

**Oregon Military Department
Ways and Means Subcommittee on Public Safety
Secretary of State Audits conducted during the 2019-21 biennium
APPENDIX A**

Date issued	Audit	Finding	Agency actions
Dec 2019	Buildings, Accumulated Depreciation and Federal Revenue accounts for Year Ended June 30, 2019	No findings.	
Mar 2020	Federal Compliance: National Guard Military Operations and Maintenance, Year Ended June 30, 2019	Finding 2019-021: Material Weakness, Noncompliance - Strengthen Controls to Ensure Financial Reports are Accurate and Adequately Supported by Accounting Records. OMD should ensure that corrections are being made in the accounting records as errors are identified. Monthly reconciliations should occur between the subsidiary system and accounting records; and OMD should consider implementing the use of additional data fields within the accounting system to promote accurate federal reporting.	<p>OMD concurs with the finding and has implemented the following actions:</p> <ul style="list-style-type: none"> a. Strengthened review and approval processes prior to making payments; b. Implemented a process to review each SF-270 reimbursement request to ensure it agrees to SFMA, the subsidiary accounting system and the federal accounting system; c. Met with staff from DHS to explore ways to more fully utilize SFMA; d. As of April 30, 2020, no longer relies on the subsidiary accounting system as backup for SF-270 reimbursement requests. Datamart queries are now the primary supporting documentation ; e. Is developing a three-way reconciliation form that will be used monthly.

Appendix A - Secretary of State Audits

Oregon Military Department
Ways and Means Subcommittee on Public Safety
Secretary of State Audits conducted during the 2019-21 biennium
APPENDIX A (continued)

Date issued	Audit	Finding	Agency actions
Mar 2020	Federal Compliance: National Guard Military Operations and Maintenance, Year Ended June 30, 2019 (continued)	Finding 2019-022: Significant Deficiency, Noncompliance - Strengthen Controls to Ensure Expenditures Do Not Exceed Obligated Amounts. The audit recommends OMD management ensure construction tracking sheets are appropriately reconciled to the accounting records to ensure payments do not exceed budgeted amounts.	OMD concurs with the finding and is working toward creating a monthly reconciliation meeting with Construction Project Managers, Installations accounting staff and Financial Administration accounting staff. The process will focus on ensuring SFMA, the iEMS system, and Construction Project Management spreadsheets are reconciled to each other each month and signed off by appropriate staff. COVID-19 restrictions have delayed this action.
Feb 2021	Buildings, Accumulated Depreciation and Federal Revenue accounts for Year Ended June 30, 2020	No findings.	
N/A: Audit is still being conducted.	FY20 Federal Compliance - Single Audit for year ended June 30, 2020: National Guard Military Operations & Maintenance – CFDA #12.401	No findings reported as of March 1, 2021.	
N/A: Audit is still being conducted.	FY20 Federal Compliance - Single Audit for year ended June 30, 2020: Disaster Grants - Public Assistance - CFDA #97.036	No findings reported as of March 1, 2021.	

Appendix A - Secretary of State Audits



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

DATE: March 5, 2021

FROM: Sean M. McCormick, Chief Financial Officer

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 (OEM), a division of the Oregon Military Department has recently undergone a shift in structure resulting from 2020 being the most active disaster year in the history of the state. With three major disaster declarations associated with the Eastern Oregon Floods, COVID Pandemic, and the devastating Labor Day Wildfires, OEM has bifurcated its organizational structure to have an Operations Section and a Recovery Section each overseen by a Deputy Director.
2. This change in structure is reflected in the 2021-23 Governor's Budget which includes 25 new positions within the Office of Emergency Management and 5 positions in the Central Human Resources and Financial Administration Divisions. These positions are meant to focus on the areas of Public Assistance, Individual Assistance and Hazard Mitigation programs across the state.
3. There are also numerous bills being considered by the 2021 legislature that would have an impact on the agency budget as it relates to Emergency Management. Functional areas covered by these bills include, but are not limited to:
 - a. Creating a new Department of Emergency Management
 - b. Transferring the Oregon Emergency Response System from State Police to OEM
 - c. Financing enhanced capabilities to support future wildfire response & recovery efforts
 - d. Enhanced training requirements for state and local agencies
4. In addition to the changes related to the Office of Emergency Management the Military Department has seen dramatic increases in federal funding related to our Camp Umatilla located in Umatilla County. This investment is primarily 100% federally supported and is focused on increasing the functional use of the Camp Umatilla site to train Oregon National Guard units as well as other National Guard units from across the country.

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 37 armories, spanning the length and width of the state. The Adjutant General as a state employee is responsible for 8,444 personnel. Over 7,888 are Oregon National Guard Soldiers and Airmen of whom 2,032

occupy year-round full time positions. There are 556 state positions in the 2021-23 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 up to 240 cadets/students (480 for the year) all requiring supervision from management personnel.

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.

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 2001-2020, the number of Service Members called into State Active Duty was approximately 8,746.
4. Since 2002 the number of Service Members the President has called into Federal Active Duty is approximately 19,097. Readiness Centers and Training Sites such as Camp Rilea and Camp Umatilla 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.

Agency Span of Control as of December 31, 2020 @ 12:00 PM

Agency	Agency Max Supervisory ratio	Total # EEs *	Total # Non-supervisory EEs	÷	Total # Supervisory EEs	Total # EEs not assigned a Representation **	1 :	Adjusted Actual Ratio	Actual ratio
Bureau of Labor and Industries	(1:8)	118	104	÷	14	0	1 :	7	7.43
Department of Administrative Services	(1:10)	1043	949	÷	94	0	1 :	10	10.10
Department of Agriculture	(1:8)	801	750	÷	51	0	1 :	15	14.71
Department of Consumer and Business Services	(1:11)	994	911	÷	83	0	1 :	11	10.98
Department of Corrections	(1:10)	5274	4819	÷	454	1	1 :	11	10.61
Department of Environmental Quality	(1:10.25)	820	751	÷	69	0	1 :	11	10.88
Department of Fish and Wildlife	(1:6)	1399	1213	÷	186	0	1 :	7	6.52
Department of Human Services	(1:8.39)	10800	9810	÷	981	9	1 :	10	10.00
Department of Justice	(1:11.88)	1602	1478	÷	122	2	1 :	12	12.11
Department of Public Safety Standards and Training	(1:27)	418	400	÷	15	3	1 :	27	26.67
Department of Revenue	(1:11)	1117	1026	÷	91	0	1 :	11	11.27
Department of State Lands	(1:8)	140	129	÷	10	1	1 :	13	12.90
Department of Transportation	(1:11)	5596	5166	÷	430	0	1 :	12	12.01
Employment Department	(1:11)	2624	2432	÷	192	0	1 :	13	12.67
Forestry Department	(1:7)	1901	1726	÷	174	1	1 :	10	9.92
Higher Education Coordinating Commission	(1:7)	157	138	÷	19	0	1 :	7	7.26
Oregon Business Development Department	(1:9)	151	137	÷	14	0	1 :	10	9.79
Oregon Department of Education	(1:9)	975	884	÷	88	3	1 :	10	10.05
Oregon Health Authority	(1:8.6)	5281	4829	÷	452	0	1 :	11	10.68
Oregon Housing and Community Services	(1:9)	242	216	÷	26	0	1 :	8	8.31
Oregon Liquor Control Commission	(1:11)	421	391	÷	30	0	1 :	13	13.03
Oregon State Department of Police	1:12	1507	1373	÷	131	3	1 :	10	10.48
Oregon Youth Authority	(1:9)	1069	969	÷	100	0	1 :	10	9.69
Parks and Recreation Department	(1:8)	913	828	÷	85	0	1 :	10	9.74
Public Employees Retirement System	(1:10)	420	385	÷	35	0	1 :	11	11.00
Public Utility Commission of Oregon	(1:5)	132	112	÷	20	0	1 :	6	5.60
State of Oregon Military Department	(1:10)	597	544	÷	53	0	1 :	10	10.26
Water Resources Department	(1:8)	185	168	÷	17	0	1 :	10	9.88
Veteran Affairs		105	89	÷	16	0	1 :	6	5.56

* This total number includes positions which were flagged by Workday as NOT having a Repr code assigned. Each position was reviewed and assigned to a supervisory or non supervisory category.

** These numbers are showing up in Workday as not having a Repr code assigned. They were reallocated to a supervisory or non-supervisory category and folded into the Total on column C.

Ratio within Maximum supervisory ratio
Ratio not within Maximum supervisory ratio



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

Project name	Description	Other Funds	Other Fund source	Federal Funds
Corvallis Armory Service Life Extension and Regional Emergency Enhancement Project (Policy Package 490)	<p>This project will make additions and upgrades to the Corvallis Armory located in Benton County. Built in 1959, Corvallis Armory has severe deficiencies in its electrical, mechanical and structural components. It is also more than 22,000 square feet short of the current federal requirement, resulting in an 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. The REEP portion 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 for use during a disaster, or distribution to other facilities depending on the planned response and recovery mission. Without this funding, the facilities will remain in their present state, greatly reducing the agency's ability to conduct our emergency response missions.</p>	4,317,605	XI-Q Bonds	
Ashland Armory Service Life Extension and Regional Emergency Enhancement Project (Policy Package 491)	<p>This project will make additions and upgrades to the Ashland Armory located in Jackson County. Built in 1988, Ashland Armory has severe deficiencies in its electrical, mechanical and structural components. It is also more than 13,000 square feet short of the current federal requirement, resulting in an 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. The REEP portion 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 for use during a disaster, or distribution to other facilities depending on the planned response and recovery mission. Without this funding, the facilities will remain in their present state, greatly reducing the agency's ability to conduct our emergency response missions.</p>	5,373,235	XI-Q Bonds	

Appendix D - Proposed Capital Construction Projects

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

Project name	Description	Other Funds	Other Fund source	Federal Funds
Kliever Armory Service Life Extension Project (Policy Package 492)	This project will make additions and upgrades to the Kliever Armory located in Multnomah County. Built in 1968, Kliever Armory has severe deficiencies in its electrical, mechanical and structural components. It is also more than 22,000 square feet short of the current federal requirement, resulting in an 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.	6,149,437	XI-Q Bonds	
McMinnville Armory Service Life Extension and Regional Emergency Enhancement Project (Policy Package 493)	This project will make additions and upgrades to the McMinnville Armory located in Yamhill County. Built in 1978, McMinnville Armory has severe deficiencies in its electrical, mechanical and structural components. It is also more than 19,000 square feet short of the current federal requirement, resulting in an 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. The REEP portion 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 for use during a disaster, or distribution to other facilities depending on the planned response and recovery mission. Without this funding, the facilities will remain in their present state, greatly reducing the agency's ability to conduct our emergency response missions.	5,531,595	XI-Q Bonds	

Appendix D - Proposed Capital Construction Projects

OREGON MILITARY DEPARTMENT

Potential Construction limitation additions for 2019-21 and 2021-23 Biennia

(not included in the 2021-23 Governor's Budget)

Submitted to LFO and CFO on March 2, 2021

Early Session Bill Items (2019-21):

1. \$15.735 million in 100% Federal Funds for a Barracks Project at Camp Umatilla
 - a. Letter submitted to both LFO and CFO on 12 February

PROJECT DESCRIPTION

To construct a 26,191 square foot enlisted barracks that supports unaccompanied enlisted personnel and authorized civilians who are conducting training at Camp Umatilla.

PROJECT SCOPE

A specially designed 26,191 square foot open bay enlisted barracks of permanent construction that will house up to 160 soldiers. Construction will include all utility services, information systems, fire detection and alarm systems, fixtures, furnishings and equipment, hazardous waste remediation and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. This facility will be designed to meet Industry Standards as well as all local, State, and Federal building codes and as per 42 U.S.C. 4154. Facilities will be designed to a minimum life of 50 years in accordance with DoD's Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope, and integrated building systems performance as per ASA(IE&E) Sustainable Design and Development Policy Update Dec 2017. Access for individuals with disabilities will be provided. Antiterrorism measures in accordance with the DoD Minimum Antiterrorism for building standards will be provided.

New requests for Limitation for inclusion in the Capital Construction Bill (2021-23):

2. \$6 million 100% Federal Funds for a Barracks Project at Camp Umatilla
 - a. Funding has been awarded by National Guard Bureau
 - b. Contract would be obligated in Federal Fiscal Year 22
 - c. Would require Capital Construction Limitation

PROJECT DESCRIPTION

To construct up to 14,677 square foot transient barracks for advanced skills trainees participating in courses at the 249th Regional Training Institute (RTI) in accordance with the training requirements of the Oregon Army National Guard and the US Army Accreditation Standards. This facility will include up to 120 individual rooms to fulfil the need for RTI's programmed student load.

PROJECT SCOPE

A specially designed 14,677 square foot National Guard transient training barracks for advanced skills trainees conducting training at Camp Umatilla's Regional Training Institute. The project will consist of a new, permanent construction of a barracks. Construction will include all utility services, information systems, fire detection and alarm systems, fixtures, furnishings and equipment, hazardous waste remediation and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. This facility will be designed to meet Industry Standards as well as all local, State, and Federal building codes and as per Public Law 90-480. Facilities will be designed to a minimum life of 50 years in accordance with DoDs Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope and integrated building systems performance as per ASA(IE&E) Sustainable Design and Development Policy Update 2017. Access for individuals with disabilities will be provided. Antiterrorism measures in accordance with the DoD Minimum Antiterrorism for building standards will be provided.

3. \$2 million 100% Federal Funds for a Barracks Project at Camp Umatilla
 - a. Funding is anticipated to be awarded soon by National Guard Bureau
 - b. Contract would need to be obligated by the end of the current Federal Fiscal Year
 - c. Would require Capital Construction Limitation

PROJECT DESCRIPTION

Construct a new up to 2,900 square foot transient training open bay enlisted barracks at Camp Umatilla Oregon that provides billeting space for approximately 40 Soldiers.

PROJECT SCOPE

Construct a new up to 2,900 square foot transient training open bay enlisted barracks at Camp Umatilla Oregon in order to improve operational readiness. Project provides billeting space for approximately 40 Soldiers and would include building systems both within and outside of the primary facility's 5' perimeter including a durable, energy efficient basic design, to include latrine, showers, and laundry with minimal site development, parking, and landscaping. This facility will be designed to meet Industry Standards as well as all local, State and Federal building codes and as per Public Law 90-480.

4. \$1.1 million 100% Federal Funds replace a Guard Shack at Camp Umatilla
 - a. Funding is anticipated to be awarded soon by National Guard Bureau
 - b. Contract would need to be obligated by the end of the current Federal Fiscal Year
 - c. Would require Capital Construction Limitation

PROJECT DESCRIPTION

Construct a new controlled entry point, gate, and guardhouse at Camp Umatilla Oregon to improve operational readiness and comply with Antiterrorism Force Protection requirements and align with new property boundaries.

PROJECT SCOPE

Construct a new controlled entry point, gate, and guardhouse at Camp Umatilla Oregon to improve operational readiness and comply with Antiterrorism Force Protection requirements. The project will be of permanent construction and include an improved entry point for commercial activities, a new gate, identification check station building (guard house), roadway improvements, truck inspection lane and barricade system. The project will be designed to meet industry standards in conformance with all local, State, and Federal building codes and pursuant to Public Law 90-480. Facilities will be designed to a minimum life of 50 years in accordance with DoDs Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope and integrated building systems performance as per ASA(IE&E) Sustainable Design and Development Policy Update 2017. Access for individuals with disabilities will be provided. Antiterrorism measures in accordance with the DoD Minimum Antiterrorism for building standards will be provided.

-
5. *\$3 million in 100% Federal Funds for a Net Zero Energy Project at the Tactical Unmanned Aerial Vehicle site in Boardman*
 - a. *Request has been submitted, but no timeline on if/when funding will be approved*
 - b. *Contract MAY need to be obligated by the end of the Federal Fiscal Year*
 - c. *Would require Capital Construction Limitation*

PROJECT DESCRIPTION

Construct an off-grid power system for the Tactical Unmanned Aerial Vehicle Operations Building at the Navy's austere site, Naval Weapons System Training Facility near Boardman.

PROJECT SCOPE

Project, made necessary by Umatilla Electric Coop system modernization upgrades estimated to cost \$1.8M, provides an off-grid power system for the Tactical Unmanned Aerial Vehicle Operations Building at the Navy's austere site Naval Weapons System Training Facility near Boardman. The project adds up to \$3M to the existing construction contract of \$10,512,000 and will include use of photovoltaics with battery storage and diesel backup generator power. Project may include additional resiliency features such as bio-mass wood pellet heating system with propane backup.

Potential new major facility replacement project:

6. Approximately \$22 million in Federal Funds for a new Washington County Readiness Center

- a. Funding is expected to be included in the **May** release of the Future Year Defense Plan
- b. Contract would need to be obligated by the end of the current federal fiscal year
- c. Would require approximately \$5.3 million in Tax Exempt General Obligation Bonds to serve as the State Match for the project
 - i. We're requesting that the bond authority be considered as an **addition to** the bonding authority already included in the GRB:
 - 1. Corvallis ASLEP – \$4,317,605
 - 2. Ashland ASLEP – \$5,373,235
 - 3. Kliever ASLEP – \$6,149,437
 - 4. McMinnville ASLEP - \$5,531,595
 - ii. A late 21-23 biennial bond sale for the Washington County Readiness Center would work

PROJECT DESCRIPTION

Construct an 82,118 square foot (\$22.7 million federally funded and \$5.3 million State funded) National Guard Readiness Center that supports training, administrative, and logistical requirements for the Oregon Army National Guard.

PROJECT SCOPE

Construct an 82,118 square foot (\$22.7 million federally funded and \$5.3 million State funded) National Guard Readiness Center that supports training, administrative, and logistical requirements for the Oregon Army National Guard as a replacement for the Hillsboro Armory. This multi-story facility will provide a modern, state of the art facility to promote unit readiness, training and unit Administration and will be a specially designed National Guard Readiness Center of permanent construction. The National Guard Readiness Center includes the following items that are integral to the facility: Backup/Emergency Generator, Organizational Vehicle Parking (Paved), Controlled Waste Facility and Unheated Vehicle Storage Shed. Comprehensive interior design services to include fixtures, furnishings and equipment as necessary. Construction will include all utility services, information systems, fire detection and alarm systems, hazardous materials abatement and disposal, roads, walks, curbs, gutters, storm drainage, parking areas and site improvements. Facility will be designed to a minimum life of 50 years in accordance with DOD's Unified Facilities Code (UFC 1-200-02) including energy efficiencies, building envelope and integrated building systems performance as per ASA(IE&E) Sustainable Design and Development Policy Update 2017. Access for individuals with disabilities will be provided. This facility will be designed to meet Industry Standards as well as all local, State, and Federal building codes and as per Public Law 90-480. Antiterrorism measures in accordance with the DOD Minimum Antiterrorism for building standards will be provided.

Property Sales:

- 1. Seeking authority to sell the Armory and Field Maintenance Shop in Lebanon due to encroachment issues and unit needs

Lebanon Armory was constructed in 1950 and consists of 15,600 square feet situated on 0.45-acres.

Lebanon Organizational Maintenance Shop was constructed in 1960 and consists of 2,223 square feet situated on 1.10-acres.

Extension/modification of existing limitation:

1. Extending existing Other Funds Capital Construction Limitation associated with the Regional Training Institute at Camp Umatilla to December 2022
 - a. Allows for the ability to leverage federal dollars to expand on work consistent with the original scope of the project approved by the legislature in 2017.
-

2. Modify existing Other Funds Capital Construction Limitation associated with the Oregon Military Museum to allow for the transfer of donated funds from a 501C3.
 - a. The Oregon Military Museum Project is gathering donations to support the development of a Korean War Exhibit and they've raised approximately \$100,000.
 - b. The OMMP expects to continue raising funds for the project with total donations possibly topping \$200,000.
 - c. **Based on a review of the project scope we believe this should actually be Other Funds Capital Improvement Limitation that can be added to our Agency Budget Bill SB 5535.**

PROJECT DESCRIPTION

The purpose of this request is to be able to utilize donated funds to improve specific exhibits such as the Korean War exhibit. The ability to leverage donated funds allows OMD to utilize bond funds for improvements to other exhibit spaces.

UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2019-21 & 2021-23 BIENNIA

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) 2019-21 Ending Balance		(g) 2021-23 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	29,478	168,557	58,469	180,718	Emergency relief payments have decreased by 44% since 2013-15, resulting in higher ending balances than budgeted.
OF Limited	Operations (002)	Military Dept-Treasury G/F: 2480000401	Operations: Armory revenues and expenditures	ORS 396.545 (4)	2,035,581	362,568	130,271	139,342	COVID-19 has drastically reduced armory rental revenues.
OF Limited	Office of Emergency Mgmt (003)	Emergency Communications Acct: 2480001249	Other: 9-1-1 tax revenues & exp.	ORS 403.235- 240	7,804,211	6,344,100	54,299,716	11,087,934	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	227,431	0	649,674	0	COVID-19 shut down classes July-Dec 20; resuming class at 50% capacity Jan 21. With less ADM revenue, program is exhausting its OF cash reserves.
OF Capital Construction	Capital Construction (089)	Military Dept Construction Account: 2480000538	Other: Capital Construction (funded from sales of real property)	ORS 396.525	1,599,545	122,767	1,798,865	651,974	21-23 CSL does not reflect the planned purchase of land in Redmond for \$1,669,700 in Jan 2021.

Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2021-23 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 2019-21 Legislatively Approved Budget. If this changed from previous structures, please note the change in Comments (Column

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 2019-21 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 2019-21 General Fund approved budget or otherwise incorporated in the 2019-21 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 2019 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.