

Appendix E: Workforce Plan

Business Functions

The Adjutant General's Department is the state agency that provides assistance and support to the Texas Military Forces. The Texas Military Forces are comprised of the Army National Guard, the Air National Guard and the Texas State Guard. The Army and Air National Guard have the responsibility of both federal and state missions. The traditional one weekend a month and two weeks each summer activities of the National Guard have evolved and now occur throughout the year, but are still funded by the federal government outside of the state legislative appropriation process.

State active duty is the response to the emergencies such as fires and floods authorized by the governor and paid by the state. During state active duty, the Adjutant General's Department is responsible to pay the Guard members for their service to the citizens of Texas. Deployments to foreign countries to fight the "global war on terrorism" or peacekeeping missions are federally funded activities. Coordination and cooperation with the Division of Emergency Management, State Auditor's Office, the Comptroller's Office, the State Office of Risk Management and the Employee's Retirement System on payroll and benefits is essential for both state and federal duty.

The Adjutant General's Department is responsible for contracting with the United States Property and Fiscal Office through a Master Cooperative Agreement to provide services to the National Guard. The breadth of services has continued to increase during the years of defense cutbacks. The State of Texas has benefited through the creation of additional federally funded state employees that impact the local economies. The primary functions provided are for building repairs, grounds maintenance, environmental oversight and protection of the state and federal installations that house our National Guard members.

The National Guard has funded several unique programs that are part of the Master Cooperative Agreement. The truck rebuild program in Saginaw employs more than 170 state employees to repair and refurbish trucks from National Guard units around the nation. The ChalleNGe program in Sheffield graduates over 150 high school aged at-risk youth with high school diplomas, GED's, college scholarships and life skills to be an asset to society. The STARBASE programs in Houston at Ellington Field and in Austin at Camp Mabry ignite the imagination of 5th graders to the possibilities that math and science can provide.

The core business processes of purchasing, accounting, budgeting and human resources management ensure that utilities are paid on the buildings, necessary repairs are completed and National Guard members are compensated when called by the Governor to respond to natural or manmade disasters. The Adjutant General's Department continues to make progress in maintaining and restoring our existing structures throughout the state to meet the training needs of our soldiers and airmen. The State of Texas gains an economic benefit of over \$1 billion a year from the \$10 to \$12 million that is appropriated each year.

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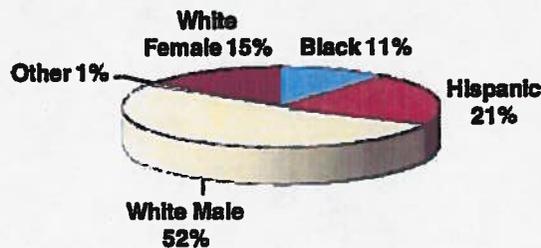
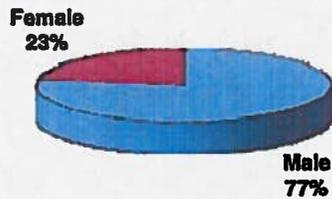
Future Considerations

The magnitudes of activities that continue to arise tax the existing federal and state infrastructures beyond our existing boundaries. The continuation of the federally funded programs through the Master Cooperative Agreement is inevitable even though they were once considered to be temporary. The sudden

change in the nation's defense plan makes many of those programs essential for the current climate. The agency will continue to evolve with the demands of the Department of Defense. If Homeland Security continues to be a state function, then considerations for hiring, housing and training experts within our agency becomes a requirement. Fortunately, most of those expenses can be borne by the federal government through the members of the National Guard at little or no expense to the state. However, the utilization of general revenue for state active duty by National Guard members for planning efforts requested by the Governor and the Division of Emergency Management has become a necessity.

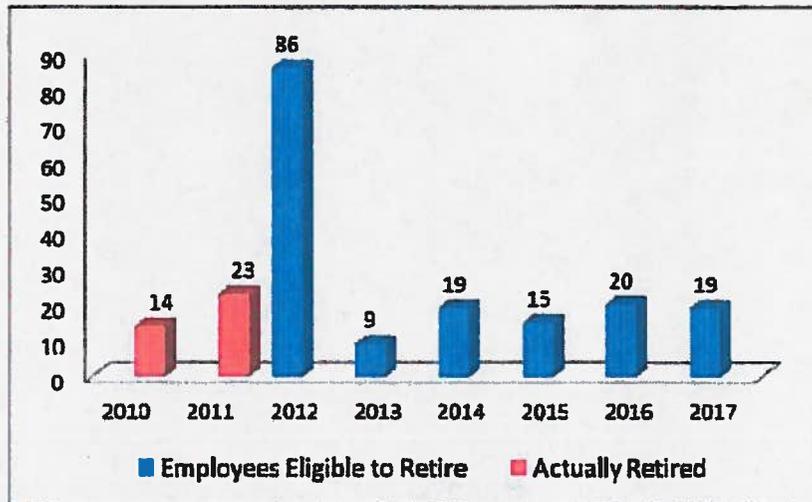
Current Workforce Profile (Supply Analysis)

It continues to be the goal of the Adjutant General's Department to be a true reflection of the state's population in all types of positions throughout the agency. The Adjutant General's Department is currently comprised of over 600 state employees. The charts below indicate the workforce makeup.

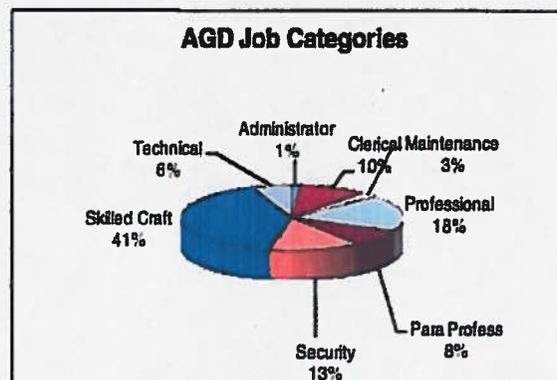


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The following chart shows the numbers of employees eligible to retire in the 2010 to 2017 timeframe. Fifty employees were eligible to retire in fiscal year 2010 and only 14 retired, and 54 were eligible to retire in 2011 fiscal year, however, only 23 actually retired. It should be noted that there are currently 17 employees who have returned to work after having retired with the state. There are many employees who have been eligible to retire for a few years, but continue to work for the state due to their dedication to public service and the current economic situation.



The Adjutant General's Department employs a diverse group of skill sets to meet the unique demands of the agency's primary customer, the National Guard. The State of Texas provides facilities throughout the state for the National Guard members to meet and train. The following chart is indicative the diversity of our workforce. Our agency employees are involved in providing grounds maintenance, crafts of plumbing, carpentry, HVAC, etc. to repair and maintain the buildings and protective services to secure the locations and equipment as well as the remaining staff being divided among the core functions of accounting, budgeting, purchasing, environmental protection, engineers, architects, legal services, youth education and human resources management.



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Future Workforce Profile (Demand Analysis)

The Adjutant General's Department continues to plan for the future through the joint strategic planning process with federal and state employees. The unique challenge of being a federal, state and military organization continues to provide obstacles to accurate forecasting. The uncertainty of the global war on terrorism and the role of homeland security and homeland defense on the National Guard will impact the daily activities of the Adjutant General's Department. The continued influx of technology will provide opportunities to do more with less, to make changes to the agency during natural attrition and to continue to reshape the workforce.

Any decrease in federal funding for homeland defense and homeland security will require the agency to increase the number of state funded state employees to assist with the coordination of new missions dictated by the Governor through the Adjutant General and the President through the National Guard Bureau.

The future functions of the state employees of the Adjutant General's Department will continue to be critical to manage the fiscal and human resources of the department. The reimbursement of expenses on behalf of the federal programs is under continuous scrutiny by the federal program managers and the state and federal auditors. This process allows the partnership between the state and the federal programs to leverage the resources to keep the Texas National Guard relevant and ready.

Gap Analysis

The Adjutant General's Department will continue to analyze the availability of all categories of employees required to efficiently manage our agency, including outsourcing , to meet all our employee needs in the future.

The Adjutant General's Department is the only state agency that currently employs firefighters. The agency's firefighters are located at Ellington Field in Houston. These federally funded employees work 24 hour shifts every third day.

The youth education program, STARBASE, will face the competition of increasing teacher salaries in the Houston and Austin areas. Since these programs are federally funded, there is little flexibility to make financial changes once the federal budgets have been set. The ability of the local industries and school boards to raise salaries will continue to lure our best teachers and support personnel away from this worthwhile program.

The specter of employee losses including retirement for roughly 17% of our employees over the next five years does concern our agency. The reality that a much smaller percentage will actually take advantage of the benefit due to the current economic trends and insurance changes provides for an opportunity to plan for our future.

At the present time less than 5% of our workforce is deployed with military units. To temporarily replace those deployed employees new employees must be hired, but they must fully understand that the deployed employee maintains the right to the position when the employee returns from active duty.

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Strategy Development

The Adjutant General's Department has been actively involved in process improvement for the last ten years. This process has already begun to recommend and establish policies and procedures that make our agency an attractive place to work. The state employees have been welcomed into the Texas Military Forces family because of the interdependency of the state and federal programs upon each other.

The agency's flexible work schedule, wellness program, employee assistance program, recruitment plan, career ladder and a comprehensive retention program are benefits to the employees. The ability to work four 10 hour days or a flex schedule for a five day workweek have proven to be a benefit that few people want to leave. The multi-faceted wellness program allows our employees to explore and expand their physical well-being during the business day. The stress and strain of daily life has made our employee assistance program a good investment. The agency's recruitment plan continues to reach out to the entire state. Employee's of the Texas Military Forces, whether federal or state, recommend our agency and recruit for the positions that become available.

As positions become vacant due to attrition, they are examined to determine whether they should continue to exist as a state or federally funded position. Technology has developed to an extent to allow the combination of responsibilities into a single position. If the combination creates more complexity, then appropriate personnel actions are recommended to the Command Group.

The agency's career ladder has some limitations due the unique state, federal and military organization. This unique combination requires that some positions be federal or military due to the funding agreements. A state employee has the ability to take advantage of training that is provided by the federal and military organizations to grow within the agency. This training benefits both the state and federal missions, while allowing an employee to take on additional duties and be rewarded through promotion or reclassification.

Cross functional process action teams are created to allow leadership opportunities for employees. These teams come with training on the approach and methodology of examination and reporting. The problem or process maybe state, federal or a combination of the two, but the input of employees from different areas is found to be valuable to completely analyze the situation from all perspectives.