

STATE ARMORY BOARD

July 15, 2020

The State Armory Board (SAB) convened at 10:02 A.M., Wednesday, July 15, 2020 at Building 5016, located at the Muscatatuck Urban Training Center (MUTC), Butlerville, Indiana.

MEMBERS PRESENT:

MG (Ret) R. Martin Umbarger—President
BG (Ret) Ronald W. Henry—Vice-President
BG R. Dale Lyles—The Adjutant General—Secretary-Treasurer
COL (Ret) Marjorie K. Courtney—Member
COL (Ret) Timothy R. Warrick—Member
MSG (Ret) Donivan J. Mahuron—Member

OTHERS PRESENT:

BG Timothy Winslow—Director, Joint Staff
Mr. Scott R. Collins—Director, State Operations
COL (Ret) John Silva—Controller
Mr. Jason Thompson—Agency General Counsel
MAJ Ken Washington—Staff Judge Advocate's Office
Mr. Jeremy LaFountain—Facilities Operations Supervisor
Mrs. Mary Carrico—Director, State Purchasing & Contracting
Ms. Bianca Kearby—Legislative Liaison
Mrs. Deborah Schmidt—U.S. Property and Fiscal Office for Indiana,
Grants Officer
Mr. Rick Stigall—Muscatatuck State Director
MG (IGR) Bruce Bowers—Commander, Indiana Guard Reserve
COL (IGR) Michael Ney—Director of Personnel, Indiana Guard
Reserve
SSG Aaron Zwissler—Civil-Military Operations (J9) NCOIC
Ceremonial Unit Operations
LTC Stephen Spencer—Commander, Muscatatuck Urban Training
Center
CPT T.J. Gilfoy—Aide de Camp to the Adjutant General

THOSE ABSENT:

LTC Elizabeth Murphy—Staff Judge Advocate’s Office
Mr. James Mahern—Director, State Facilities
Mr. Steve Hines—Construction Facilities Management Officer
Mrs. Stephanie Brossman—Field Auditor

MINUTES OF LAST MEETING:

Motion to approve the Minutes of the July 15, 2020 Meeting was made by Colonel Courtney, seconded by Colonel Warrick, and carried.

4. TREASURER’S REPORT:

Colonel Silva informed the Board as part of the CoVid-19 Response Measures, the Adjutant General’s Agency did not have an Indiana State Purchase Card which allowed for State Active Duty purchases/expenses; however, he worked with the State Budget Agency to allow for the State Armory Board credit card to be used the purchase of meals and lodging for the soldiers and airmen on State Active Duty. Over ninety percent (90%) of the charges placed on the State Armory Board credit card have been reimbursed by the federal government for a total of fifty-three thousand dollars.

General Lyles expressed his appreciation for the State Armory Board’s financial assistance. He mentioned other states had indicated difficulty in securing food and lodging for their soldiers and airmen and praised the Board the use of their credit card.

Colonel Silva stated the balance of the State Armory Board Checking Account is \$2,449,956.46; factoring in an additional \$78,805.56 Accounts Receivable, gives the Board \$2,528,762.02 Current Assets.

The Certificate of Deposit with Bippus State Bank will be renewed before the next Board Meeting. Colonel Silva cautioned the Board, banks are not paying much, in terms of interest; but it is his

intention to keep the various Certificates the Board already has. End of fiscal year inquiries have been mailed to banks which have Armory Board monies deposited into them, as required by the State Board of Accounts.

Colonel Silva informed the Board the IGR and Ceremonial Unit would be presenting their annual budget requests, later in the meeting. He stated the IGR had turned in \$30,395 of unused funds, and the Ceremonial Unit turned in \$38,012. He also stated the Lawrence Wellness Center has not used \$11,000 of their funds. Colonel Silva further stated the balances for Knightstown, Hoosier Youth Challenge Academy, and Muscatatuck have been updated to reflect their end of fiscal year 2020 balances.

Colonel Silva reminded the Board there is a Comprehensive Annual Financial Report to be filed with the State Board of Accounts on August 9, 2020. General Lyles inquired about the State Armory Board going through an audit. Colonel Silva informed him it is a document review of the Board's balance sheets, as the Board's account went through a full-audit last year.

General Umbarger asked how much the farm lease was at Knightstown, Mr. Jason Thompson replied it was a bit more than sixty thousand dollars. Sergeant Mahuron inquired the amounts on the Local Armory Board Accounts, if the amounts were low due to not having rentals. General Lyles informed him rentals were down as the armories have been closed as a result of the CoVid-19 pandemic, specifically the Center for Disease Control (CDC) guidance to not allow large gatherings. Colonel Silva indicated there are some armories whose funds are so low; they are requesting assistance from the Board to purchase fuel.

Motion to approve the Treasurer's Report was made by Sergeant Mahuron, seconded by Colonel Courtney, and carried

5. MRS. MARY CARRICO WILL PROVIDE AN UPDATE ON CURRENT STATE ARMORY BOARD CONTRACTS.

Mrs. Carrico stated there were no new contracts to bring before the Board at this meeting; however, she would have some coming up in the future, and would bring them to the Board for signature at a later date.

6. MG (IGR) BRUCE BOWERS WILL PRESENT THE FISCAL YEAR 2021 BUDGET FOR THE INDIANA GUARD RESERVE (IGR).

General Bowers briefed the Board on the status of the IGR. He began by stating the IGR was returning approximately thirty thousand dollars in unused funds during Fiscal Year 2020. He indicated this is a result of not being able to participate in three months' previously scheduled missions, due to the CoVid-19 pandemic. He stated membership in the IGR is comprised of 101 officers, 16 warrant officers, and 158 enlisted soldiers—this amount is down by thirty persons; however, there are thirteen enlistment packets being processed to bring the total membership of the IGR to 288 members.

General Bowers briefed the Board on missions the IGR has participated in since the beginning of the CoVid-19 pandemic: He stated the IGR has raised approximately three hundred fifty thousand dollars in medical and personal protection equipment (PPE) for distribution across the state. He indicated one IGR officer contacted the Bally Foundation, resulting in the delivery of two semi-truck trailers filled with medical equipment which was cleaned, repaired, and distributed throughout the state by members of the IGR.

An additional one hundred thousand dollars (\$100,000.00) was raised in funds and equipment: soldiers used materials included with the donations to assemble face guards. The donated items were taken to the Hoosier Veterans Foundation, the Indiana

National Guard, the American Red Cross, the Indiana Department of Homeland Security, and the Indiana Health Department.

General Bowers informed the Board the IGR has played an important role in manning food pantries, points of distribution for PPE, and volunteering at testing centers. He indicated these events have made up for missions they were not permitted to participate in during May due to the pandemic: Indianapolis 500 Mini-Marathon, Armed Forces Day, and Memorial Day.

General Bowers asked for an increase in the areas of office equipment, meals, and uniforms.

General Lyles expressed his appreciation for the IGR, stating the organization is heavily relied upon to support the National Guard in their many missions throughout the state; however, he cautioned the IGR against wanting to adopt the new Operational Camouflage Pattern, stating there needs to be “a delineation from the IGR and the National Guard,” to avoid public confusion between the two organizations. General Lyles concluded his statement regarding the IGR, by emphasizing his appreciation for them and all the work they do in support of the Indiana National Guard.

Motion to approve the fiscal year 2021 IGR Budget in the amount of \$72,000.00 was made by Sergeant Mahuron, seconded by Colonel Courtney, and carried.

7. ON BEHALF OF COL FELICIA BROKAW, SSG AARON ZWISSLER WILL PRESENT THE 2021 BUDGET FOR THE INDIANA CEREMONIAL UNIT.

Sergeant Zwissler briefed the board on the status of the Ceremonial Unit, noting they, like the IGR have seen a decline in the number of missions they have gone on since the onset of the CoVid-19 pandemic. The Ceremonial Unit has thus far completed six (6) full-honor funerals. They have provided a two-man detail to over forty (40) funerals of former Guardsmen.

Sergeant Zwissler informed the Board of the Ceremonial Unit's desire to acquire a new vehicle as their current Ford F-350 is in need of between six and ten thousand dollars' repairs; the truck is over twenty years old. He stated the unit has already turned in another vehicle which was beyond its maintenance ability and was no longer needed. Sergeant Zwissler stated the purchase of a new vehicle would cost in the high-teens, low twenties, and would be used to tow the caisson.

Colonel Courtney asked if the Ceremonial Unit would be able to enter into a rental agreement with an outside source which specializes in vehicle rentals. Sergeant Zwissler informed her it would take between seven to ten days to receive a vehicle of the size needed to accommodate the Ceremonial Unit. General Lyles requested Mr. Scott R. Collins form an investigative panel, researching avenues of approach to procure a vehicle for the Ceremonial Unit.

Sergeant Zwissler asked for the equine caretaker, Shelly Tarr, receive a pay increase of three percent—she has been the barn manager for the past ten years.

A request to increase the amount needed in barn repair and upkeep has increased by \$2,500.00 from last years' request. The increase is needed because repairs are needed for the stable and barn lot. Sergeant Zwissler reported there are moisture control issues for the horses, causing them to have infections from walking through deep mud. Sergeant Zwissler stated he would prefer the monies to repair buildings used by the Ceremonial Unit come from their budget rather than the Knightstown budget as it would allow the campus to utilize their funds exclusively. He re-emphasized the requested five thousand dollars for repairs would be used for tuck-pointing, pulling in some mortar, and pasture repairs.

Of the thirty-eight thousand dollars (\$38,000.00) returned by the Ceremonial Unit, Sergeant Zwissler stated seven thousand (\$7,000.00) had been set aside for the unit's training session with the "Old Guard" in Washington, D.C.; he emphasized this trip is a

big recruiting point for the Ceremonial Unit, and is money well spent each time the unit trains in Washington, D.C.

Sergeant Zwissler concluded his brief to the Board by stating there is a White Sheet for a proposed change to horse care; otherwise their budget remains the same as last year's.

General Lyles informed the Board he has been presented with the Ceremonial Unit White Sheet Proposal a few days ago, wherein, a request was made to propose moving the horses from Knightstown to a private stable. He stated the proposal was hastily put together and was not ready to come before the Board for discussion. It is General Lyles' desire to allow the Ceremonial Unit to continue to operate with the monies they currently have; to have them appear before the Board at the next meeting, citing if there is a financial advantage to moving the horses, and allow the Board to make the decision regarding movement.

General Umbarger suggested the Ceremonial Unit continue to operate using the thirty-eight thousand dollars they have remaining in their Fiscal Year 2020 budget, thereby, tabling approval of their Fiscal Year 2021 budget until the next meeting.

General Lyles asked Mr. Scott R. Collins to assemble a research team and have the in-depth findings relayed at the next Armory Board Meeting.

Ceremonial Unit Fiscal Year 2021 budget has been tabled until the next meeting of the State Armory Board.

8. MR. JASON THOMPSON AND MRS. DEBORAH SCHMIDT WILL PROVIDE THE BOARD AN UPDATE ON THE STATUS OF THE CYBER ACADEMY AT MUSCATATUCK URBAN TRAINING CENTER (MUTC); TO ESTABLISH AN ACCOUNT FOR THE RECEIPT AND MANAGEMENT OF CYBER ACADEMY REVENUE. INITIAL SUPPORT FROM THE BOARD IS \$10,000.00, TO BE REPAYED IN-FULL NOT LATER THAN NOVEMBER 1, 2020.

Mrs. Deborah Schmidt, federal grants officer with the U.S. Property & Fiscal Office (USPFO) for Indiana briefed the Board on establishing a Memorandum of Understanding (MOU) between the State Armory Board and Ivy Tech State College as part of the recent merge between the Adjutant General's Office (AGO) and Ivy Tech.

Mrs. Schmidt informed the Board oversight of the Cyber Academy had been handled by the Indiana Defense Network (IDN) from 2018 until April 2020 when the administrative portion of the program was handed off to the AGO. At the time, the Cyber Academy was conducting its second or Cohort 2 phase and shifted to an on-line learning only environment. Cohort 3 is scheduled to begin on 17 August 2020 with twenty-seven students; fourteen of those students will be staying in the Muscatatuck dormitories of the former Patriot Academy.

Ivy Tech will manage the instructional portion of the program: professors, computer lab, other academic related items geared toward assisting the students to earn their degree, whereas the AGO will manage the day-to-day functionality of the dormitories.

General Lyles stated partnering with Ivy Tech for the oversight of the Cyber Academy program would legitimize the purpose of the State Armory Board above and beyond what has historically been done, giving him the agility and flexibility to take program income/revenues and put them in to a legitimate organization, disburse those funds back into the tower organization and to give a clear audit trail for the state auditors. General Lyles believes there could eventually be a pass-through charge to off-set administrative charges and generate income for the State Armory Board by bringing more businesses through Muscatatuck. He further expressed concern if the AGO does not take this opportunity, the future of the Cyber Academy could be at risk. The State Armory Board gives flexibility to the AGO as a legal organization that can leave a legal audit trail.

Mrs. Schmidt said the other agency non-appropriated accounts: lodging and Morale, Welfare, and Recreation (MWR) are kept in separate bank accounts and are not under the burden of

the state budget, nor do they get the routine State Board of Accounts audit that we get with the Armory Board.

General Lyles again stated by the AGO taking on this program, he will be able to go to the State Budget Agency and provide the legitimacy of the State Armory Board, as this program will strengthen the Board's position with the state.

Colonel Courtney asked if the Cyber Academy account would be merged into the State Armory Board account, much like the Knightstown account was. General Lyles indicated a separate account would be created for this account to include its own income statement and balance sheet for more clarity.

Colonel Warrick questioned the status of the students at the Cyber Academy to which Mrs. Schmidt replied they were civilians which is why the State Armory Board was needed to support the program.

Sergeant Mahuron asked for clarification on how the students paid for their tuition and room and board at the Cyber Academy. Mr. Jason Thompson explained that the students paid their tuition to Ivy Tech, and room and board expenses of \$8,100.00 were paid to the State Armory Board, he further stated those charges for room and board were comparable to what students had paid before; they were also on the low-end in comparison to other universities. Sergeant Mahuron asked how the rates would work for Guardsmen, to which General Lyles replied they would be reimbursed through education benefits.

Colonel Warrick questioned the federal agreement to use the old Patriot Academy. Mrs. Schmidt stated the federal portion of monies: facility usage and utilities would be reimbursed to the USPFO to be applied to program income.

General Lyles and Mrs. Schmidt explained to Sergeant Mahuron the benefits of students attending the Cyber Academy at Muscatatuck: it is a two-year Applied Science Associate's Degree Program condensed into one-year as the students attend classes and live at MUTC, the cost of the program is around \$16,000.00;

however, upon graduation from the academy, students are reporting earning an annual salary of \$60,000.00 General Lyles emphasized one student who already had a bachelor's degree, went through the academy, earned the cyber certificates (Security+, A+, and Network+) and acquired a position which pays \$102,000.00 annually.

Mrs. Schmidt explained to the Board the certificates are more valuable to the students in securing high-end jobs than what the Applied Science degree affords them.

General Lyles is hopeful by Guardsmen signing up for the Cyber Academy will initiate a growth in the Guard's Cyber Battalion. He further stressed the course is limited to one class per year; however, there is a waiting list to attend.

General Umbarger agreed the Cyber Academy is a great benefit to the State Armory Board, Indiana Guardsmen, and the state of Indiana; and this use is appropriate for the vision that was initiated when Muscatatuck was acquired by the Indiana National Guard.

Mr. Thompson approached the Board and asked for a short-term loan to cover the initial "start-up" costs for Cohort 3 at the Cyber Academy: Ten thousand dollars (\$10,000.00) to be used for carry-over contracts for dorm room cleaning, internet/wi-fi access, cable television, trash disposal, and dorm supplies for the incoming students. He and General Lyles emphasized the students living in the dorm rooms would be social-distanced from one another as per the Center for Disease Control (CDC) guidelines. General Lyles stated the loan would be paid back to the Armory Board by 1 November 2020 after receiving rent from Ivy Tech and the enrolled students.

Colonel Courtney recommended approval for the State Armory Board to be used as the legal mechanism to house revenue generated by the Cyber Academy Program. She further moved the Board approve a short-term loan of \$10,000.00 to the Cyber Academy with a payback date of 1 November, 2020, and give the

AGO the ability to construct whatever that mechanism is to involve the funds. Second by General Henry and carried.

9. MR. JASON THOMPSON AND MRS. DEBORAH SCHMIDT WILL BRIEF THE BOARD ON FUTURE OPPORTUNITIES TO SUPPORT THE INDIANA NATIONAL GUARD BY SERVING AS AN OVERSIGHT AND FISCAL MANAGEMENT CONSTRUCT FOR VARIOUS REVENUE GENERATION ACTIVITIES THROUGHOUT THE STATE.

Mr. Thompson elaborated the State Budget Agency prefers to manage the monies they give to the AGO. Talking about revenue, that is not an appropriation. How is that money handled? Program income—is generally maintained by the federal government; however, place to temporarily house the money as a portion of it needs to go back to the federal government. Administrative fees do not go back to the federal government. The Armory Board is a legal construct that can hold the money, and they are not governed by PeopleSoft rules. The State Armory Board is able to manage these funds in that manner. Program opportunities are found at Atterbury, Muscatatuck, Stout Field (Ahner Auditorium and Minuteman Auditorium). Non-appropriated Funds at Camp Atterbury are another example of how monies are managed aside from federal/state guidelines. The Armory Board would play an integral part in housing these funds.

Mr. Thompson went on to say he would come back at a later time and discuss further, the measures the Armory Board would need to take to oversee revenue generated by programs/events which were not designated by either the federal or state governments. It is his hope, as well as General Lyles' that an active flow of money could be maintained by the State Armory Board.

General Lyles told the Board he had been asked by the governor in a method to "Move Indiana," to find a way to put program income back into our facilities. He indicated a case-study of the Camp Atterbury Railhead could be used to show the

governor's office how non-appropriated funds are utilized. He emphasized generating revenue through the State Armory Board is a good thing for the progression of the Indiana National Guard.

Mr. Thompson emphasized this move by the State Armory Board would be brought before the State Budget Agency once a case-study has been completed, and the findings have been ironed out.

Colonel Silva indicated extreme caution needed to be used in how the revenue funds should be used, as did Mrs. Schmidt; she indicated more information would be given to the Board at a later date.

10. BG LYLES AND MR. STEVE HINES WILL DISCUSS ARMORY BEAUTIFICATION EFFORTS:

General Lyles briefed the Board on the condition of armories throughout the state in terms of groundskeeping. He stated most of the armories' caretakers do not have the skills needed to maintain the horticultural aspects of the armories. He indicated he has put together a team of people to inspect armories and determines some sort of spring clean-up to be taken to ensure the armory is a pleasant building to look at. He indicated he would come back to the Board in the spring with a plan to begin measures to improve the outside appearance. He estimates it would cost approximately \$2,000.00 per armory to improve the outward appearance.

General Umbarger suggested the funds would need to come from the State Budget Agency as part of an armory improvement allocation.

General Lyles suggested having professionals come to the armories and teach the building service workers how to properly care for the lawn, tree, shrubs, and flowering plants which are on the armory property. He reminded General Umbarger the funds would be difficult to procure through the State Budget Agency as a result of the pandemic outbreak: there are going to be cutbacks,

hiring freezes. Monies for additional projects such as beautification would not be deemed as necessary by the State Budget Agency.

Colonel Warrick used the Linton Armory as an example, stating flag protocol is something that also needs to be addressed.

General Lyles informed the Board he is wanting to get the armories back to the “hometown” feel by having personnel who are from the local community, rather than having to drive hours to arrive at the armory. He stated it is his drive as the Adjutant General to have Indiana return to its roots of having local armories have a “hometown” feel, a vision which can be achieved through recruiting measures.

Colonel Courtney suggested armories who have larger local armory board funds use part of their monies to contribute to the beautification efforts.

General Lyles stated he would come back at another time with more ideas for grounds beautification.

11. PUBLIC COMMENTS:

LTC Stephen Spencer—Commander, Muscatatuck Urban Training Center, presented a slide show of Muscatatuck, highlighting the history of the complex from its days as the Indiana Farm Colony for Feeble-Minded in 1920. The center was chartered in 1937 for mentally-handicapped children. For 85 years, the role of the facility expanded to all developmentally-disabled persons. The complex sits on 1,813 acres—most buildings were constructed in the 1930s. It was closed in February 2005, and turned over to the Indiana National Guard in 2005.

12. REMARKS FROM THE ADJUTANT GENERAL:

General Lyles briefed the Board on the status of the Indiana National Guard.

He stated the response to CoVid-19 has been positively received by the governor’s office since February. 1,350 soldiers and

airmen on state active duty—assisting with food bank for the Family and Social Services Administration (FSSA), assisting with testing, medical augmentation sites. Packets were put together if needed, to be disbursed amongst the population in the event of a serious outbreak in any location around the state. He stated 350 Guardsmen had been sent to assist with prisons, as 35% of Department of Corrections personnel called in sick for work, resulting in riots—when the Guard showed up in uniform, prison personnel were able to regain control of the facility. He stated Guardsmen have reported to the state Emergency Operations Center to run day-to-day CoVid operations.

General Lyles reported CoVid cases are increasing, and positivity rates are up because of measures taken to get the economy going. He said that was anticipated. He feels there will be an ongoing need for the Guard to be involved, and presidential extension of funds to keep Guardsmen on State Active Duty.

Four hundred soldiers were processed through Camp Atterbury and reported to Washington, D.C. to assist local police with the rioting taking place. Once the participants became aware of the Guardsmen, rioting, looting, and burning began to calm down, and peaceful protesting resumed.

Downtown Indianapolis experienced the same thing: on Friday (10 July) and Saturday (11 July) nights, things were bad; on Sunday (12 July), the governor called and troops were sent to curtail the destruction of monuments.

General Lyles is attempting to set up a CoVid-19 task force so he can get back to his primary duties of Adjutant General. He is appointing Colonel Steve Hines as the task force commander.

He indicated the State Budget Agency would be trying to tap into Armory Board funds to off-set set backs to the state budget where the National Guard is concerned.

13. DATE/TIME OF NEXT MEETING:

There being no further business to conduct, motion was made by Colonel Courtney to adjourn the July 15th meeting of the State Armory Board. Motion was seconded by General Henry and carried at 11:34 P.M.

The next state Armory Board Meeting will take place on Tuesday, August 25th at 10 o'clock in the Adjutant General's Conference room at Joint Forces Headquarters in Indianapolis.

Meeting was rescheduled due to conflict; new meeting to take place on Wednesday, September 30th at 10 o'clock at JFHQ.

Signature on permanent file copy

MG (RET) R. MARTIN UMBARGER, PRESIDENT

Signature on permanent file copy

BG R. DALE LYLES, THE ADJUTANT GENERAL
SECRETARY-TREASURER