

House Legislative Oversight Committee



Office of The Adjutant General
Major General Robert E. Livingston, Jr.



Agenda



- Introductions
- Agency Myths
- Key Laws Affecting the Agency
- Agency Mission, Vision, and Goals
- Key Deliverables and Potential Harm
- Organization
- Key Dates in History
- Agency Successes/Issues/Emerging Issues
- Internal Audit Process
- Strategic Finances
- Carry Forwards
- Recommended Laws Changes
- Recommended Internal Changes
- Summary/Conclusion



Introductions



- **Major General Robert E. Livingston, Jr**
The Adjutant General of South Carolina
- **Major General R. Van McCarty**
Deputy Adjutant General
- **Brigadier General Jeff A. Jones**
Assistant Adjutant General - Ground
- **Brigadier General Russell A. Rushe**
Assistant Adjutant General - Air
- **Brigadier General Brad Owens**
Director of the Joint Staff
- **Command Sergeant Major Russell A Vickery**
State Command Sergeant Major
- **Chief Warrant Officer 5 Kent Puffenbarger**
State Command Chief Warrant Officer
- **Major General Thomas Mullikin**
Commander, SC State Guard
- **Kim Stenson**
Director, SC Emergency Management Division
- **Milton Montgomery**
Deputy Director, Youth ChalleNGe/Job ChalleNGe
- **Brigadier General (R) John Motley**
Director, STARBASE Swamp Fox
- **Steven Jeffcoat**
Director, SC Military Museum
- **Colonel Ronald F. Taylor**
Chief of Staff - Army
- **Colonel Michael Metzler**
Director of Staff - Air
- **Colonel Brigham Dobson**
Construction & Facility Management Officer
- **Kenneth C. Braddock**
Chief of Staff for State Operations
- **Frank L. Garrick**
Chief Financial Officer, State Operations



Agency Myths



Myth: The Office of the Adjutant General is the same thing as the National Guard

Fact: The Office of the Adjutant General the parent State Agency for a number of subordinate organizations. These include:

- Army National Guard
- Air National Guard
- State Guard
- SC Emergency Management Division
- SC Youth/Job ChalleNGe
- STARBASE Swamp Fox
- SC Military Museum
- Joint Services Detachment



Agency Myths



Myth: National Guard facilities are paid for and maintained by Federal monies

Fact: National Guard facilities are built and maintained through a cost-share with the Department of Defense

- Construction – 75% Federal/25% State
- Maintenance – 50% Federal/50% State

All federal facilities monies must have some level of state match. States can use their own funds, but with no Federal match



Agency Myths

Myth: The use of the National Guard during disasters is free

Fact: The State is required to reimburse the National Guard for 100% of the costs incurred during the support of State disaster operations. This includes vehicle/aircraft usage, maintenance, supplies, and damages.

The State funds 100% of the pay and allowances for National Guard Service Members called to State Active Duty along with all Worker's Compensation costs.

Federal reimbursements only cover 75% for federally declared disasters



Agency Myths

Myth: The Office of the Adjutant General is a small agency with only 105 employees.

Fact: The Office of the Adjutant General has over 11,000 members, employees and volunteers

FTEs	105	Army National Guard (M-Day)	7,747
Temporary	47	Army AGR	752
Grant	275	Army Technician	768
Time Limited	31	Air National Guard (M-Day)	791
Volunteers (State Guard)	969	Air AGR	168
Volunteers (Joint Services Detachment)	30	Air Technician	345



Agency Myths



Myth: The Office of the Adjutant General has a budget of approximately \$8.2M (recurring)

Fact: During FY 16, the Agency spent \$503M in direct monies in the State (\$562M in total spending). This includes both State and Federal monies, and Federal monies that do not flow through the State financial systems.

The amounts for 2017 and 2018 will be higher based on disaster funding provided through the Agency (i.e. – SCEMD).



Key Laws Affecting the Agency



State Constitution	Statutory Requirement and/or Authority Granted
Article IV. Executive Department. Section 13. Commander-in-Chief.	The Governor is the Commander in Chief of the Militia.
Article VI. Officers. Section 7. Elective offices; terms; duties; compensation; appointment of Adjutant General.	Establishes the position of “Adjutant General” as an officer of the state with duties to be prescribed by the State Code of Laws
Article XIII. Militia. Section 3. Governor may call out.	Grants the Governor the authority to "call out the volunteer and militia forces, either or both, to execute the laws, repel invasions, suppress insurrections and preserve the public peace”
Article XIII. Militia. Section 4. Adjutant General; appointment	The Adjutant General shall be a Major General, whose duties shall be prescribed by law, and officers of the Militia are appointed by the Governor. The Adjutant General must be appointed by the Governor, with the advice and consent of the Senate.



Key Laws Affecting the Agency



State Laws	Statutory Requirement and/or Authority Granted
1-3-440(1) 25-1-440 25-1-1810 thru 1900 25-3-20 25-3-130	The authority of the Governors regarding Maintenance of Peace and Order and during declared emergencies, authority to call out the National Guard and State Guard; establishes powers and duties of Governor during declared emergency
25-1-320 25-1-350 25-3-90	Establishes the general powers and duties of the Adjutant General, the method of election/qualifications for and method of appointment by the Governor of the Adjutant General, and directs the Adjutant General to performs same duties for State Guard that he does as to National Guard.
1-3-480 1-3-490	The Governor may delegate authority to the Adjutant General to authorize National Guard to support federal, state and local law enforcement agencies in drug enforcement matters; enter into mutual assistance and support agreements with law enforcement agencies operating within this State for activities within this State, and enacts into law The National Guard Mutual Assistance Counterdrug Activities
25-1-30 25-1-50 25-1-360 25-1-2410 thru -3160	The Governor shall cause the National Guard to conform to all such Federal laws and regulations except where in conflict with the laws of this State; provides the authority to establish and promulgate the Code of Military Justice for the National Guard. All members of the military forces are subject to this code while physically located on State or federal property even though not on authorized duty status.



Key Laws Affecting the Agency



State Laws	Statutory Requirement and/or Authority Granted
25-9-10 thru -20	Governor's authority to enter into the Interstate Civil Defense Disaster Compact
25-9-410 thru -420	Authorizes the use of the National Guard as a part of the Emergency Management Assistance Compact
25-1-1310 thru -1320	State maintains and governs National Guard when not in federal service, and necessary expenditures are paid out of state appropriations for maintenance of the National Guard.
25-1-420	Authorizes the establishment, administration and duties of the South Carolina Emergency Management Division (SCEMD), and appointment of a director
25-17	Establishes the SC Military Museum



Agency Mission



- Provide combat-ready units to the U.S. Army and U.S. Air Force.
- Provide planning, coordination and military capabilities in response to State emergencies.
- Add value to the State of South Carolina and Nation with community-based organizations, partnerships, Soldiers, Airmen, and employees ready to meet the challenges of the 21st century.



Agency Vision



The South Carolina National Guard is an **EXTRAORDINARY, COMMUNITY-BASED ORGANIZATION – READY** to execute its mission today, with a **RELEVANT** force structure, composed of **RESILIENT** Service Members, Employees, and Families, who are **RESPONSIBLE** to our Nation, Communities, Families, Soldiers, and Airmen.



Agency Goals



- Grow the South Carolina Army National Guard to 10,000 Soldiers with relevant force structure
- Set the conditions to gain a Brigade Combat Team
- Ensure joint and relevant force structure at McEntire Joint National Guard Base
- Establish a consolidated joint, interagency, intergovernmental, multinational Emergency Operations Center concept of operations
- Provide for the safety, health, and wellbeing of the citizens, residents, and visitors of the State of South Carolina



Key Deliverables and Potential Harm



Deliverable (i.e. service or product)	Greatest potential harm to the public if deliverable is not provided	Recommendations to the General Assembly, other than \$, for how the General Assembly can help avoid the greatest potential harm
SC National Guard support to the Emergency Management Assistance Compact (EMAC)	The State will not have the resources available to effectively responds to disasters and emergencies	Maintain current requirement
SC National Guard support to law enforcement in drug enforcement matters	Increase in illegal drug activity	Continue support of counter-drug operations
SC National Guard support to other states' National Guards in counter-drug activities	Increase in illegal drug activity	Continue support of counter-drug operations
SC National Guard assists with transportation of equipment and personnel to support Firefighter Mobilization Plan	Increased danger of loss of life and property to fire.	Maintain current requirement
SC National Guard and State Guard assistance to the State Public Safety Authority in enforcing orders	Increase threat to the health and safety of the State and local communities	<ol style="list-style-type: none"> 1. Maintain current requirement 2. Shift the law enforcement responsibility to one of the professional law enforcement agencies



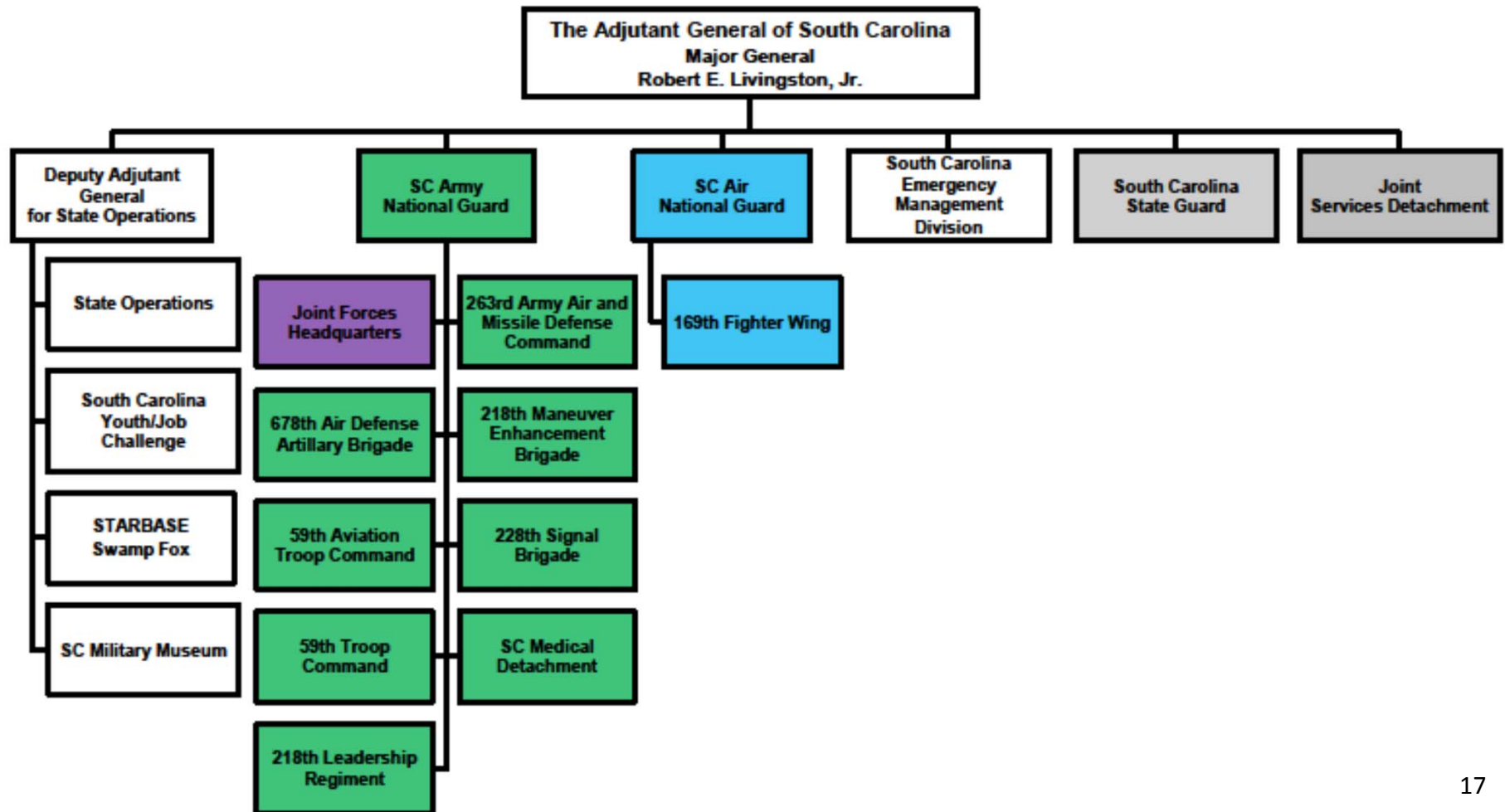
Key Deliverables and Potential Harm



Deliverable (i.e. service or product)	Greatest potential harm to the public if deliverable is not provided	Recommendations to the General Assembly, other than \$, for how the General Assembly can help avoid the greatest potential harm
The Adjutant General and SCEMD oversight and coordination of Local Emergency Management standards	Inconsistent or inadequate emergency management systems by the counties and municipalities	Maintain current requirement
The Adjutant General and SCEMD oversight and coordination of State Emergency Management standards	Inconsistent or inadequate State-level emergency management practices	Maintain current requirement
Office of the Adjutant General operates and maintains the SC Military Museum	The State and local communities will lose access to an educational resource focused on a significant part of SC's history	Maintain current requirement



Organization





Key Dates in History



- **1670** – Arrival of settlers to what is now known as Charleston Harbor and the formation of a militia. The SC National Guard and SC State Guard trace their lineages back to this early colonial militia.
- **1779** - Major Pierce Butler was appointed as the first Adjutant General by Governor John Rutledge
- **1903** - The Militia Act created a federally recognized and supported National Guard
- **1946** - With the reorganization of the US Army and the founding of the US Air Force, the SC Air National Guard was organized at Eastover's Congaree Air Base
- **1950** - South Carolina Civil Defense was organized under Act 888 as a division of the Adjutant General's Office



Key Dates in History



- **1958** - Act 888 reorganized the South Carolina Civil Defense as an independent agency with the Director reporting directly to the Governor
- **1961** - Congaree Air Base is renamed to McEntire Air National Guard Base
- **1973** - Acts 128 and 410 reorganizes the South Carolina Civil Defense Agency, and renames it as The South Carolina Disaster Preparedness Agency
- **1977**- Act 138 established the SC Disaster Preparedness Agency as a division in the Office of the Governor
- **1979** - Act 199 established the South Carolina Emergency Preparedness Division (SCEPD) as a division of the Office of the Adjutant General, and established the State Emergency Operations Center (SEOC)



Key Dates in History



- **1981** - The “National Guard Museum and State Weapons Collection” officially opened in Sumter
- **1998**- The Museum’s name was changed to the “South Carolina Military Museum” and was codified by Title 25, Chapter 17 of the SC Code of Laws
- **1998** - South Carolina Youth ChalleNGe Academy established
- **2000** - State Emergency Preparedness Division moved to its current location
- **2002** - State Emergency Preparedness Division renamed the South Carolina Emergency Management Division (SCEMD)
- **2003** - STARBASE Swamp Fox established



Key Dates in History



- **2007** - The SC Military Museum opened Gallery One to the public in its current location
- **2008** - The South Carolina Youth ChalleNGe Academy relocated to Camp Long in Aiken County
- **2009** - The South Carolina Youth ChalleNGe Academy relocated to its current location at the McCrady Army National Guard Training Center, Eastover, SC
- **2016** - The Job Challenge Program, housed at Camp Long in Aiken County, began the first cohort (cycle)



Agency Successes



- The Agency's disaster response actions during the 2014 Ice Storm, 2015 Flood Event, 2016 Hurricane Matthew, 2016 Pinnacle Mountain Fire, and 2017 Hurricane Irma.
- The SC National Guard's Service Member and Family Care Employment Services Division has successfully reduced the overall unemployment for current and former members of the SC National Guard to under 2%.
- The Service Member and Family Care Support Centers (One Stop Shops) provided, as of 21 July, services to 24,752 customers during the current Federal FY (since 1 Oct 2016), and a total of 48,994 customers since the Program's inception in October, 2011.
- The Agency continues to provide combat-ready personnel and units to the U.S. Army and U.S. Air Force in support of on-going operations, domestically and internationally.



Agency Issues



- Facilities Maintenance
 - The SC Army National Guard is faced with maintenance challenges of its facilities whose average age is 39 years, identified gaps between its current Readiness Centers and existing requirements, and mission shortfalls due to capacity and worsening maintenance conditions.
 - Readiness Centers require State Funding before being matched to Federal Funds.
 - As the National Guard looks to increase in force structure, State support to Readiness Center investment is critical.



Agency Issues



- Military Construction
 - The Federal budget constraints of the last two decades have reduced and slowed military construction resources.
 - These are typically planned out in five-year windows, and require balanced support in State funds, usually 75% Federal to 25% State.
 - Readiness Centers and key facilities for training and operations are critical to how the National Guard trains combat ready units and how it responds to State emergencies.
 - States have the ability to focus on Armory expansion more quickly than existing Federal processes, and can directly shape the kind and number of forces stationed in the State while ensuring adequate emergency response facilities are available.



Agency Issues



- Awareness/Knowledge of Agency Capability by State Leadership
 - The Army and Air National Guard and the SC State Guard are three very distinct elements of the SC Military Department.
 - Key members of the executive and legislative branches are not comfortably aware of the full range of capacities and the obligations for use of their Guard.
 - The SC Military Department has plans to directly engage various stakeholders in the executive and legislative branches to increase awareness and partnership, and to forge an increasingly productive relationship.



Emerging Issues



- Reductions in Federal Funding
 - Initial Federal FY2018 budget proposed a 20% cut in Federal Emergency Management Program Grants (EMPG) funding (> \$1M reduction to SC). EMPG currently funds almost 50% of SCEMD's budget. This would also reduce county allocations (ranging from \$52,862 to \$95,917) and reduce county grants by more than \$12,000 on average.
 - The Service Member and Family Care Program is a 100% federally funded program which receives over \$7 Million in federal funds, grants and federally (i.e., National Guard Bureau) contracted labor to support its programs. Reductions to this program would have a negative effect on the overall health and well-being of the State's Service Members, Veterans, and Military Families.



Emerging Issues



- The SC Youth Challenge Academy (SCYCA) program is funded on a 75% Federal/25% State cost share basis. Last year, the Agency received over \$2.3 Million in federal funding to assist in operating the program. Cuts to the Program would likely result in these young adults remaining in environments with no life or job skills and, in many cases, becoming either a long-term ward of the State or dependent on social programs as their means of livelihood.
- The SC Job Challenge Program is a Department of Labor grant funded test program intended as a follow-on partner program with SCYCA to provide technical job skills training for deserving graduates of the SCYCA Program. Over the past 1 ½ years, the program has received over \$1 Million in grant funding. Without this program, many of the SCYCA graduates would return to the previous environments with limited job skills and limited opportunities for future success.



Emerging Issues



- The STARBASE Program is a Department of Defense sponsored, 100% federally funded Science, Technology, Engineering and Math (STEM) program for 5th grade students. Operating on an annual budget of less than \$350,000. Cuts to this program would have a negative impact on the State’s STEM educational programs.
- Base Realignment and Closure (BRAC) Study
 - McEntire Joint National Guard Base (JNGB) is a perennial target.
 - In addition to being the home base of the SC Air National Guard and its 169th Fighter Wing, McEntire JNGB also houses Army aviation, cyberspace operations, medical operations and other organizations, and is essential to the future of emergency response capabilities.



Emerging Issues



- Increasing Requirements for STEM Education.
 - The demographics of South Carolina will continue to directly, and positively, influence the composition of the SC Army and Air National Guard. A crucial link in this chain includes State investment in Science, Technology, and Math (STEM) education facilities across the State in high schools and, in particular, the community and technical colleges.
 - These graduates are ideal for the emerging needs of the SC Army and Army National Guards, particularly in the engineering, medical, communications, aviation, and technology fields.



Internal Audit Process



- The Office of the Adjutant General/SC Military Department utilizes the Internal Review (IR) Division of the United States Property and Fiscal Office (USPFO) which is tasked to support the Adjutant General's State mission while providing essential oversight of Federal resources.
- The IR Division is composed of Federal civilian auditors who are responsible for conducting reviews of all programs and activities of the Army and Air National Guard that involve Federal resources. The IR Division offers managers with an independent, timely, and objective control perspective of programs, systems, functions, and activities, and conducts primarily compliance, performance and efficiency type audits.



Internal Audit Process



- In the past five years, the IR Division has completed thirteen (13) audits of programs managed by the Office of the Adjutant General/SC Military Department.
- These audit reports are classified “For Official Use Only” (FOUO). Any request for release would require a Freedom of Information Act (FOIA) Request to the US Property & Accountability Officer for SC.



Strategic Finances

(2017 Budget Revenue Sources)



Fund Source		Type	2017 Revenue	Note
General Appropriations	Recurring	State	\$8,209,026	Includes \$1M State appropriation to SC Department of Education for Youth Challenge
State Appropriation	One-time	State	\$72,572,807	Appropriated monies for State emergencies/State match of Federal disaster funds
Enterprise Operations	One-time	Other	\$3,000,000	Revenues and expenditures for Dining and Billeting operations
Armory Operations	One-time	Other	\$300,000	Revenues from TAG property rentals and expenditures to support Armory Operations
Emergency Operation Funds	One-time	Other	\$3,500,000	Non-appropriated funds for State Match and 100% State funded emergency expenditures
State Capital Projects	One-time	Other	\$3,500,000	Multi-year projects
Fixed Nuclear Facility (FNF)	One-time	Other	\$1,500,000	Monies from Energy Producers to support the FNF program (Non-Governmental funds)
Army/Air Appropriation	Recurring	Federal	\$25,000,000	Cooperative Agreements to support Army/Air National Guard
Emergency Operations	Recurring	Federal	\$25,000,000	Federal grants
Youth/Post Challenge	Recurring	Federal	\$4,200,000	Federal grants
Federal Capital Projects	Recurring	Federal	\$10,000,000	National Guard Bureau (NGB) Federal grants for Capital Projects and Military Construction (requires State Match)



Strategic Finances



Goals and Strategies	Budget	%
Goal 1 - Grow the South Carolina Army National Guard to 10,000 Soldiers with relevant force structure		
Strategy 1.1 - Modernize and Expand Infrastructure Capacity	\$30,031,117	19.15%
Goal 2 - Set the conditions to gain a Brigade Combat Team (BCT)		
Strategy 2.1 - Build Modular BCT Force Structure	\$4,925,130	3.58%
Goal 3 - Ensure joint and relevant force structure at McEntire Joint National Guard Base (JNGB)		
Strategy 3.1 - Improve McEntire JNGB Infrastructure	\$5,052,127	3.67%
Goal 4 - Establish a consolidated joint, interagency, intergovernmental, multinational Emergency Operations Center concept of operations		
Strategy 4.1 - Modernize and Integrate Response Capabilities into Interagency Processes, Practices, and Functions	\$13,009,143	9.45%
Strategy 4.2 - Improve Response Planning and Validation	\$2,100,000	1.53%
Goal 5 - Provide for the safety, health, and wellbeing of the citizens, residents, and visitors of the State of South Carolina		
Strategy 5.1 - Provide Force Protection at National Guard facilities	\$112,734	0.08%
Strategy 5.2 - Provide State Guard support to the citizens of South Carolina	\$377,529	0.27%
Strategy 5.3 - Provide STARBASE program to local schools	\$351,143	0.26%
Strategy 5.4 - Provide Youth Challenge program to challenged youth	\$5,200,000	3.78%
Strategy 5.5 - Provide and operate the State Military Museum	\$351,143	0.26%
Strategy 5.6 - Provide State-level emergency management of disasters and multi-county events	\$86,723,950	62.99%
Strategy 5.7 - Provide for the safety and safe working environment for Service Members and agency employees	\$3,238,285	2.35%
Strategy 5.8 - Conduct Enterprise Operations in support of National Guard and State activities	\$1,801,143	1.31%

Total \$153,273,444



Strategic Finances



Minus State Match Funds (See highlighted & percentages)

Goals and Strategies	Budget	%
Goal 1 - Grow the South Carolina Army National Guard to 10,000 Soldiers with relevant force structure		
Strategy 1.1 - Modernize and Expand Infrastructure Capacity	\$30,031,117	35.66%
Goal 2 - Set the conditions to gain a Brigade Combat Team (BCT)		
Strategy 2.1 - Build Modular BCT Force Structure	\$4,925,130	5.85%
Goal 3 - Ensure joint and relevant force structure at McEntire Joint National Guard Base (JNGB)		
Strategy 3.1 - Improve McEntire JNGB Infrastructure	\$5,052,127	6.00%
Goal 4 - Establish a consolidated joint, interagency, intergovernmental, multinational Emergency Operations Center concept of operations		
Strategy 4.1 - Modernize and Integrate Response Capabilities into Interagency Processes, Practices, and Functions	\$13,009,143	15.45%
Strategy 4.2 - Improve Response Planning and Validation	\$2,100,000	2.49%
Goal 5 - Provide for the safety, health, and wellbeing of the citizens, residents, and visitors of the State of South Carolina		
Strategy 5.1 - Provide Force Protection at National Guard facilities	\$112,734	0.13%
Strategy 5.2 - Provide State Guard support to the citizens of South Carolina	\$377,529	0.45%
Strategy 5.3 - Provide STARBASE program to local schools	\$351,143	0.42%
Strategy 5.4 - Provide Youth Challenge program to challenged youth	\$5,200,000	6.18%
Strategy 5.5 - Provide and operate the State Military Museum	\$351,143	0.42%
Strategy 5.6 - Provide State-level emergency management of disasters and multi-county events	\$14,151,143	16.80%
Strategy 5.7 - Provide for the safety and safe working environment for Service Members and agency employees	\$3,238,285	3.85%
Strategy 5.8 - Conduct Enterprise Operations in support of National Guard and State activities	\$1,801,143	2.14%

Total \$80,700,637



Carry Forwards



	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
State	\$38,043	\$367,317	\$388,286	\$0	\$55,504
Other	\$97,414	\$248,472	\$207,960	\$571,087	\$344,201
Federal	\$0	\$0	\$0	\$0	\$0



Recommended Law Changes



- Law: Proviso 100.9 (ADJ: Billeting and Dining Facility Operations)
- Delete the portion of the Proviso as it relates to operation of and expenditure of funds in support of the Dining Facility operations at the R.L. McCrady Training Center. The operations, financial management, and oversight are being moved under the National Guard Grants and Cooperative Agreements Program's Master Cooperative Agreement (Appendix 8) which is managed by the US Property and Fiscal Office.
- Proposed Wording:

All revenues collected by the Billeting ~~and Dining Facility~~ operations at the R.L. McCrady Training Center shall be retained and expended in its ~~their~~ budgeted-operations. Expenditures from these funds shall be determined by the Billeting Committee for Billeting operations ~~and the Deputy Adjutant General for state operations for the Dining Facility operation~~.
- Status: Presented as a part of the State Budget Plan. Awaiting approval.
- Other Agencies Impacted: None



Recommended Law Changes



- House Bill H 3789 / Senate Bill S 451
- Summary: A bill to amend the SC Code of Laws, so as to enact the "South Carolina Youth Challenge Academy and South Carolina Jobs Challenge Program Expungement Act"; by adding Article 10 to Chapter 22, Title 17 so as to provide that persons eligible for expungement of a criminal record pursuant to Section 17-22-910 who successfully graduate and complete the SC Youth Challenge Academy and SC Jobs Challenge Program administered by the SC Army National Guard may apply to have their record expunged upon successful graduation and completion of the programs under certain delineated circumstances; and to amend Section 17-22-940, as amended, relating to the expungement process, so as to include a reference to the Director of the Youth Challenge Academy attesting to the eligibility of the charge for expungement on an expungement application.
- Status: Currently on the Senate calendar after being passed by the House.
- Agency Recommendation: The Agency strongly supports this bill.
- Other Agencies Affected: None



Recommended Internal Changes



The Agency currently has no recommendations relating to internal changes



Summary/Conclusion