

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
FY 2021-22 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, December 14, 2020
11:00 am – 12:00 pm

11:00-11:10 INTRODUCTIONS AND OPENING COMMENTS

Presenter: Brigadier General Laura Clellan, The Adjutant General of Colorado

11:10-11:40 DEPARTMENT OVERVIEW

Main Presenters:

- Brigadier General Laura Clellan, The Adjutant General of Colorado
- Mr. Brey Hopkins, Deputy Executive Director

11:40-12:00 COMMON QUESTIONS / OPEN FORUM

Main Presenters:

- Brigadier General Laura Clellan, The Adjutant General of Colorado
- Mr. Brey Hopkins, Deputy Executive Director

Supporting Presenters:

- Mr. Greg Dorman, Resource and Legislative Director
- Mr. Paul Von Riesemann, Budget Director

Topics:

- Department Mission/Vision and Organization: Slides 1-3
- Department WIG's and Highlights: Slides 4-9
- Department Budget and Decision Items: Slides 10-12
- Implementation of FY 2020-21 HLD Decrease: Verbal Question Response document/Pages 1-3



Colorado Department of Military and Veterans Affairs



Mission: Colorado's Department of Military and Veterans Affairs *supports* the Division of the Colorado National Guard in delivering land, air, space, and cyber power in support of state and federal operations; *enables* the Division of Veterans Affairs to deliver high quality service to the State's Veterans and their families; and *oversees* the operations of the Colorado Wing of the Civil Air Patrol in delivering aerospace education and emergency services.

Vision: We aim to earn and maintain the trust and confidence in those we serve at the local, state and federal levels ... be recognized for excellence in service to our Veterans, members, and families ... and become the state of choice for future force structure gains, equipment modernization, and infrastructure investment



Briefing to the Joint Budget Committee 14 December 2020

Colorado Department of Military and Veterans Affairs



The Adjutant General of Colorado
Brig. Gen. Laura Clellan



Deputy Executive Director
Brey Hopkins



Div. of Veterans Affairs - East
Director Richard Tremaine



Div. of Veterans Affairs - West
Director Joanne Iglesias



Division of the National Guard



Wing Commander, Civil Air Patrol
Col. John Rhodes



Assistant Adjutant General, Army
Brig. Gen. Douglas A. Paul



Director of the Joint Staff
Brig. Gen. Scott M. Sherman



Assistant Adjutant General, Air
Brig. Gen. Floyd Dunstan

Colorado Department of Military and Veterans Affairs



Executive Director's Office
 State FTE: 24.4
 General Funds: \$4,876,478
 Cash Funds: \$118,544
 Federal Funds: \$2,117,574
 Reappropriated Funds: \$5,305



Division of Veterans Affairs
 State FTE: 22.1
 General Funds: \$3,471,163
 Cash Funds: \$1,526,690
 Federal Funds: N/A
 Reappropriated Funds: \$157,862



Division of the National Guard
 State FTE: 125.1
 Service Members: 5,600
 General Fund: \$2,170,643
 Cash Fund: N/A
 Federal Fund: \$118,020,000



Colorado Wing - Civil Air Patrol
 State FTE: 1.0
 Volunteers: 2,100
 General Fund: \$148,242
 Cash Fund: N/A
 Federal Fund: N/A



Colorado Department of Military and Veterans Affairs



Department WIGs

- **WIG 1** : Enhance resiliency of Veteran and Service Members to cope with adversity and life challenges as reflected by the adoption of 100 Governor Challenge Initiatives by June 30, 2023.
- **WIG 2** : Increase CVSO accreditation 30% by June 30, 2023.



Colorado Department of Military and Veterans Affairs



Department WIGs

- **WIG 3** : Increase the percentage of renewable electricity consumed or purchased by DMVA facilities to 5% by June 30, 2023.
- **WIG 4** : Increase the number of middle and high schools with Civil Air Patrol cadets 15% by June 30, 2023.



Colorado Department of Military and Veterans Affairs



Department Highlights

Pandemic Response – The Colorado National Guard has participated in the historic response to COVID-19. From testing, PPE distribution, emergency operations center support (both state and county) and medical facility stand-up, the Colorado National Guard has and continues to support this effort state-wide.



CONG Pandemic Response Details

Task Force Test Support – Testing in multiple counties across Colorado including drive up testing and long term care facilities.

- 76 Soldiers and Airmen since March 13
- Over 1200 miles traveled.
- Over 105,000 tests administered

Task Force Convention Center – Logistics planning and support to convert the Colorado Convention Center into a 600 bed Alternate Care Facility (ACF).

- 76 Soldiers and Airmen
- 300 pallets of supplies unloaded and processed
- 202,833 pieces of medical supplies, inventoried and organized for future ops



Colorado Department of Military and Veterans Affairs



Department Highlights

CONG Pandemic Response Details

Task Force Shelter Support Alpha – 6 different locations of non-congregant homeless shelter support.

- 101 Soldiers – 24/7 Operations
- General Support (food service, cleaning, med screening, ECP ops)
- Civilian life saved by Soldier

Task Force Shelter Support Charlie – 3 different locations of non-congregant homeless shelter support providing respite care for COVID POSITIVE guests.

- 79 Airmen – 24/7 Operations
- General Support to over 1400 guests
- 100,000 wellness checks, 50,000 meals

Task Forces Unified Command Center, EOC Support, and Cabinet Crisis Action Team Operations, Planning, and Logistics support to operations centers in the state (including the State OEM), and key leaders on Governor's cabinet to assist in COVID-19 Response.

- 34 Soldiers and Airmen
- 11 different Emergency Operations Officers
- Several by name requests from state officials for military personnel

Task Force Vaccine – In partnership with CDPHE and CDPS





Colorado Department of Military and Veterans Affairs



Department Highlights



Wildfire Response – The Colorado National Guard responded to 4 wildfires this past season.

- 19 AUG – 06 OCT: Cameron Peak/Williams Fork/East Fork Fire Response
 - TF Security, TF Aviation; 1552 Man-Days; 3x UH60, 1x CH47 (304 Buckets, 38.9 Flight Hours); 10x Vehicles
- 22 OCT – 15 NOV: East Troublesome Fire Response
 - TF Security, 1403 Man-Days; 23x Vehicles; 18x Traffic Control Points



Colorado Department of Military and Veterans Affairs



Department Highlights

Cybersecurity - The Colorado National Guard provides cybersecurity support to the Colorado Secretary of State during every election cycle. During this Presidential election cycle the Cyber Protection Team of the Colorado National Guard assisted in ensuring the integrity of Colorado's election process.



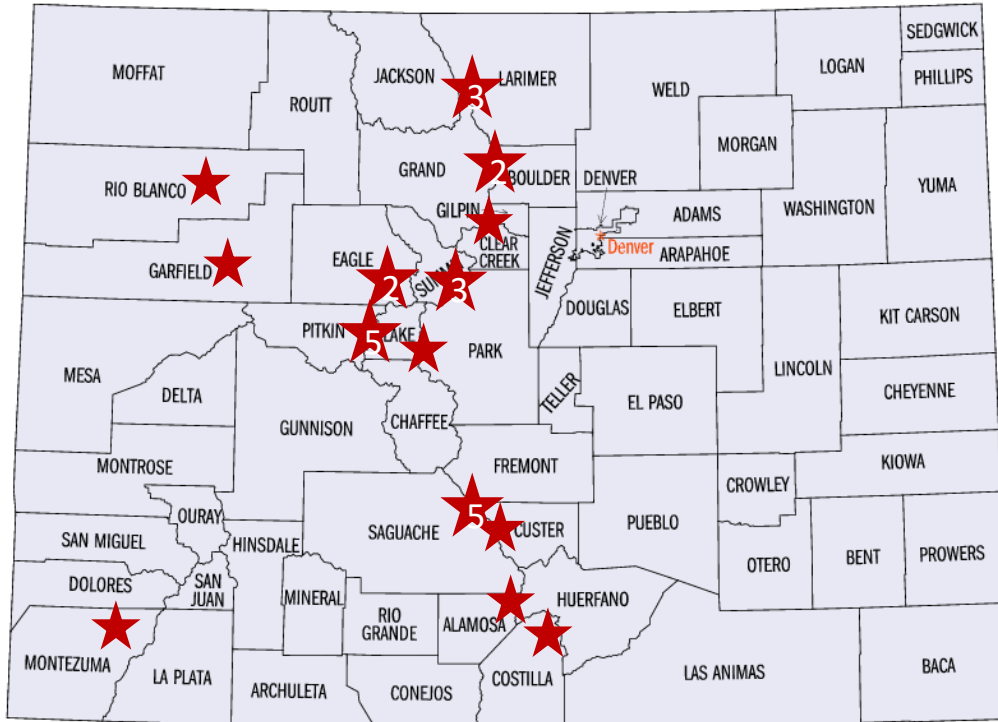



Colorado Department of Military and Veterans Affairs




Department Highlights

Search and Rescue – The Colorado National Guard continues to provide the largest number of federally tracked inland search and rescue missions in the country. The map below highlights the numbers for the current federal fiscal year. Since FY 2016 the combined missions from our two helicopter sites, the Army Aviation Support Facility (AASF) at Buckley Garrison and the High-Altitude Army Aviation Training Site (HAATS) at the Eagle County Airport have accounted for 128 lives saved.



 = 19x UH60

 = 10x UH72

AASF = 10 Missions

HAATS = 19 Missions

Lives Saved = 22

Total Missions = 29



Colorado Department of Military and Veterans Affairs



Department Highlights



STEM Education – The Colorado Wing of the Civil Air Patrol provides cadets with access to a unique STEM curriculum coupled with a structured youth program. The Wing has begun providing STEM kits to teachers to provide greater STEM opportunities to Colorado students while increasing their awareness of the opportunities available to them in the Civil Air Patrol.



Colorado Department of Military and Veterans Affairs



Department Highlights



Support to Veterans – Despite the challenges of COVID 19, the Division of Veterans Affairs continues to connect veterans to the federal benefits that they've earned. Our focus on rural veterans continues and programs started pre-pandemic, such as providing web cameras to County Veterans Service Officers to increase connectivity, have proved to be timely.



Colorado Department of Military and Veterans Affairs



FY 21-22 Budget Request

FY 2021-22 Budget Request - Department of Military Affairs

	Total Funds	FTE	General Fund	Cash Funds	Reappropriated	Federal
01. Executive Director and Army National Guard	\$21,581,993	109.5	\$7,088,091	\$67,848	\$5,305	\$14,420,749
02. Division of Veterans Affairs	\$5,000,028	21.2	\$3,160,837	\$1,676,746	\$162,445	\$0
03. Air National Guard	\$3,715,287	41.0	\$394,447	\$0	\$0	\$3,320,840
04. Federally Funded Programs *	\$102,400,000	2362.0	\$0	\$0	\$0	\$102,400,000
Total FY 2021-22 Governor's Budget Request	\$132,697,308	2533.7	\$10,643,375	\$1,744,594	\$167,750	\$120,141,589

* Note: Line 04 Federally Funded Programs is for information purposes only. This amount does not flow through the state and represents estimated cost of FTE for all Guardsmen.



Colorado Department of Military and Veterans Affairs



FY 21-22 Decision Items

Division	FTE	Total Funds	GF	CF	FF
R-01 Reductions for a Reimagined DMVA	(1.0)	(\$479,910)	(\$565,910)	\$86,000	\$0
R-02 Continuing Tuition Assistance Funding for a Lower Demand	0.0	(\$425,000)	(\$425,000)	\$0	\$0
Total	(1.0)	(\$904,910)	(\$990,910)	\$86,000	\$0



Colorado Department of Military and Veterans Affairs



Decision Item Detail

R-01: Reductions for a Reimagined DMVA takes a number of ongoing and one-time reductions from departmental operations as the department retools for a post-COVID world. These reductions imagine less travel and administrative supplies, reduced utilities lines, as well as permanently implementing personnel cuts required by the 5% Personal Services reduction taken in FY2020-21.

R-02: Continuing Tuition Assistance Funding for a lower demand postpones the restoration of one-time Tuition Assistance reductions for an additional year, and allows the program to tap into cash fund reserves should enrollment increase above appropriation.





Colorado Department of Military and Veterans Affairs



Verbal Response Questions/Conclusion



DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
FY 2021-22 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, December 14, 2020

11:00 am – 12:00 pm

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS –

Department of Military and Veterans Affairs

- 1 Please describe the Department's actions to implement the Health, Life, and Dental decrease in lieu of a 5.0 percent General Fund salary base reduction. Please include dollar and percentage share data on planned "allocations" of the decrease to all divisions and programs within the Department. Please describe the use of vacancy savings, delayed hiring, and the implementation of one-time or ongoing operating savings. Please describe the urgency of the Department's need to engage in a furlough in FY 2020-21 due to the inability to achieve savings in other ways.

The Department has taken several actions to meet the 5% health, life, and dental decrease. The chart below depicts the dollar amounts and percentage shares related to this decrease. The Department utilized the following strategies:

- **Vacancy savings** – One position (administrative assistant in the Division of Veterans Affairs – East) is being held vacant.
- **Delayed hiring** - Two key positions (budget director and controller) were held vacant for the first quarter of the fiscal year.
- **Operating Savings** – Division operations and maintenance budgets have been reduced (see chart below).
- **Furlough** – Furloughs are an essential factor in ensuring the Department meets the cost reduction targets established as a framework for budget realignment.

The Departments main goal while looking at reductions was to protect customer service and our commitment to our service members and veterans that we serve. Reduction items include: reduced funding for travel and administrative supplies, halting nearly all IT refresh at the department, aligning operating costs at the Western Region OneSource center with expenses, a reduction in State matching funds for Army and Air National Guard operations and maintenance, refinancing grant funding to cash fund sources, and the continuation of the permanent reduction in personnel costs taken in FY 2020-21.

Area	Amount	% of Budget	Comment
<i>EDO Personal Services Vacancy Savings</i>	<i>\$69,831</i>	<i>4.0%</i>	<i>Two senior staff retirements delayed backfilling</i>
<i>National Guard Personal Services</i>	<i>\$65,250</i>	<i>5.8%</i>	
<i>Department Furlough</i>	<i>\$30,034</i>	<i>0.8%</i>	<i>General Fund Furlough to those only over \$50,000</i>
<i>National Guard efficiencies</i>	<i>\$14,192</i>	<i>0.2%</i>	<i>Personal Services reduction, CONG primarily is Federal, limited General Fund</i>
<i>Division of Veterans Affairs Operations</i>	<i>\$20,839</i>	<i>2.1%</i>	<i>Reevaluation of staffing mix</i>
<i>Total 5% Target</i>	<i>\$200,146</i>		

- 2 Please describe how the changes implemented in response to the COVID-19 pandemic have changed the nature of the Department's work. Please address programmatic, budgetary, and office space impacts.

The Department is still assessing the full impacts of COVID-19. Remote access does not necessarily equate to a collaborative and innovative organization that can operate with minimal staff and maximum surge capability during all-hazards response scenarios. A majority of DMVA's state employees are in the labor, trades, and crafts category and cannot work remotely. One area that we have found to be readily adaptable to remote work and a reduction of office space is our Denver-based Colorado Division of Veterans Affairs. We are currently implementing a strategy to vacate our leased office space on Colorado Boulevard at the termination of the lease in June 2022.

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
FY 2021-22 JOINT BUDGET COMMITTEE HEARING
WRITTEN RESPONSES ONLY

COMMON QUESTIONS: PLEASE RETAIN THE NUMBERING IN ORDER TO MAINTAIN CONSISTENT LABELING FOR COMMON QUESTIONS ACROSS DEPARTMENTS.

- 1 Provide a list of any legislation with a fiscal impact that the Department has: (a) not implemented, (b) partially implemented, or (c) missed statutory deadlines. Explain why the Department has not implemented, has only partially implemented, or has missed deadlines for the legislation on this list. Please explain any problems the Department is having implementing any legislation and any suggestions you have to modify legislation.

Not Applicable.

- 2 Does the Department have any HIGH PRIORITY OUTSTANDING recommendations with a fiscal impact identified in the Office of the State Auditor's "Annual Report: Status of Outstanding Audit Recommendations"? What is the Department doing to resolve these HIGH PRIORITY OUTSTANDING recommendations? Please indicate where in the Department's budget request actions taken towards resolving HIGH PRIORITY OUTSTANDING recommendations can be found.

The 2020 report will be published on December 7, 2020 and can be found at this link:
<http://leg.colorado.gov/content/audits>. JBC staff will send out an updated link once the report is published.

Not Applicable.

- 3 For the FY 2020-21 hearing process, the Department was asked to respond to the following questions related to public awareness campaigns.

Is the Department spending money on public awareness campaigns? If so, please describe these campaigns, the goal of the messaging, the cost of the campaign, and distinguish between paid media and earned media. Further, please describe any metrics regarding effectiveness and whether the Department is working with other state or federal departments to coordinate the campaign?

Please provide an update to your response from last year, including any changes to existing campaigns and/or the addition or discontinuation of campaigns.

Not Applicable.

- 4 Please identify how many rules you have promulgated in the past year (FY 2019-20). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.

Not Applicable.

- 5 What are the major cost drivers impacting the Department? Is there a difference between the price inflation the Department is experiencing compared to the general CPI? Please describe any specific cost escalations.

Two primary budget drivers exist for the Department of Military and Veterans Affairs. The downstream effects of federal defense appropriations on the Army and Air Force drive many budget decisions. The primary method for state/federal partnership is cost sharing through the cooperative agreement. As federal funding rises or falls, the state's general fund share of this partnership must keep pace to ensure full execution and proper resourcing for the service members of the state militia. The second largest budget driver is the ongoing support for Colorado's veterans and the efforts to assist them in securing the federal and state benefits that they have earned. In addition to two grant streams in support of veterans, the Department manages a reimbursement fund for County Veterans Service Officers. External advocacy has increased this fund several times in the last five years. As Colorado's population increases, veterans, both urban and rural continue to require outreach and education regarding their benefits.

- 6 How is the Department's caseload changing and how does it impact the Department's budget? Are there specific population changes, demographic changes, or service needs (e.g. aging population) that are different from general population growth?

Not Applicable. The State Veterans Service Officers within the Division of Veterans Affairs support federal VA claim casework, but this does not drive rates or other key budget factors.

- 7 In some cases, the roles and duties of existing FTE may have changed over time. Please list any positions that have been created in the Department since FY 2018-19 that were not the result of legislation or a decision item.

For all FY 2021-22 budget requests that include an increase in FTE:

- a. Specify whether existing staff will be trained to assume these roles or these duties, and if not, why;

- b. Specify why additional FTE are necessary; and
- c. Describe the evaluation process you used to determine the number of FTE requested.

Not Applicable.

- 8 Please describe any programmatic impacts resulting from cash fund transfers impacting the department as part of the FY 2019-20 and FY 2020-21 balancing process.

There were three cash funds from which the Department had cash funds transferred: The Veterans Trust Fund \$3,000,000; the Veterans Assistance Grant Cash Fund \$1,000,000; and the Real Estate Proceeds Cash Fund \$4,908,395.

There were no immediate programmatic impacts to these transfers. For the two veterans cash funds, these transfers may limit grant awards in the future. The Real Estate Proceeds fund will limit us from providing state match for future developments and construction without additional capital construction appropriations.