, Suite 500
Salem, OR 97310

Dear Mr. Memmott,

This letter provides a written response to the Audits Division's final draft audit report titled, *The State Must Do More to Prepare Oregon for a Catastrophic Disaster*.

Oregon's long-term resilience is critically important, and my office is grateful for the opportunity to participate in this important audit. I directed my staff to cooperate fully and provide the audit team with all relevant information on the state's ongoing work to ensure Oregon is prepared to respond to and recover from emergencies, catastrophic events, and disasters. Members of my team met with your team at least eight times during the course of your work, participated in the survey at your request, and provided multiple documents, including our internal emergency response protocols and the assessment of the State Resilience Officer position performed by my Deputy Chief of Staff.

Oregon is home to diverse communities and geographies that each present incredible opportunities and challenges as we work to build a more resilient state. For our communities and economy to thrive, Oregon must be resilient and ready to recover from not only the expected 9.0 Cascadia earthquake and the ensuing tsunami, but also a myriad of possible disasters and emergencies.

The different landscapes and habitats across the state and worsening impacts of climate change pose distinct challenges for which Oregonians must be prepared. Severe droughts, wildfires, ice and snow storms, and floods are all threats to our Oregon way of life and economy. Furthermore, we must stand ready to confront new threats, such as mass shootings or cyber-attacks on critical infrastructure.

In the time since I took office in 2015, state agencies worked closely with local counterparts to respond to multiple historic wildfire seasons, a winter storm that pushed our Eastern Oregon farmers to their limits, a mass shooting at Umpqua Community College, and the oil train derailment in Mosier. In each of these instances, state and local resources, as well as my own administration, have tested systems and learned from our responses to these emergencies. These lessons are valuable and inform our statewide response protocols, while still recognizing each new situation calls for adaptability so we can respond nimbly and effectively to save lives and protect Oregonians.

**KATE BROWN
GOVERNOR**



Additionally, in 2016, 16 state agencies participated in Cascadia Rising, a four-day, multi-state functional exercise to better prepare emergency responders and public and private partners for a Cascadia Subduction Zone earthquake and ensuing tsunami. The exercise provided important insights into steps that can be taken to improve our preparedness for such a massive disaster, and served as a reminder of the critical importance of personal preparedness.

The 2017 Total Solar Eclipse presented Oregon emergency responders and state agencies, as well as local, tribal, and federal partners, with the extraordinary opportunity to test and improve the resilience and effectiveness of our preparedness and response systems. Planning for the eclipse was perhaps the largest-scale, real-world coordinating effort ever taken on by the state. I am happy to report that our ability to prepare for such a large-scale event in Oregon resulted in a safe and positive event for the estimated one million viewers who witnessed the historic event in our state. The Total Solar Eclipse of 2017 was a powerful reminder that preparation for any known hazard greatly improves our chances of a successfully coordinated response.

As Oregonians, we all have a stake in building a more resilient Oregon and responsibility to do all we can to prepare for disasters. In recent years, Oregon has made great strides in bolstering statewide resilience, and I look forward to working with the Legislature to ensure state agencies are better equipped to respond to a variety of emergencies. The recommendations included in the Audit Division's report will help accomplish this goal and should be closely reviewed and carefully considered.

Included is a detailed response to each recommendation in the audit.

Please contact my Public Safety Policy Advisor Heidi Moawad at 503-378-8472 with any questions. Again, thank you for the opportunity to participate in and respond to this important audit.

Sincerely,

A handwritten signature in black ink, appearing to read "Kate Brown".

Governor Kate Brown

**KATE BROWN
GOVERNOR**



RECOMMENDATION 1		
Work with OEM to pursue statewide EMAP accreditation and develop a timeframe for achieving accreditation.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	March 31, 2018	Heidi Moawad 503-378-8472

Narrative for Recommendation 1

The Office of the Governor agrees that—as part of an overall strategy of building and maintaining strong emergency programs and practices—EMAP accreditation is an appropriate goal. However, meeting the high standards is more important for Oregon than the actual accreditation. To that end, OEM will continue efforts to build programs that meet or exceed EMAP standards and determine the resources needed to sustain these programs before committing financial resources to the final accreditation process.

In 2017, OEM developed a draft EMAP standards compliance project plan. The Governor will direct OEM to validate the plan with state partners, as well as share the plan with local and tribal jurisdictions in Oregon who may wish to further develop, enhance, or sustain programs in compliance with EMAP standards.

Regarding compliance, OEM assumes a three to five-year timeline to achieve and sustain compliance with each of the 64 EMAP standards. This timeline is predicated on securing the necessary resources to maintain compliance.

The EMAP standards and assessment program, which applies to all agencies that comprise the state emergency management system, are not new concepts for OEM. The agency currently has four staff members formally trained as EMAP Assessors, one of whom has reached the designation of Lead Assessor and has served as the Chair of the EMAP Standards Subcommittee. These assessors have participated in over a dozen assessments on local, state, and federal programs seeking accreditation. This level of familiarity with the standards, and continued opportunities to assess standards compliance in other jurisdictions, will prove valuable as OEM and the state work to bring any remaining compliance areas to the current standard or beyond.



RECOMMENDATION 2		
Ensure Oregon’s statewide emergency management system has sufficient resources to reduce the state’s vulnerability to disasters. For example, ensure sufficient resources to prevent the loss of the Natural Hazard Mitigation Plan’s enhanced status.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	December 1, 2018	Heidi Moawad 503-378-8472

Narrative for Recommendation 2

The Office of the Governor agrees that a well-resourced emergency management system in Oregon is critical. Oregon’s statewide emergency management system is multifaceted and multilayered. The Governor believes strongly in ensuring all levels of government in this state have the skills and tools needed to respond to any disaster regardless of their scale, and continued investment in the mitigation of future disasters is a key part of the Governor’s public safety policy agenda.

That is why Governor Brown recommended in past budgets \$200 million in Seismic Rehabilitation Grants and continued funding the State Resilience Officer position within her office. It is why the Governor’s Recommended Budget (FY 2017-2019) included a \$250,000 investment to support grants for five, local community hazard mitigation plans, with a focus on seismic risk and tsunami inundation zones. It is also why Governor Brown recommended investments to enhance the resilience of Oregon’s water infrastructure across the state through \$32 million in bonding for water grants. Finally, it is why Governor Brown fought hard to secure funding to address critical, seismic infrastructure improvements in HB 2017, the most comprehensive transportation funding package in Oregon’s history.

Moving forward, Governor Brown is prepared to assess the organizational structure across the Executive Branch to determine whether current resources committed to preparing for, responding to, recovering from, and mitigating against emergencies or disasters are appropriately aligned to maximize unity of effort. The target date identified above is consistent with the publication of the 2019-2021 Governor’s Recommended Budget for all state operations.

Oregon’s ability to fulfill the well-intentioned goal of this recommendation does not solely rest with the Executive Branch. Recognizing a number of competing needs and budget priorities, the Governor’s Office will work with the Legislature to ensure state agencies are better equipped to respond to the variety of emergencies. All budget requests submitted by agencies responsible for emergency response, including the Oregon Military Department’s Office of Emergency Management, or by agencies that play supporting roles in response and recovery efforts must be carefully reviewed and receive a thorough

**KATE BROWN
GOVERNOR**



analysis by the Chief Financial Office, legislators, and stakeholders. In the past, the legislature has shown a willingness to fund preparedness by creating the State Resilience Officer position and financing the Seismic Rehabilitation Grant Program, which has put tens of millions of dollars to use in local communities to rehabilitate schools and emergency service facilities across the state.

RECOMMENDATION 3

In coordination with all executive agencies and offices, complete Continuity of Government and Continuity of Operations Plans for the executive branch. Additionally, complete statewide continuity plans in conjunction with the Legislative and Judicial branches of government. These plans should include a method and schedule for evaluation, maintenance, revision, and implementation.

Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	December 2018	Mike Harryman 503-975-1911

Narrative for Recommendation 3

Oregon's ability to quickly restore key, state services and resume normal government operations is critically important following a catastrophic event. That is why Governor Brown directed the State Resilience Officer to review and track progress of Executive Branch agencies through their development of their Continuity of Operations Planning documents.

In mid-2017, a review of existing Department of Administrative Services policies and current agency compliance was conducted. The findings were consistent with the Auditor's, in that it was last a priority two administrations ago. In response to this finding, Governor Brown's office has worked to update the state policy and provide written guidance to agencies to clarify the Governor's commitment to agency preparedness. The policy and guidance document is in its final review stages with agency directors, and will go into effect no later than February 1, 2018.

In fact, Oregon already has a contract in place with a vendor that offers an integrated program that can guide agencies through each step of the continuity planning process. Maximizing the utilization of this program will ensure a systematic approach for each agency as they contemplate their own response and recovery protocols. Comprehensive use of the vendor software also allows the ability to track and evaluate the plans, and to work on a revision, maintenance, and implementation schedule.

**KATE BROWN
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The Governor's Office will continue to collaborate with other executive elected officers, and the Legislative and Judicial branches, to equip Oregon. Already, the Legislative leadership has met with the Governor's Office and agreed that each branch, while responsible for their own work, should come back together to review Continuity of Government plans.

RECOMMENDATION 4		
Enforce the existing policy to require executive branch agencies to complete, train, and exercise COOP plans. Assign responsibility and resources to track and facilitate COOP planning across state government.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	December 2018	Mike Harryman 503-975-1911

Narrative for Recommendation 4

The history of compliance with and evaluation of the existing Department of Administrative Services policies made it clear to Governor Brown that a long-term implementation plan was necessary. Enforcing existing policy is imperative for a prepared Executive Branch and a prepared Oregon, which is why the guidance document discussed in our narrative for Recommendation 3 includes a staged timeline for completion, as well as a new maintenance schedule.

In addition to enforcing the existing policy, a number of important changes to Oregon's emergency preparedness policies have also already been identified and improvements are underway. Specifically, new policy requires each agency director must designate an individual as the agency's plan sponsor, as well as a staff person to serve as the plan coordinator. The designees will become members of an interagency Continuity of Operations Plan coordination group to be led by the State Resilience Officer and supported by the Department of Administrative Services. In 2018, the coordination group will meet monthly to ensure the updated policy and guidance is being executed on schedule.

The Continuity of Operations Plan will also inform a tabletop exercise in late 2018 with the Governor's Disaster Cabinet. After this initial exercise, the Governor's Office will coordinate with the Office of Emergency Management for a long-term exercise program that will tie into the agency's ongoing statewide training cycle.



RECOMMENDATION 5		
To provide transparency and assurance to the public, regularly and publicly report on the goals and priorities outlined in the Oregon Resilience Plan and complete efforts to track and report progress toward achieving them.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation
Agree	January 2018	Mike Harryman 503-975-1911

Narrative for Recommendation 5

The Oregon Resilience Plan has both long-term and short-term goals. To more effectively communicate the progress of the implementation of these goals, Governor Brown directed the State Resilience Officer to work with the Department of Administrative Services to create a public website related to the Oregon Resilience Plan.

At resilience.oregon.gov, Oregonians can easily find links to the plan itself, and will be able to track recommendations in the “Status Report” by chapter. Unresolved recommendations from the Oregon Resilience Plan (and those further clarified in 2013 by the Senate Bill 33 Task Force) can be found in the “Looking Ahead” section of the site by chapter.

As other developments contribute to Oregon’s progress, like the Senate Bill 850 (2017) Community Resilience bill, the website will be updated to reflect additional benchmarks.

RECOMMENDATION 6		
To ensure the success of both current and future State Resilience Officers, and to retain and transfer the knowledge of the position, develop and document a position description with goals, objectives, and performance measures, including a description of how the officer will coordinate and work with OEM and others in the statewide emergency services system.		
Agree or Disagree with Recommendation	Target date to complete implementation activities (Generally expected within 6 months)	Name and phone number of specific point of contact for implementation

**KATE BROWN
GOVERNOR**



Disagree (because we believe this has already been done)	Not Applicable	Mike Harryman 503-975-1911
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Narrative for Recommendation 6

The State Resilience Officer position was added to the Governor’s Office by statute and is subject to Senate confirmation. To ensure that the statutory responsibilities of this position as well as the Governor’s priorities for the state are met, the Governor’s Office finalized a position description in December 2016.

Further, in early 2017, the Office of Governor Brown conducted a thorough assessment of the State Resilience Officer position. The assessment included interviews with state, county, city, tribal, and elected officials in the field of resilience and emergency management. The assessment recommended specific areas of focus: engagement with the Executive Leadership Team to focus on Continuity of Operations Planning; a focus on Cascadia Subduction Zone hazard mitigation; and coordination with the Office of Emergency Management on statewide seismic safety and state agency planning on Cascadia Subduction Zone activities. The recommendations gathered from this assessment are considered to provide performance measures for the State Resilience Officer. Additionally, the State Resilience Officer serves as the Governor’s Office liaison to the Oregon Seismic Safety Policy Advisory Commission, the entity responsible for maintaining the Oregon Resilience Plan.

Thank you for the opportunity to participate in and respond to this important audit. Please contact Governor Brown’s Public Safety Policy Advisor, Heidi Moawad, at 503-378-8472 with any questions.



OREGON MILITARY DEPARTMENT
JOINT FORCE HEADQUARTERS, OREGON NATIONAL GUARD
FINANCIAL ADMINISTRATION DIVISION
1776 MILITIA WAY
P.O. BOX 14350
SALEM, OREGON 97309-5047

DATE: February 12, 2019

FROM: Sean M. McCormick, Director, Financial Administration

SUBJECT: Description of how recent changes to agency budget and /or management flexibility affected agency operations.

CHANGES TO THE AGENCY BUDGET

1. The Office of Emergency Management, a division of the Oregon Military Department has recently undergone a shift in the funding structure for several key positions to include but not limited to the Director, the Deputy Director, information technology staff, and the public information officers.
2. This change is based on findings outlined in a Department of Homeland Security/Office of Inspector General (DHS/OIG) audit related to the Homeland Security Grant Program issued in December of 2013.
3. Since the issuance of the audit the Military Department has been working with DHS/OIG and the Federal Emergency Management Agency to resolve the identified findings. One of the findings related to questioned personnel costs that were deemed to be indirect in nature but that were charged to federal grants without an approved indirect cost rate being in place.
4. The Military Department, effective October 1, 2017 ceased charging indirect costs to federal grants by beginning to charge those costs 100% to General Fund and Other Funds sources.
5. During the February 2018 legislative session the Military Department received an increase in General Fund Appropriation in the amount of \$1,590,544 to finance all indirect costs for the remainder of the 2017-19 biennium. The Military Department also submitted an indirect cost rate proposal to the federal Department of Health and Human Services for consideration. This proposal was approved in March of 2018.
6. The Governor's 2019-21 budget for the Oregon Military Department includes \$2.3 million in General Fund to permanently fund shift the positions initially identified as indirect in the DHS/OIG Audit. This issue was the number one priority in the Military Department's 2019-21 Agency Request Budget.

MANAGEMENT FLEXIBILITY AFFECTED AGENCY OPERATIONS

1. The Adjutant General has a dual mission force. The federal mission provides trained units available for active duty in time of war or national emergency, and at such other times as the national security may require. The state mission is to provide military support to civil authorities and respond to state emergencies and to provide support to law enforcement in counter-narcotics. Under the control of The Adjutant General are two air bases, two aviation facilities, training and logistic sites and 39 armories, spanning the length and width of the state. The Adjutant General as a state employee is responsible for 8,299 personnel. Over 7,804 are Oregon National Guard Soldiers and Airmen of whom 2,026

occupy year-round full time positions. There are 520 state positions in the 2019-21 Governor's Budget

2. Supervisory duties of the Military Department's state managers also extend to federal employees, multiple part time employees sharing positions, contracted temporary and limited duration employees, inmate crews, medical personnel and students. For example:

Our Military Lease Agents are part time employees occupying over 40 funded positions with up to four and sometimes eight personnel to a position. The Military Lease Agents in turn manage contracts for use of Readiness Centers (Armories) and supervise the public's use of such. We have one supervisor over the entire program with one subordinate manager to assist.

Our Youth Challenge Program is a residential alternative high school. In addition to budgeted positions, the Youth Challenge Program also employs through contracts, six teachers and two medical staff. Each 5 month program (with 4 weeks between) brings 156 cadets/students (312 for the year) all requiring supervision from management personnel. The program is currently undergoing a facility expansion that will allow 84 more cadets per class, or a total of 240 per residential phase.

Our STARBASE program, which partners with school districts to teach math and science to fifth grade students, employs teachers and aids that are supervised by the management staff. Additionally, the hundreds of students attending the program each year also require direct supervision.

The supervisor of the Umatilla Army Depot Caretaker Office also has in his charge the responsibility for 18 contracted security guards.

3. The size of the workforce under The Adjutant General's command can increase quickly depending up activation into federal or state active duty. Each time troops are called into State Active Duty, the state employee roster for the Oregon Military Department increases by the number of individuals called. State Active Duty can include fighting fires, controlling flood damage, earthquake response or any other disaster occurring in Oregon that necessitates the call of troops into action. From 2001-2018, the number of troops called into State Active Duty was approximately 7,149.
4. Since 2002 the number of troops the President has called into Federal Active Duty is approximately 21,172. Readiness Centers and Training Sites such as Camp Rilea are responsible to provide training to these troops to prepare them for active duty. Preparing troops for active duty can take up to six months and requires an increase in the number of temporary and limited duration employees to handle the number of troops going through the training programs. This causes an increase of oversight duties of our state managers.



SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, (Oregon Military Department) presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2019-2021 biennium.

Supervisory Ratio for the last quarter of 2017-2019 biennium

The agency actual supervisory ratio as of 12/1/2017 is 1: 10
(Date) (Enter ratio from last Published DAS CHRO Supervisory Ratio)

The Agency actual supervisory ratio is calculated using the following calculation;

$$\frac{45}{\text{(Total supervisors)}} = \frac{42}{\text{(Employee in a supervisory role)}} + \frac{4}{\text{(Vacancies that if filled would perform a supervisory role)}} - \frac{1}{\text{(Agency head)}}$$

$$\frac{439}{\text{(Total non-supervisors)}} = \frac{337}{\text{(Employee in a non-supervisory role)}} + \frac{102}{\text{(Vacancies that if filled would perform a non-supervisory role)}}$$

The agency has a current actual supervisory ratio of-

$$1: \frac{9.76}{\text{(Actual span of control)}} = \frac{439}{\text{(Total non-Supervisors)}} / \frac{45}{\text{(Total Supervisors)}}$$

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.

	← Narrow Span	Wide Span →
High	<u>RISK TO PUBLIC/EMPLOYEE SAFETY</u>	Low
Dispersed	<u>GEOGRAPHIC LOCATION(s) OF SUBORDINATES</u>	Assembled
Complex	<u>COMPLEXITY OF DUTIES/MISSION</u>	Not complex
Low	<u>BEST PRACTICES/INDUSTRY STANDARDS</u>	High
Small	<u>AGENCY SIZE/HOURS OF OPERATION</u>	Large
Many	<u>NON AGENCY STAFF/TEMPORARY EMPLOYEES</u>	Few
High	<u>FINANCIAL RESPONSIBILITY</u>	Low
	← More Supervisors	Fewer Supervisors →

Ratio Adjustment Factors



SUPERVISORY SPAN OF CONTROL REPORT

Is *safety of the public or of State employees* a factor to be considered in determining the agency maximum supervisory ratio?

Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Office of Emergency Management (OEM), within the Oregon Military Department, coordinates and maintains a statewide emergency services system for emergency and disaster communications. OEM is made up of four sections: Director's Office, Technology and Response, Operations and Preparedness, and Mitigation and Recovery Services. OEM awards grant funding to local governments, coordinates search and rescue efforts, and the State 9-1-1 Program. The Drought Council and Oregon Seismic Safety Advisory Commission (OSSPAC) also operate out of OEM. Our responsibilities are defined and authorized in ORS 401. Response to emergencies or disasters that affect all or part of the state takes place at the local level, in the city or county in which the emergency or disaster occurs. In a large incident or one that affects multiple jurisdictions, OEM may support a coordinated response. The State Emergency Coordination Center (ECC) may be activated in a multi-jurisdictional emergency or disaster, and serve as a communications hub to ensure all participating response agencies are coordinated. OEM supports 18 Emergency Support Functions (ESFs) and more than 50 county, city and tribal local emergency management offices around the state. The mission of the Office of Emergency Management is to lead statewide efforts to develop and enhance preparedness, response, recovery and mitigation capabilities to protect the lives, property and environment of the whole community. This program manages hazards and preparedness by identifying factors and risks to the community, providing information to the public, and developing emergency plans in cooperation with multi-jurisdictions. The Oregon Emergency Response System (OERS) coordinates and manages state resources in response to natural and technological emergencies and civil unrest involving multi-jurisdictional cooperation between all levels of government and the private sector. OEM offers emergency management resources through avenues such as trainings, toolkits, and news releases to the public. Since statewide emergencies leads to geographical dispersion of OEM staff performing emergency support functions, a lower supervisor to non-supervisory employee ratio is justified.

Force Protection Programs at Portland Air National Guard Base and Kingsley Field Air National Guard Base. These Security Programs provide security police protection at the Air Bases. Security personnel are instrumental in protecting aircraft and facilities against sabotage, theft, vandalism, and trespass. The primary purpose of this position is to provide law enforcement and security services to the Portland Air National Guard Base (PANG) and Kingsley Field Air National Guard Base to effectively secure and protect mission essential and non-essential resources, the overall security of the installation, its personnel and others. This position works under the direction of a SRT Leader as a member of a Force Protection Response Team. In the event of hostile threats, this position works effectively as part of a team to ensure the protection and security of mission essential resources. Employees in these positions are required to be armed with an M-4 Carbine weapon carrying 120 rounds of ammunition, M-9 9mm personal protection weapon carrying 30 rounds of ammunition, may be armed with an M-870 12 gauge shotgun with 20 rounds of ammunition. Incumbent may be subject to hostile conditions requiring capability of eliminating potential threats of hostile and/or life-threatening incidents initiated by armed/unarmed individuals. Employees work a variety of shifts/days off and are subject to overtime with little or no notice due to mission requirements or support of organizational meetings, subject to immediate recall when threats warrant action. Work is typically outside in all types of weather with potential exposure to noxious fumes, such as, vehicle and aircraft exhaust, extreme noise area (aircraft flight line) and hazardous material, fires and medical emergencies. Due to the 24-7 hours of operations, omnipresent and potential threats to the security and safety of the airbase assets and staff, a lower ratio of supervisor to non-supervisory staff is justified.



SUPERVISORY SPAN OF CONTROL REPORT

Is **geographical location** of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Military Department has 56 sites broadly situated throughout the state. These include two air bases, two aviation facilities, two training and logistic sites, and 39 readiness centers spanning the length and width of the state.

The Oregon Military Department (OMD) is responsible for administration of the Oregon Army National Guard, the Oregon Air National Guard, the Oregon Civil Defense Force, the Office of Emergency Management, and the Oregon Youth Challenge Program. The Department is overseen by an Adjutant General, appointed by the Governor to a four-year term of office. The Adjutant General also serves as the homeland security advisor to the Governor and chief of staff of the Governor's Military Council. The National Guard is a federal-state partnership with a dual mission: (a) provide combat-ready units and equipment in support of national defense, and (b) provide units and equipment to protect life and property during natural disasters and civil unrest, and for backup support to law enforcement. The National Guard serves on a day-to-day basis under the command of the Governor, but is available to the federal government upon order of the President of the United States. A responsibility unrelated to the Department's primary mission is youth education. The Youth Challenge Program provides at-risk high school dropouts an opportunity to complete educational credit with a goal of reintegrating into high school to earn a diploma or prepare for the General Education Development (GED) examination. Other youth educational opportunities also exist at Oregon's two airbases. The Oregon Military Department has a physical presence in facilities and in a wide variety of programs over the entire breadth of the State of Oregon.

Within the OMD exists the Adjutant General's Installation Division (AGI). The Division include the Operations and Maintenance, Planning & Programming, Construction, Environmental and Support Branches. This Division is responsible for the operation, maintenance, repair, alteration, rental, and leasing of Oregon Army National Guard (ORARNG) facilities; design and construction of new facilities; acquisition and disposal of land and facilities; and environmental conservation and compliance. The Division also constructs, maintains, and operates joint facilities with other federal, state and local agencies. AGI Branch is responsible for 925 buildings with 4,400,010 square feet of space situated on 78,924 acres either owned, leased or under a use agreement throughout the state of Oregon. The AGI Branch supports 38 armories, 10 logistical facilities, 6 training sites, and 2 aviation support facilities. Supervisors within this division manage employees divided into eight regions within the entire state of Oregon. OMD participates in a yearly National Guard study to determine manpower requirements for facilities operations and maintenance. The most recent study concluded 251 full-time equivalent (FTE) were required to provide adequate operations and maintenance services to OMD's facilities. OMD currently has 109 positions that support OMD's facilities. Due to position budget cuts in the 2009-11 through the 2013-15 biennium, AGI lost 27 positions, mostly maintenance staff. These position cuts forced AGI to re-assign remaining maintenance staff to provide coverage to multiple facilities. Maintenance staff are forced to travel between facilities resulting in lower productivity and an increased maintenance backlog. These unique conditions require greater levels of management oversight and coordination of effort which serves to justify a lower ratio of supervisory to non-supervisory employees.



SUPERVISORY SPAN OF CONTROL REPORT

Is the **complexity of the agency's duties** a factor to be considered in determining the agency maximum supervisory ratio?

Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Military Department has a large number of non-agency personnel and a unique structure within the agency.

The mission of the Oregon Military Department is to administer and support the Oregon National Guard by providing the State of Oregon and the United States a ready force of Citizen-Soldiers, Airmen and Civilians, trained and equipped to respond to any contingency, natural or man-made. The Oregon Military Department is required to operate 24 hours a day seven days a week. The agency head, The Adjutant General, has overall responsibility to direct, manage, and supervise all matters pertaining to the administration, discipline, organization, training, and mobilization of the Oregon National Guard, the Oregon Civil Defense Force, Oregon State Homeland Security and the Oregon Military Department. The Adjutant General directly responds to the Governor of the State and to the President of the United States through the National Guard Bureau for homeland defense and security. The Adjutant General supports over 7,000 Oregon National Guard Soldiers and Airmen of whom, 2,540 occupy year-round, full-time positions. The Civil Defense Force has 250 individuals assigned, and the State of Oregon Military Department has over 478 state funded positions. During emergencies, the agency has activated at its peaks 1,400 (2002 Wildfires) and 1,945 (2005 Hurricane Katrina) State Active Duty members. There were 744 in the year 2018.

Within the Oregon Military Department, the Armory Rental Program exists with 42 positions that are 25% filled positions utilizing four individuals for each position number. The Rental Program manages contracts for use of the Readiness Centers (Armories) for public in addition to military personnel.

The Oregon National Guard Youth Challenge Program is an Alternative High School. It is a residential school where cadets (160 students) live on site for 5 months while attending the military model school. This period is followed by a mandatory 12 month mentor phase back in the community. Eligible individuals are accepted from all 36 counties in Oregon. The school is a non-traditional model that operates similar to a military academy. The program is guided by military principles, structure and discipline. Staff utilize a "Hands Off", tough love, caring, disciplined approach to instill values, train, and instruct cadets. Students are eligible to earn a high school diploma, GED or credit recovery of 8 certified credits if they complete the required class work. The school is accredited by the Northwest Accreditation Commission, approved by the Oregon Department of Education, and an approved sponsor for the National School Lunch Program, providing meals to students at no cost. The Youth Challenge Program's mission is to provide opportunities for personal growth, self-improvement and academic achievement among Oregon high school drop outs, teens no longer attending and those failing in school, through a highly structured non-traditional environment; integrating training, mentoring and diverse educational activities.

The STARBASE Program is a Department of Defense program with the goal of raising awareness, interest, knowledge and skills of at-risk youth in Science, Technology, Engineering and Mathematics (STEM) by exposing them to the STEM environment and positive role models found on military bases and installations. At present, there are 65 Academies in 40 states that operate STARBASE Programs. Oregon has three academies located at Portland Air National Guard Base, Kingsley Field, and Camp Rilea with a minimum of 28 classes of fifth graders throughout the school year. This program includes an afterschool program aimed at middle school students as a 20-hour project based STEM program.

The Oregon Office of Emergency Management is the leader in collaborative state-wide efforts, inclusive of all partners and the communities, ensuring capability of resources and opportunities to get help in an emergency and to protect, mitigate, prepare for, respond to, and recover from emergencies or disasters regardless of cause. Taken together the organizational complexity, breadth and depth of mission oriented requirements and 24-7 operational responsibilities provides the onus for a lower supervisory to non-supervisor staff ratio.



SUPERVISORY SPAN OF CONTROL REPORT

Are there ***industry best practices and standards*** that should be a factor when determining the agency maximum supervisory ratio? Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

To the best of our knowledge and research, there are no national standards for supervisory spans of control at the other states' military departments. The only comparator is other Oregon state agencies in the Span of Control Ratios reported to the Department of Administrative Services. While OMD's mission and activities are not comparable to other state agencies, our ratio of 1: 9.86 nearly matches the statewide average of 1: 9.84 in the report dated 12-01-2017. Therefore, OMD's span of control is not unusual when compared to other state agencies.



SUPERVISORY SPAN OF CONTROL REPORT

Is **size and hours of operation** of the agency a factor to be considered in determining the agency maximum supervisory ratio?
Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Military Department (OMD) has within its workforce non-exempt employees that are: seasonal employees that work longer shifts and extended hours during fire season; Military Lease Agents that work during events that are generally evenings and weekends; temporary employees that work nights to deliver customer service for billeting purposes; and the Youth Challenge Program houses 160 youth at a time that live at the facility for 5 months at a time throughout the year.

Armories may be rented for use by a person, firm, association or corporation, not specified elsewhere in this section, for such purposes and upon such terms as may be approved by the officer in charge of the armory and by military superiors as prescribed by military department regulations issued pursuant to this chapter and ORS chapters 398 and 399 and provided that such use will not, and only so long as such use does not, interfere with the use of the armory by the members and units of the organized militia stationed therein.

The Armory Rental Program's function is to utilize the armories as rental facilities for the general public, for events such as business meetings, wedding receptions, trade shows, concerts, cultural events, Red Cross blood drives, and sporting events, all of which generate Other Funds Revenue. Other Funds rental revenue is essential for maintaining these facilities. Budgetary constraints on General Fund require OMD to earn a substantial portion of its budget through revenues derived from rental of facilities and equipment, vending machine commissions, and recycling. Oregon Revised Statute (ORS) 396.540 defines authorized use/rentals of armories by veteran's organizations, federal, state, county, and municipal organizations, persons, firms, associations or corporations. ORS 396.545 defines requirement for written agreements, approval authority, restrictions on subleasing and requirement for revenues received to be deposited in the OMD Miscellaneous Receipts Account. Armories are rented primarily in the evenings and on weekends, causing the OMD to employ persons outside of normal working hours to provide service before, during, and after the events. The hours of operation are 24/7. The agency has 42 positions assigned to the program to provide service for these times. These positions are unique due to the fact that they require four persons per position number with an allowance of working only ¼ time so that they remain as unrepresented, permanent, part-time, and on-call positions. This increases the 42 positions to actually represent 168 employees throughout the state with only one Regional Supervisor for the entire state with an additional supervisory role as a Marketing Manager within the entire program.

The Billeting office has in the past been understaffed and not able to handle the busiest lodging days due to this deficit. Hiring temporary staff to cover the evenings and weekend periods outside of normal workday hours has alleviated this concern to provide customer service and reducing the backlog of work. Other temporary employees are hired to fill in when there is a workload or special project need.

When the governor activates the National Guard in response to wildfires, floods or other natural disasters, the Emergency Command Center is activated and is expected to operate and function on a 24-7 basis, depending upon the size and scope of the disaster. Events of this magnitude requires the state workforce to in-process the guard personnel into a temporary state employee status, provide logistical support and interaction with Federal Emergency Management Agency (FEMA). Mission coordination and operations do not cease until the governor orders an end to the mission. Due to the variety of 24-7 operations and after-hours requirements, a lower ratio of supervisor to non-supervisory staff is warranted.

The Oregon National Guard Youth ChalleNGe Program as a residential high school, houses up to 160 cadets operates on a 24/7 time frame year-round. Adequate staffing levels are required 24 hours per day to ensure the safety of the cadets.



SUPERVISORY SPAN OF CONTROL REPORT

Are there unique personnel needs of the agency, including the agency's use of **volunteers or seasonal or temporary employees**, or exercise of supervisory authority by agency **supervisory employees over personnel who are not agency employees** a factor to be considered in determining the agency maximum supervisory ratio? Yes.

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Volunteers: Oregon Emergency Management (OEM) Federal Emergency Management Agency (FEMA) National Radio System (NRS) Volunteers Program is found under FEMA's National Continuity Programs Directorate (NCP), in accordance with Presidential Policy Directive 40 (PPD 40), National Continuity Policy, maintains the FEMA High Frequency Continuity System (FHFCS), a suite of unclassified High Frequency (HF) radio communications systems designed to provide resilient capabilities across the full spectrum of potential hazards. The FEMA National Radio System (FNARS) is a key component of the FHFCS portfolio, and is supported with commercial-off-the-belt (COTS) equipment installed at the Mount Weather Emergency Operations Center (MWEOC), Federal Regional Centers (FRCs), Regional Offices (R.Os), the Mobile Emergency Response Support (MERS) detachments, as well as the emergency operations centers (EOCs) of the 50 states, the District of Columbia, and the U.S. Territories. FNARS provides the FEMA Administrator and executive leadership with resilient voice and messaging capabilities for command, control, and communications (C3); continuity of operations (COOP) of FEMA assets and resources; and communication, coordination, and collaboration with Regional Administrators and state/territorial emergency management partners in response to all hazards.

Oregon Civil Defense Force is defined in ORS 399.035 (6) as volunteers that possess and demonstrate experience or training in the military, law enforcement, communications, rescue operations or logistical support. The Oregon Civil Defense Force is the official state defense force of Oregon and one of the three components of Oregon State's organized militia, with Oregon's Army and Air National Guard (ORNG) making up the other two. It serves as a state-level military and emergency services reserve force. On the military side, the Oregon Civil Defense Force assists, augments or replaces the National Guard as ordered by the Governor (e.g., during times of crisis or when the ORNG is deployed elsewhere). During emergency or disaster incidents, the Oregon Civil Defense Force assists requesting civil or military authorities with rapidly deployable emergency communications, coordination, and incident command system expertise and support compliant with Federal Emergency Management Agency (FEMA) rules.

Seasonal Employees: The Oregon Army National Guard requirement to provide wildland fire protection is derived from three core sources: Department of Defense Instruction (DoD) 6055.06 along with Chapter 25 of Army Regulation (AR) 420-1; Oregon Revised Statutes (ORS) 477.066 and 477.095; and Oregon Military Department land use agreements. In accomplishing this fire protection function, the Oregon Military Department works cooperatively with other Federal, State and local fire protection agencies, districts, or departments, such as the US Navy, the Bureau of Land Management, and the Oregon Department of Forestry. In performing wildland fire protection functions, the Oregon Military Department's Wildland Fire Management Program complies with national wildland fire standards such as those promulgated by the National Wildfire Coordinating Group (NWCG) and/or the National Fire Protection Association (NFPA). The Oregon Military Department has 9 position numbers assigned to this program. Based intensity of seasonal needs the agency may double fill these positions in order to regulate fires depending on year and weather conditions. Twelve additional positions have been requested for the next budget due to past year experiences of not having enough permanent positions to control fires throughout the state.

Temporary Employees: Camp Rilea is a military training center managed by the Oregon National Guard (ORNG) and Oregon Military Department (OMD). As a training center, Camp Rilea provides lodging for military and non-military training groups, official visitors, and recreational guests. "Billeting" describes the barracks-like accommodations for training groups, and "lodging" describes the hotel-like accommodations for official visitors and recreational guests. All accommodations are managed by the Billeting office, with payments and charges flowing through the Post Accountant. The Billeting office has in the past been understaffed and not able to handle the busiest lodging days due to this deficit. Hiring temporary staff to cover the evenings and weekend periods outside of normal workday hours has alleviated this concern to provide customer service and reducing the backlog of work. Other temporary employees are hired to fill in when there is a workload or special project need.

Federal Supervisors/Employees: In order to meet staffing needs and due to the alignment between program funding, full time employee authorizations, and a legacy component, the Oregon Military Department balances the management of both state and federal employees based on which entity has available personnel. This creates the unique situation of State and Federal employees being supervised and managed in a way that is exclusive to the agency. There are currently 15 Federal supervisors that manage 29 of our State employees and an additional 7 Federal employees that are managed by State supervisors.

Taken together, the scope and diversity of volunteers, seasonal and temporary employees provides the onus for a lower supervisory to non-supervisor employee ratio.



SUPERVISORY SPAN OF CONTROL REPORT

Is the **financial scope and responsibility** of the agency a factor to be considered in determining the agency maximum supervisory ratio? Yes.

The Oregon Military Department is funded with mix of State and Federal funds. Federal revenue sources include the National Guard Bureau, Department of Homeland Security (DHS) and Federal Emergency Management Agency (FEMA) grants. Other Funds are primarily derived from 9-1-1 taxes and facility rentals. The all funds budget for the 2017-19 legislatively adopted budget (LAB) excluding capital construction and capital improvements is \$398.4 million.

Federal Funds (excluding Capital Construction program) is \$266.9 million constituting 67% of OMD's 2017-19 LAB all funds budget. Other Funds is \$106.9 million constituting 27% of OMD's 2017-19 LAB all funds budget. General Fund is \$24.6 million, constituting 6% of OMD's 2017-19 LAB all funds budget. The principal use of General Fund is state match to federal funds for day-to-day operations of armories, readiness centers and training sites located throughout the state, and state match for FEMA and DHS grants. However, General Fund debt service is OMD's single largest General Fund expenditure, accounting for \$10 million of total General Fund in the 2017-19 biennium LAB.

The OMD Operations Program supports the mission of the Oregon National Guard through the ongoing maintenance and support of National Guard facilities. The 2017-19 LAB for Operations Program is \$6.9 million General Fund, \$4.4 million Other Funds and \$86.5 million Federal Funds. There are 14 major programs within the Operations Program. The Operations Program includes the Oregon National Guard Counterdrug Program, Oregon Army National Guard's Wildland Fire Management Program, Oregon National Guard Distributed Learning Program, Army National Guard Telecommunications Program, Army National Guard Environmental Program, Electronic Security Program, Counterdrug Program, Anti-Terrorism Program, Recruiting Program and Air Guard Environmental Programs at both airbases. Facilities maintenance and support is primarily accomplished through the work of the Real Property Operations and Maintenance Program (RPOM) for Army Guard facilities and the Civil Engineering Programs (CE) for the Air Guard facilities. RPOM is responsible for 417 buildings totaling 3.4 million square feet. The majority of army installations operate under a 50/50 funding split between state and federal funds. The CE program is responsible for 164 buildings totaling 1.25 million square feet. CE is also responsible for airfield maintenance which includes snow removal, mowing and sweeping. The Portland Air National Guard airbase CE program functions with an 80/20 fund split between federal and state funds. The CE program at Kingsley Field Air National Guard Base in Klamath Falls functions with an 85/15 fund split between federal and state funds. 24-7 security services are provided at both airbases. Security personnel protect 48 F-15 fighter jets worth \$1.7 billion and the facilities housing them from sabotage, theft vandalism and trespass.

The OMD Capital Construction program is responsible for planning, design and construction of all OMD construction projects of \$1 million or more. \$13.5 million in Article Q bonds were sold in the 2017-19 biennium to finance projects to completely remodel one armory, seismically retrofit three key facilities and purchase land for future construction. Since 1986, the Capital Construction program has executed 49 building projects with a combined funding total of \$330 million. 18 more projects are scheduled on a long range construction plan through 2050.

Within OMD is the Office of Emergency Management (OEM). The 2017-19 LAB for OEM is \$169.3 million Federal Funds, \$96.5 million Other Funds and \$3.4 million General Fund. OEM has a very complex and multi-layered mission. OEM coordinates statewide emergency services and maintains emergency communications systems used for public warnings, emergency notifications and emergency support. OEM also provides city, county and tribal governments throughout Oregon with planning, training, exercise and technical assistance as it relates to disaster preparedness, emergency response recovery services and hazard mitigation. The Plans and Training Program (PTP) executes planning, training and exercise programs with the goal of raising awareness. The Technology and Response Program (TRP) is responsible for seamless operation of the statewide 9-1-1 system. This includes responsibility for coordination and management of the network that delivers 9-1-1 calls to Public Safety Answering Points across the state. The Mitigation and Recovery Program leads the coordination among state, local and federal agencies in development, planning and adoption of hazard mitigation plans. OEM administers a variety of federal grants from the U.S. Department of Homeland Security, most of which are passed through to local and tribal government subrecipients. These grants have numerous programmatic, monitoring and reporting requirements that necessitate continuous oversight by OEM staff.

OMD's Community Support Program offers a full spectrum of educational opportunities for the at-risk youth of Oregon. These opportunities are provided by the Oregon Youth Challenge Program (OYCP) in Bend and the Science and Technology Academies Reinforcing Basic Aviation and Space Exploration (STARBASE) programs at Portland and Klamath Falls airbases as well as Camp Rilea on the northwest coast. The 2017-19 LAB for Community Support Program is \$10.7 million Federal Funds, \$3.0 million Other Funds and \$0.2 million General Fund. OYCP serves 16-18 year old male and female dropouts who struggle to succeed in a traditional high school environment. OYCP is Oregon's only public statewide quasi-military based high school which includes supervised work experience in community service and conservation projects. Educational services of the OYCP are implemented through using an accredited high school curriculum taught by certified teachers approved by Oregon Department of Education. The STARBASE program exposes third through eighth graders to the fields of Science, Technology, Engineering and Mathematics (STEM) with the hopes of inspiring them to pursue a career in these fields. This is done by using a highly acclaimed 25-hour curriculum taught by the programs teaching staff. The STARBASE program hosts approximately 2,100 students each year.

The financial breadth, depth and complexity of programs administered and provided by OMD touches the lives of every citizen of Oregon, directly or indirectly. To provide sound financial administration and program delivery of funds expended by OMD, a lower ratio of supervisory to non-supervisor employee is certainly justifiable.



SUPERVISORY SPAN OF CONTROL REPORT

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: 10.

Unions Requiring Notification AFSCME OMD, AFSCME OMD-OEM, IAFF KFFA, IAFF PANG

Date unions notified 1/24/2019

Submitted by: Tracy Garcia HR Director OMD

Date: 1/24/2019

**OREGON MILITARY DEPARTMENT
 PHASE 1 HEARINGS - WAYS AND MEANS SUBCOMMITTEE ON PUBLIC SAFETY
 APPENDIX D - PROPOSED CAPITAL CONSTRUCTION PROJECTS**

Project name	Description	Other Funds	Other Fund source	Federal Funds
Aviation Facility Emergency Enhancements (Policy Package 490)	The Salem and Pendleton Aviation Support Facilities are essential for the successful conduct of the agency's public safety and emergency response missions, and will operate as major hubs of military and emergency response operations in the case of a disaster. The project would conduct structural improvements to bring these facilities to essential facility standards for seismic events. It will provide emergency backup power through the use of diesel generators, emergency potable water with wells and storage tanks. Additionally, it would provide for storage of emergency response supplies and seismically stable fuel storage. These emergency response materials would be cached at both these sites for use during a disaster, or distribution to other facilities depending on the planned response. Without this funding, the facilities will remain in their present state, greatly reducing the agency's ability to conduct our emergency response missions.	9,852,000	XI-Q Bonds	
Owen Summers Building and Anderson Readiness Center Service Life Extension Project (Policy Package 491)	This project will make additions and upgrades to the Owen Summers Building and the Anderson Readiness Center, both located in Salem. Constructed in 1990, the Owen Summers Building has severe deficiencies in its electrical, mechanical and structural components that threatens its continued use for its intended purpose. This building requires a significant reconfiguration to accommodate a major shift in facility occupants and military units caused by the recently completed Major General George White Headquarters building, also in Salem. Constructed in 2001, the Anderson Readiness center requires internal reconfiguration and expansion to accommodate an expanded campus population caused by the three recently completed Major General George White Headquarters building.	5,800,000	XI-Q Bonds	6,200,000
Jackson Armory Service Life Extension Project (Policy Package 492)	This project will make additions and upgrades to the Jackson Armory located in Portland. Built in 1963, Jackson Armory has severe deficiencies in its electrical, mechanical and structural components. It is also more than 35,000 square feet short of the current federal requirement, resulting in unproductive training environment, improper storage of sensitive items and premature aging of unit equipment. This project will bring the armory into conformance with current building codes, replace outdated and defective building systems (to include mechanical, electrical and plumbing), remodel the existing classrooms, administrative space, latrines and showers, equipment storage areas, kitchen, and assembly hall areas. This project will also repair or replace failed paved surfaces, repair or replace existing site lighting, landscaping and fencing.	4,275,000	XI-Q Bonds	

Appendix D - Proposed Capital Construction Projects

UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2017-19 & 2019-21 BIENNA

Agency: Oregon Military Department
 Contact Person (Name & Phone #): Debbie Stratman (503) 584-3873

(a) Other Fund Type	(b) Program Area (SCR)	(c) Treasury Fund #/Name	(d) Category/Description	(e) Constitutional and/or Statutory reference	(f) 2017-19 Ending Balance		(g) 2019-21 Ending Balance		(j) Comments
					In LAB	Revised	In CSL	Revised	
OF Limited	Administration (001)	Military Emergency Financial Assist. Fund: 2480001192	Other: Special payments to Guard members requesting assistance. Funded with OR personal income tax charitable checkoff revenues.	ORS 396.364	49,878	168,964	29,478	185,464	Emergency relief payments have decreased by 69% since 2013-15.
OF Limited	Operations (002)	Military Dept-Treasury G/F: 2480000401	Operations: Armory revenues and expenditures	ORS 396.545 (4)	118,745	1,524,317	2,198,928	2,026,729	OF revenues are needed to maintain armories and supplement GF.
OF Limited	Office of Emergency Mgmt (003)	Emergency Communications Acct: 2480001249	Other: 9-1-1 tax revenues & exp.	ORS 403.235-.240	3,238,551	11,590,752	7,141,211	8,824,027	Ending balance is 35% 9-1-1 Subaccount funding dedicated for 9-1-1 costs.
OF Limited	Community Support (004)	Military Dept-Treasury G/F: 2480000401	Operations: Youth Challenge Program (ADM revenues & exp).	32 USC Sec. 509	67,614	1,058,969	532,616	475,514	Expansion project slightly delayed, 100% OF ramp-up costs will not be incurred until 2019-21 biennium.
OF Capital Construction	Capital Construction (089)	Military Dept Construction Account: 2480000538	Other: Capital Construction (funded from sales of real property)	ORS 396.525	2,521,147	5,800,792	1,599,545	3,517,957	2017-19 End Bal: \$5M reserved for RTI Reset project at Umatilla. 2019-21 End Bal: Estimate \$2.5M left in reserve for RTI Reset.

Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2019-21 legislatively adopted budget.

Instructions:

- Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited.
- Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2017-19 Legislatively Approved Budget. If this changed from previous structures, please note the change in Comments (Column (j)).
- Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).
- Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes.
- Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the funds.
- Columns (f) and (h): Use the appropriate, audited amount from the 2017-19 Legislatively Approved Budget and the 2019-21 Current Service Level at the Agency Request Budget level.
- Columns (g) and (i): Provide updated ending balances based on revised expenditure patterns or revenue trends. **Do not include** adjustments for reduction options that have been submitted unless the options have already been implemented as part of the 2017-19 General Fund approved budget or otherwise incorporated in the 2017-19 LAB. The revised column (i) can be used for the balances included in the Governor's budget if available at the time of submittal. Provide a description of revisions in Comments (Column (j)).
- Column (j): **Please note any reasons for significant changes in balances previously reported during the 2017 session.**

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.

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