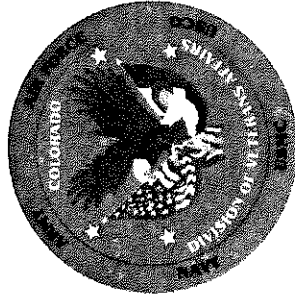


STATE OF COLORADO

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS



STRATEGIC PLAN FOR FISCAL YEAR 2012 – 2013

H. Michael Edwards

Major General, Colorado Air National Guard
The Adjutant General and Executive Director

Colorado Department of Military and Veterans Affairs

Strategic Plan

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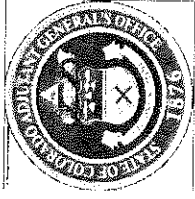
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1. Executive Director Letter

STATE OF COLORADO

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

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John Hickenlooper
Governor

Major General
H. Michael Edwards
The Adjutant General

Executive Director's Letter

The Department of Military and Veterans Affairs has been largely focused on the primary mission of the largest Division within the Department, the Colorado National Guard. That primary mission is to augment the active duty military forces when so ordered by the President of the United States. Since 9/11, the Colorado National Guard has had personnel and equipment continuously deployed in support of Homeland Security and overseas in support of Operation Iraqi Freedom/New Dawn and Operation Enduring Freedom. More than six thousand members of the Army National Guard and the Air National Guard have been deployed at least once—and many have deployed three or four times. Of the approximately 5,500 members of the National Guard, about 250 are deployed at any one time. The remaining available personnel within the state have been able to respond to their second mission, that of responding to disasters when called by the Governor. For the Democratic National Convention, over 2100 personnel and 200 vehicles were on standby to assist local authorities as necessary. I point this out to assure the citizens of Colorado that in spite of the War, we are able to respond to the needs of the State.

In spite of our frequent deployments, family separations, and career disruptions our recruiting efforts continue to be strong as we have managed to maintain our force structure close to 100 percent of the authorized strength. For example, at the end of our State FY 2011 our Army National Guard assigned strength level was 99.6% and our Air National Guard assigned strength level was 94.3%. The Army Guard recruiting success has resulted in the addition of an 800 plus man Infantry Battalion which is now formed in Grand Junction, Fort Lupton, Colorado Springs, Windsor, and Alamosa. This new mission has provided for our greater community presence and improved our ability to respond to state emergencies.

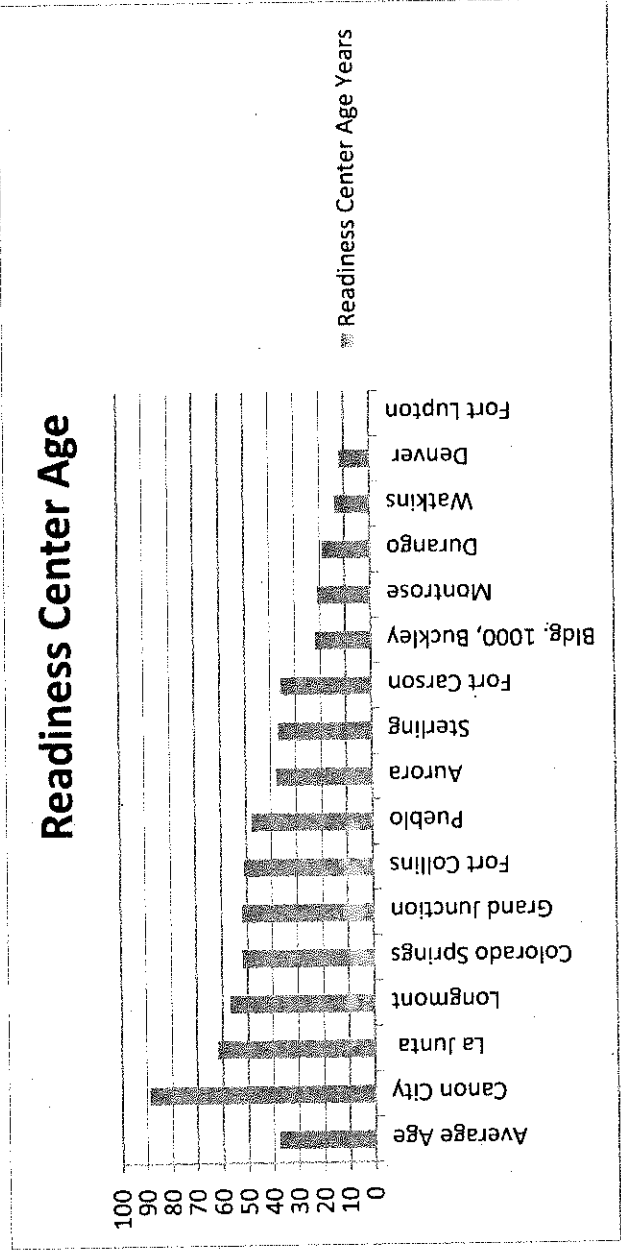
The Division of Veterans Affairs has also felt the impact of the nation's wars as the number of new veterans, many of them Guardsmen and Reservists, qualify for benefits. In addition to this growing caseload whose numbers have doubled in the last 2-3 years, they have been participating in transition assistance programs to explain veteran benefits to those returning from deployments. During the same time period, the Division was tasked by legislative mandate to administrate and screen applicants for the Property Tax Exemption for those rated 100% disabled due to injuries that occurred while they served in the military (SCR06-001 also known as REF E), as well as operate and maintain the Colorado State Veterans Resource Directory website (colorado.gov/cvr) under the Statewide Internet Portal Authority (SIPA). This new workload is being added to one that was already growing due to health issues experienced by our aging Korean and Vietnam era veterans seeking state assistance.

The Division of the Civil Air Patrol (CAP) is somewhat similar to the National Guard in that its 15 powered aircraft, three gliders, and 20 vehicles are provided through the federal CAP headquarters; but the State provides important financial support for aircraft maintenance and operations. Since CAP is an all-volunteer organization, the State also provides one full-time paid employee. In Fiscal Year 2011, the Colorado Civil Air Patrol flew more than 2600 hours in support of Search and Rescue, Cadet Programs, and Aerospace Education in Colorado. The nearly 2100 volunteers of the Colorado Civil Air Patrol proudly serve their communities and the State of Colorado by attending regular training events and meetings, as well as conducting self-guided proficiency flights in preparation for Emergency Services missions.

The Wing received a "SUCCESSFUL" rating during the 2011 Air Force Evaluated Search and Rescue Exercise. Colorado Wing has demonstrated superior property accountability by

receiving an “EXCELLENT” rating on the 2011 Survey Audit – an inspection conducted by our Air Force partner to verify proper accounting for non-expendable assets. In addition, Colorado Wing earned a “HIGHLY SUCCESSFUL” rating during the Compliance Inspection conducted in June 2011. Colorado Wing was recognized with the 2011 Excellence and Outstanding Achievement in the Cadet Program Awards and the 2011 Excellence in Aerospace Education Award for Rocky Mountain Region. The Cadet Honor Guard and Drill Team from the Thompson Valley Composite Squadron won the Rocky Mountain Region Cadet Competition. A new cadet squadron was established in Cortez. Citizen volunteers of the Civil Air Patrol also participate in Homeland Security Exercises together with the Air National Guard, CAP and the Army National Guard also work together with State and County authorities in Counter Drug missions, helping to stem the trade of illicit drugs in the State of Colorado.

The economic downturn and resultant budget reductions have a significant impact on the Department. In making reductions, we have sought to save positions as the Department staff is small, with many one or two person functional areas—such as human relations, payroll and budget. In these cases, personnel reductions eliminate a critical function. We have therefore taken reductions in maintenance operations—for the Army National Guard, Air National Guard and the Division of Veterans Affairs. The result will be deferred maintenance on buildings.



The economic downturn has also placed at risk the newly acquired infantry battalion. Through the support of veterans and the General Assembly through HB 10-1140, we have been able to begin construction on the Grand Junction Readiness Center and begin to acquire land for the Windsor and Alamosa Readiness Centers. The federal government has appropriated and programmed nearly \$60M in federal funds for construction of new armories for the Infantry Battalion. The State must match the construction budget for Alamosa with 25% State funds. We will work closely with the Governor and General Assembly to fund the required State share of the Alamosa Readiness Center construction.

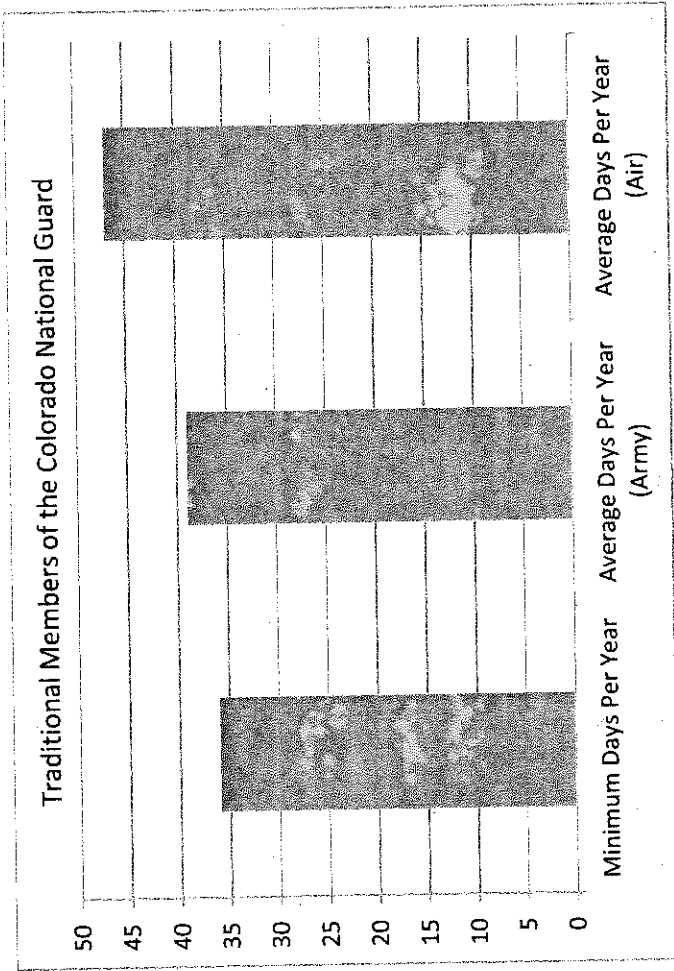
H. Michael Edwards
 Major General, Colorado Air National Guard
 The Adjutant General and Executive Director

2. Introduction

The Department of Military and Veterans Affairs consists of three functionally related but separate divisions:

1. National Guard, the federally recognized state military force comprised of approximately 4000 Army National Guard and 1500 Air National Guard personnel.
2. The Division of Civil Air Patrol consisting of one state employee to provide support to the nearly 2100 volunteer members of the Colorado Wing, Civil Air Patrol.
3. The Division of Veterans Affairs which consists of State Veterans Service Officers and the Veterans Memorial Cemetery of Western Colorado. The Division supports the Board of Veterans Affairs, a seven member board appointed by the Governor and reporting to the Governor and General Assembly as a Type II Board through the Adjutant General.

The National Guard exists primarily to augment the national active duty forces when so ordered by the President. It is this mission that generates the equipment, manpower authorizations and training provided by the federal government. From the perspective of Colorado citizens, these trained people living in the community provide the State with an important resource to respond to natural disasters or other State needs for security and assistance. However, when they serve in this State capacity, the State must fund the pay and must "rent" the equipment from the federal government. The State also has a responsibility to provide, operate, and maintain readiness centers (armories) and other facilities for the units. The federal government assists in these functions by means of a Master Cooperative Agreement that specifies State and Federal funding shares for construction, operations and maintenance. About eighty percent of all Guardsmen train one weekend per month and 15 days in the summer. (However, as noted in the Executive Director's letter, many have been deployed in support of the federal mission at least once in the past five years.)



The remaining twenty percent are all full time federal employees—charged with planning, training, administration and maintaining equipment. (The AGR force also provides an operational force as well). They provide an important, but very limited, immediate response capability. While the Army National Guard is spread out in armories/communities literally across the State, the Air Guard is primarily located at Buckley Air Force Base in Aurora (F-16 fighter mission), Greeley Air National Guard Station (space warning mission) and Peterson Air Force Base in Colorado Springs (executive airlift mission). There are currently 887 Army Guard and 619 Air Guard full time personnel. There are 4036 Army Guard personnel (22% full time) and 1538 Air Guard personnel (40 % full time). The current combined total is 27% of full time personnel to part time personnel.

The Division of Veterans Affairs serves as the “hub” of a network of Veterans Service Officers and the United States Department of Veterans Affairs. They provide training, certification and technical support for County Veterans Service Officers who then assist veterans in the counties to obtain benefits they have earned from the United States Department of Veterans Affairs. The network thus has responsibility for providing claim support services to the over 427,000 veterans, registered with the U.S. Department of Veterans Affairs residing in the state of Colorado. The division has six Veterans Service Officers and monitors and supports the activities of over sixty County Veterans Service Officers. The Division has also utilized the Veterans Trust Fund to purchase a web-based claims management program for each county to assist in a streamlined and uniform statewide claims processing system. The Division also administers the

prequalification for the REF E property exemption; since May 2007, the Division has processed about 7000 applicants for this benefit. During the course of the last 4 years, 3772 veterans, statewide were awarded this benefit. The Division currently maintains the website colorado.gov/cvr which is an online partnership of "shared care" providing information on, and access to, services and resources for wounded, ill and injured service members and veterans, their families and families of the fallen, and those who support them from recovery and rehabilitation to community reintegration. The Division has also spearheaded a statewide effort to identify a underrepresented cliental, women veterans. In September 2011, the Division hosted the first Colorado Women's Conference and Health Expo. This endeavor provides a network forum for women veterans from all wars, educate women veterans on their benefits and health care programs available to them, and to provide assistance with employment opportunities.

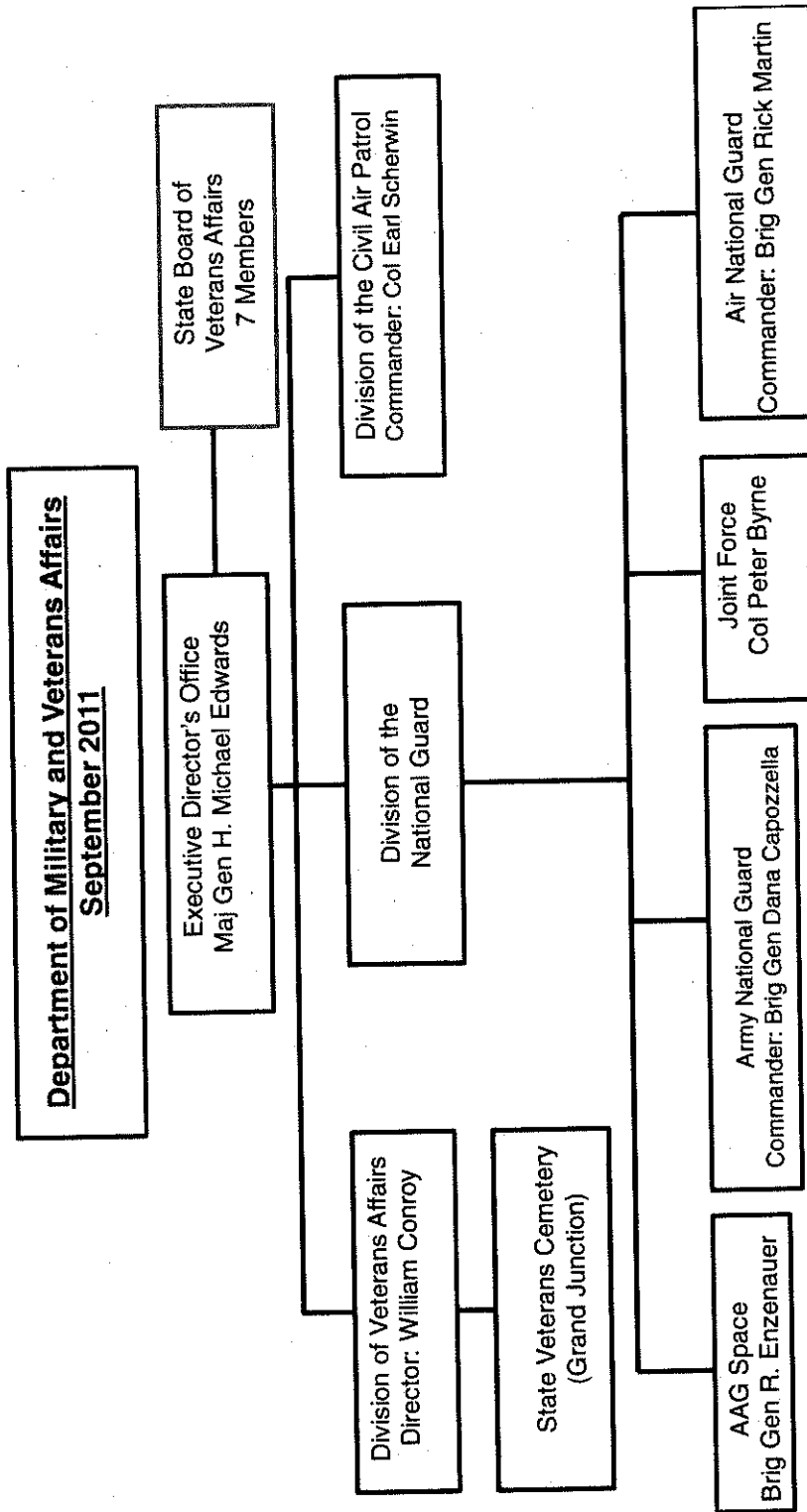
The Division also manages the Veterans' Memorial Cemetery of Western Colorado located in Grand Junction. The Cemetery was inaugurated on 17 July 2002. The cemetery conducts an average of five interments per week and has a total of more than 1400 veterans, spouses and dependents interred. The Division supports the activities of the State Board of Veterans Affairs. The Board provides advice on veterans' needs and issues to the Adjutant General and the General Assembly. It also administers the grants program derived from funds in the Veterans Trust Fund which receives its annual funding from the Master Tobacco Settlement.

The Division of Civil Air Patrol supports the Colorado Wing with its 14 Cessna and 1 Gippssland GA-8 search aircraft and ground search vehicles and the Cadet program for 12-21 year olds. The senior squadrons provide trained volunteer pilots and observers across the State, and along with cadets, ground teams, who can respond to national and state missions for search and rescue, transport and homeland security missions. The Cadet Squadrons provide aerospace education and activities in a structured "military" environment and exist all over Colorado. The Division provides important financial and administrative support to the activities of the Wing.

3. Federal and State Statutory Authority:

The Department functions under the authority of Title 28 Colorado Revised Statutes (2011), Title 32, United States Code (2011)(National Guard) and Title 38, United States Code (2011)(Veterans).

4. Organizational Chart



5. Department Mission:

To provide day-to-day command and control, guidance, policies, administrative and logistics support to the Army and Air National Guard, Division of Veterans Affairs and Division of Civil Air Patrol. By statute, that support includes safekeeping and management of military real estate, veterans cemetery, equipment, facilities and buildings; publishing necessary regulations, orders and reports; maintaining records; and hiring personnel to carry out those missions.

6. Five Year Vision:

As the Department moves ahead through the next five years, the needs of the three divisions are fairly clear. Within the National Guard, facility improvement is the primary focus. In Veterans Affairs, the growing health needs of an aging veterans' population and the needs of the new generation of veterans from the Global War on Terrorism will be a focus. The Civil Air Patrol will focus on training and maintaining its membership to ensure adequate emergency services capability.³

Colorado National Guard

Army National Guard - A key Department statutory requirement is to build and maintain readiness centers. The average age of the Department's readiness centers is approaching forty years and many do not meet current safety code requirements. While some of these requirements are being addressed through controlled maintenance, many of the facilities are no longer suitable for unit training. In many cases, such as Canon City, Boulder, Longmont and Sterling, this is because what was outside the city fifty years ago is now surrounded by urban growth. We will seek to replace these armories with better situated modern facilities that fully meet the unit's training requirements. The Department is establishing its presence in key Colorado communities by building new facilities. As the facilities in Fort Lupton and Grand Junction come on line and construction begins in north Colorado Springs and Windsor, the Department looks to its ultimate goal of completing the five new readiness centers that were programmed with the advent of the 1/157th Infantry Regiment. Capital Construction funding to cover the state share of the Alamosa construction in the coming year is critical to achieving this goal.

Colorado Army National Guard Military Construction Projects

| Regional Training Institute | | Fort Carson | | | FY11 | | |
|-----------------------------|-----|----------------------|---------|-------------------|------|-----------------|---------|
| Total St Investment | \$0 | Total Fed Investment | \$45.5M | Projected Workers | 1345 | Projected Labor | \$16.4M |
| Training Center Complex | | Fort Carson | | | FY12 | | |
| Total St Investment | \$0 | Total Fed Investment | \$49.0M | Projected Workers | 1450 | Projected Labor | \$17.7M |

| High-Altitude Army Aviation Training Site | | Gypsum | | | | FY11 | |
|---|---------|----------------------|----------|---------------------------------|------------|-------------------------------|------------------|
| Total St Investment | \$0 | Total Fed Investment | \$45.6M | Projected Workers | 1350 | Projected Labor | \$16.5M |
| Grand Junction Readiness Center | | FY09 | | | | | |
| Total St Investment | \$4.0M | Total Fed Investment | \$11.2M | Workers t Date Projected Worker | 400 450 | Labor to Date Projected Labor | \$4.5M \$5.5M |
| Fort Lupton Readiness Center | | FY09 | | | | | |
| Total St Investment | \$7.8M | Total Fed Investment | 10.9M | Final Workers | 555 | Final Labor | \$6.0M |
| N Colorado Springs Readiness Center | | Air Force Academy | | | | | |
| Total St Investment | \$0 | Total Fed Investment | \$24.6M | Projected Workers | 725 | Projected Labor | \$8.9M |
| Windsor Readiness Center | | FY11 | | | | | |
| Total St Investment | \$5.5M | Total Fed Investment | \$9.0M | Projected Workers | 435 | Projected Labor | \$4.8M |
| Alamosa Readiness Center | | FY12 | | | | | |
| Total St Investment | \$3.6M | Total Fed Investment | \$7.7M | Projected Workers | 335 | Projected Labor | \$3.9M |
| Tactical Unmanned Aircraft System Facility | | Buckley AFB | | | | | |
| Total St Investment | \$0 | Total Fed Investment | \$4.2M | Projected Workers | 125 | Projected Labor | \$1.5M |
| Mailroom/Plaza at Head Quarters | | Centennial | | | | | |
| Total St Investment | \$1M | Total Fed Investment | \$1.3M | Final Workers | 50 | Final Labor | \$7M |
| 10 MILCON Project Totals | | | | | | | |
| Total St Investment | \$21.2M | Total Fed Investment | \$209.0M | Projected/Final Workers | 5,475 | Projected/Final Labor | \$81.9M |

Air National Guard – Evolving technology and expanded national focus on space and cyberspace present unique challenges for the Air National Guard. As the only 24 hour/365 day Air Sovereignty Alert force in the central United States, the 140th Wing plays a vital role in national security. Assuring continued capability in manned fighters by transitioning to newer versions of the F-16 and ultimately to the F-35 fighter remains a top priority. Likewise the legacy C-21 aircraft of the 200th Airlift Squadron will need to be replaced to continue to support the executive airlift mission. Legacy equipment is also an issue for the 137th Space Warning Squadron retains a unique and specialized mission set. Air Force Space Command has been supportive in updating the 137th SWS' legacy equipment to ensure its ability to operate effectively with new technology that is coming online.

Division of Veterans Affairs

The state's veteran population is declining as a result of the passing of large numbers of WW II veterans. However, the remaining number of veterans are aging, experiencing more health care problems and suffering the impact of current economy, which puts a demand on the overall system. Those with access to federal veterans' health care will place increasing demands on the system. Many of those that have not qualified for health care will seek access by trying to establish a link between current health issues and injuries that occurred while they were serving in the military. VA claims are very difficult and can be time consuming to establish. This will add greatly to the workload of the Department's network of county and state veterans service officers. As a short term relief measure to help offset this increase, the Division has incorporated the statewide data processing system which will allow for a streamlined and uniform claims management program from the client level to final federal adjudication. Increasingly, the Division is called upon for "outreach" programs for new veterans returning from overseas. The six certified service officers often have difficulty meeting these new and growing demands in addition to the 50% workload increase over the past years. It is important to note that an increase in federal VA benefits decreases a need for state dollars in those communities. In short, a veteran who is receiving federal health care and compensation for war time injuries is less likely to utilize Medicare and State or County social services. Therefore, additional FTE will be essential to the continued success of this Division when the fiscal climate permits staffing increases to be contemplated.

Division of Civil Air Patrol

The one-person office administers and tracks State funds and property, and serves as a division liaison to various municipal, county and state agencies for Civil Air Patrol support to those agencies. The ongoing funding of this division is critical in sustaining the required level of training of members and fuel expenses for vehicles and aircraft.

7. Department Goals:

1. Coordinate Collaborate and Communication Veterans' Service Benefits and Provide Training and Certification for County Veteran's Service Officers (CVSO)
 - Measure # of CVSOs who are trained each year.
 - Measure % of Counties who participate each year.
 - Measure # of Veterans served each month by DVA.
 - Participate and monitor Stand Downs for quality and service.
 - Increase Veterans benefits within the State.
 - Educate Veterans on their benefits.
2. Provide Governor with Trained and Ready National Guard Forces and Civil Air Patrol for State Support to Civil Authorities
 - Successfully meet 100% of Governor and Governor coordinated tasking.
 - Maintain Ready and Trained Specialized Domestic Response Assets.
3. Provide the Federal Government with a Trained and Ready National Guard Force for Execution of Assigned Federal Missions
 - Maintained ready forces.
 - Report readiness assessments.
 - Maintain critical manning levels.
 - Assess completed missions.
4. Maintain National Guard Member and Family Support Programs
 - Continue proper support level.
 - Maintain the National Guard Foundation viability.
 - Respond to all valid requests for support.
5. Participate and Influence Force Structure Modernization Discussions and Decisions
 - Facilities
 - Missions
 - New missions
 - Equipment

8. Department-wide Performance Measures and Benchmarks

Goal 1

| | FY 2008-09 | FY 2009-10 | FY 2010-11 |
|--|------------|------------|------------|
| Number of CVSO's Trained | 80 | 79 | 72 |
| Percent of Counties participating in CVSO training | 75 | 80 | 77 |
| Average number of veterans served (by month) | 41 | 195 | 350 |
| Number of Stand Downs attended | 3 | 4 | 6 |

Goal 2

| | FY 2008-09 | FY 2009-10 | FY 2010-11 |
|--|------------|------------|------------|
| Successfully met 100% of Governor and Governor coordinated taskings | YES | YES | YES |
| Percentage of ready and trained Specialized Domestic Response Assets | 100% | 100% | 100% |
| Number of Specialized Teams Available | 6 | 6 | 6 |

Goal 3

| | FY 2008-09 | FY 2009-10 | FY 2010-11 |
|----------------------|------------|------------|------------|
| Manning level (Army) | 100% | 100% | 99.6% |
| Manning level (Air) | 93.5% | 94% | 94.3% |

Goal 4

| | FY 2008-09 | FY 2009-10 | FY 2010-11 |
|----------------------------|------------|------------|------------|
| Support requested | 7957 | 15,444 | 19,689 |
| Requests met | 7957 | 15,444 | 19,689 |
| Percentage of requests met | 100% | 100% | 100% |

Goal 5

| | FY 2008-09 | FY 2009-10 | FY 2010-11 |
|-----------------------|------------|------------|------------|
| State and Federal | | | |
| New facilities | 0 | 0 | 2 |
| New missions received | 1 | 0 | 0 |

10. Evaluation of Benchmarks

Goal #1 Benchmark - The Division of Veterans Affairs has seen a consistently increasing workload, both in direct veteran support, as well as training and outreach to CVSO and VSO partners.

Goal #2 Benchmark - State support is one of the key missions of the Colorado National Guard and that priority is reflected in the assets provided specifically for civil support and their high state of readiness.

Goal #3 Benchmark - Manning levels remain high, reflecting the willingness of the citizens of Colorado to actively serve their fellow citizens.

Goal #4 Benchmark – This program is a priority for the Colorado National Guard as reflected by continued successful funding requests through Congress and their 100% support execution rate. The high number reflects Family Programs support beyond the Colorado National Guard to all military families in need.

Goal #5 Benchmark – This number is determined by force structure decisions made in Washington, D.C. In this austere fiscal environment, these numbers represent significant growth.

