

Fiscal Year 2024 Budget Estimates

Office of Local Defense Community Cooperation



March 2023

**Office of Local Defense Community Cooperation
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2024 Budget Estimates**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) 4: Administration and Service-wide Activities**

	<u>FY 2022 Actuals</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2023 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2024 Estimate</u>
OLDCC	267,969	5,786	606,442	880,197	19,667	-781,649	118,216

The FY 2023 Enacted column includes a funding increase for Defense Community Infrastructure Program (\$50 million). As noted in the public law, the Public Schools on Military Installations funding (\$687 million) is "available until expended."

I. Description of Operations Financed:

The Office of Local Defense Community Cooperation (OLDCC) provides grant and technical assistance to states and communities to foster partnerships with the Department, including military installations and the local industrial base, to enhance the mission, achieve facility and infrastructure savings and reduced operating costs, address encroachment and compatible land use issues, support military families, and increase military, civilian, and industrial readiness, and resiliency. It also enables state and local governments to plan and carry out civilian economic adjustment responses to workforce, business, and community impacts arising from Defense actions. These efforts routinely leverage other Federal and state/local technical and financial resources to further benefit the Department and our civilian partners.

All OLDCC activity occurs at the juxtaposition of state and local civilian efforts either in response to local impacts or need, or in support of our national security mission, embodying the Secretary of Defense's three priorities to *defend the nation, take care of our people, and succeed through teamwork*. These activities also support the following elements of the Department's Interim National Security Strategic Guidance:

- Defend and nurture the underlying sources of American strength, including our people, our economy, our national defense, and our democracy at home.
- Promote a favorable distribution of power to deter and prevent adversaries from directly threatening the United States and our allies, inhibiting access to the global commons, or dominating key regions; and,
- Lead and sustain a stable and open international system, underwritten by strong democratic alliances, partnerships, multilateral institutions, and rules.

Our facilities and industrial base are an integral part of the communities that host them, a circumstance where the resilience of our installations and industrial base are intrinsically related to daily life locally, including the local economy and the public infrastructure and services that support them. The OLDCC continuum of place-based assistance enables these state and community partners to organize, plan, and carry out efforts that are WIN-WINs for our state and local partners as well as the resiliency and sustainability of our installations and defense industrial base.

On behalf of the Secretary of Defense, the OLDCC also directs and staffs the Defense Economic Adjustment Program, coordinating the involvement of other Federal Agencies through the Economic Adjustment Committee (EAC) per Executive Order 12788, as amended.

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I. Description of Operations Financed: (Cont.)

As the Executive Director for the EAC, the OLDCC Director provides guidance and assistance in leveraging other Federal agency expertise and resources to enable the DoD, its components, and affected states and communities to 1) assess economic hardships caused by DoD program changes; 2) identify and evaluate alternative responses for local economic recovery; 3) identify resource requirements; and 4) assist in the preparation and implementation of adjustment strategies or action plans. The Departments of Labor and Commerce are each co-vice chairs. For example, the DoD's Pacific Deterrence Initiative is assisted by the OLDCC-led EAC efforts along with the territory of Guam's Office of the Governor and its legislature, resulting in the execution of approximately \$218 million in outside-the-fence infrastructure investments.

The OLDCC is currently managing over 300 active awards, totaling \$1.5+ billion. The OLDCC's project management and grant oversight responsibilities require a wide range of capabilities and expertise to perform critical functions from pre-award risk assessments to post-award compliance, as mandated by 2 CFR 200, the "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," and DoD-specific responsibilities under 2 CFR Parts 1104-1125. Depending on the award, audit responsiveness and Federal Interest enforcement responsibilities may extend several years from the close-out of a grant award. These requirements are increasing as OLDCC assistance supports additional civilian construction activities, and necessitate the personnel changes discussed in Section II, "Force Structure," below.

Programs of Assistance:

The OLDCC's Programs of Assistance are continually being scrutinized to ensure their responsiveness to the Department's needs as well as enabling our civilian partners to capably respond to the economic and environmental circumstances of the local community. These programs view the local installation and neighboring jurisdictions as "one community" and reinforce all actions by the local installation and the civilian jurisdictions are considered in the context of that one community locally. This also enables our civilian partners to tailor their efforts to support unique local diversity and inclusionary needs for the state and local effort. These programs presently include: community economic diversification assistance - that may also support civilian responses to the Department's modernization needs; Installation Resilience and Compatible Use - two programs that have merged in Fiscal Year 2023; Mission Growth - including support for our Pacific Deterrence Initiative partners; Defense Community Infrastructure Pilot; Defense Manufacturing Community Support; Public Schools on Military Installation; and Mission Realignment (including Base Closures and Realignments). This assistance helps states and communities respond to a continuum of need, including Defense mission change; mitigation of natural and manmade threats to the installation-level operating environment; job loss and economic disruption; needs for increased public services and infrastructure; and, impairment of local mission by civilian activity.

Installation Physical Resilience:

The only DoD source of technical and financial assistance for states and communities to partner with their local installations (including testing and training ranges, special use airspace, military operations areas, and/or military training routes) and the Military Departments to support installation physical resilience. This program merges the previous Compatible Use/Joint Land Use Study program and Installation Resiliency authorities into one broader program continuum.

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Installation Physical Resilience activities are geared to support the organizing, planning, and implementation actions necessary to foster, protect, and enhance the sustainability of our military installations. Local civilian jurisdictions partner with their local installations as “one community” to identify man-made or natural threats across the community that are likely to impair the continued operational utility of local military installations, and then plan and carry out responses to enhance infrastructure and other resilience measures and projects involving the protection, restoration, and maintenance of natural features. This program enables a “one community” response through a collaborative Federal, state, local, and private effort to optimize the capacities and resources each can bring to the effort. These program activities establish or reinforce an ongoing collaboration between civilian (public and private) and military equities that thrives beyond the term of any project. Installation Physical Resilience Projects may include a comprehensive review of natural and man-made threats and vulnerabilities; targeted studies or plans concerning, but not limited to, transportation, land use/encroachment, utility services, housing, stormwater management, sewer, and communications; and, table-top exercises with local military and civilian (public and private) leadership to review the capacities of hard infrastructure and public services to respond to natural and/or man-made disruptions. Currently supporting over 65 active projects serving the needs of the DoD and neighboring communities through the development of plans to identify and then carry out efforts to prevent encroachment and mitigate threats. The Military Departments may nominate installations and ranges for this program, or state and local governments may directly request assistance. For FY 2024, \$10 million is requested for Installation Physical Resilience.

Efforts under this program benefit the Department as well as our civilian partners:

- City of Newport, Rhode Island is working with Naval Station Newport through a \$538 thousand effort to model climate impacts to infrastructure to support an improved, coordinated mitigation and adaptation response. The effort adopts Department of Homeland Security high-resolution storm modeling, collection and integration of “consequence thresholds” for critical infrastructure, a scenario-based approach to stakeholder engagement, and a framework for capabilities and responsibilities of key stakeholders to ensure infrastructure resiliency. The effort also leverages state-of-the-art hydrodynamic models, together with the collection and integration of qualitative data, to illuminate threats, impacts, and consequences of storm events and sea level rise to infrastructure in local area, allowing improved responses and continuity of operations.
- Monmouth County, New Jersey is working with Naval Weapons Station Earle through a \$231 thousand effort to protect the installation and its ordinance loading pier from extreme weather and sea level rise. The effort leverages strategic regional storm water management planning across jurisdictional boundaries for effective solutions that continue to evolve. Local jurisdictions are implementing these solutions with other funding, including construction of artificial oyster reefs and berms, and marshland restoration.
- The City of Lakewood, Washington and surrounding jurisdictions through a \$1.7 million effort obtained \$16.1 million for a Phase 1 buyout of properties in the Clear Zones near Joint Base Lewis McCord; developed a Land Exchange Plan for other properties in the Clear Zones; created a Military Influence Area Overlay; and conducted a Lighting Study to preclude further light encroachment.
- The State of Connecticut through a \$649 thousand effort, invested more than \$2.3 million in land purchases and infrastructure projects to prevent or mitigate civilian encroachment of missions at Naval Submarine Base New London. Their effort included the purchase and demolition of a marina across the Thames River from the base that impaired the Navy’s ability to dredge a turning basin wide enough to accommodate a new class of submarines. Efforts are presently underway to strategically locate future housing to reduce traffic congestion and improve workforce retention for the Navy and General Dynamics Electric Boat (EB), as EB ramps up to build additional systems.

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I. Description of Operations Financed: (Cont.)

Defense Diversification and Modernization:

Assists our civilian partners to respond to defense dependencies and prepare for and respond to changes in Defense spending, including modernization efforts for the industrial base and installation portfolios. Assistance is available to assess Defense-dependent geographic areas including supply chain tiers, workforce skills, and facility support; posture state and local programs of assistance for rapid responses to possible dislocations; retain and/or expand impacted worker skill sets; and leverage local ecosystems to expand business opportunities for impacted defense manufacturing firms to transition from legacy to future Defense needs. Assistance may also be applied to consider updates to public infrastructure and services (including affordable housing) that are important for installation and industry workforce retention. It is the only source of technical and financial resources for state and local government efforts to respond to changes in Defense spending and can support place-based strategies to enable DoD's future capability transitions. These efforts are undertaken in close coordination with the Employment and Training Administration at the U.S. Department of Labor, the Economic Development Administration and the National Institute of Standards and Technology at the U.S. Department of Commerce, and other Federal partners. In FY 2023, \$12 million was appropriated for Defense Diversification and Modernization, including "Community Impact Mitigation." Execution of \$16 million of the FY 2024 budget must be done in concert with the Air Force undertaking changes that will enable future capabilities.

Efforts under this program benefit the Department as well as our civilian partners:

- Grand Forks, North Dakota pivoted from the reassignment of an air refueling mission (with 355 federal civilian jobs) to hosting Grand Sky, a business park and airport focused on Unmanned Aerial Systems (UAS) that directly supports the current mission of Grand Forks Air Force Base through a \$1 million+ effort. No property was available for community redevelopment after the realignment of a portion of the local mission, thus assistance supported foundational planning (including a UAS Roadmap, a regional broadband study, a Life Sciences Roadmap, and a Regional Industrial Land Study) that led to the identification of 217 acres of property at the installation for an Enhanced Use Lease for the community to develop Grand Sky. Working in partnership with Grand Forks County and the Air Force, Grand Sky has grown over the past seven years from an under-utilized (former alert ramp) to a multi-tenanted airpark with daily UAS operations. The North Dakota Legislature invested \$21 million over 8 years in the road, airfield, and utility infrastructure necessary to make the park economically viable, and the private sector has already invested \$70 million. Grand Sky has had a significant economic impact on the greater Grand Forks region with approximately 450 jobs created, providing \$29.18 million in salaries.
- The City of Long Beach, California was able to respond to the Boeing Corporation's closure of its C-17 production plant through a \$5 million+ effort, allowing the City to coordinate services to displaced workers; adjust economic development strategies in light of the loss of this large aerospace manufacturer; provide assistance to impacted defense firms through the California Manufacturing Technology Consulting extension partnership program; and, develop a site master plan to guide future redevelopment and adjacent land use. This assistance allowed the City to: 1) retain 212 existing jobs; 2) create 31 new jobs; 3) increase sales of former C-17 local suppliers by \$5.4 million; 4) achieve operational cost savings of nearly \$5 million over the project period; and 5) identify an additional \$4.75 million in participating company investments for tools and technologies, making those firms competitive in other supply chains. In May 2021, the Long Beach City Council approved the Globemaster Corridor Specific Plan that will guide the development of 437 acres, including the former C-17 manufacturing site. This process, which began in 2016, included public input and economic analysis. These efforts now

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I. Description of Operations Financed: (Cont.)

support an epicenter for commercial space ventures to include the headquarters of Virgin Orbit, SpinLaunch, and Rocket Lab. Boeing sold the former C-17 production site to the Goodman Group in 2019. Relativity Space signed a 16.5-year lease for the property in 2021 and is turning it into a combined office-rocket manufacturing headquarters.

Defense Community Infrastructure Pilot:

Assists local partners through a competitive program to address deficiencies in community infrastructure, supportive of a military installation, to enhance military value, support the training of cadets at “covered educational institutions,” installation resilience, and/or military family quality of life. These infrastructure projects enhance our local installations, benefitting our Service members, their families, and missions. Awards fund community infrastructure projects, which are transportation projects, community support facilities (e.g., schools, hospitals, police, fire, and emergency response), and utility infrastructure projects (e.g., water, wastewater, telecommunications, electric, gas, etc.) that are located off a military installation or on land leased from the Department of Defense, support a military installation, and are owned by a State or local government or not-for-profit, member-owned utility, or covered education institution.

Efforts under this program benefit the Department as well as our civilian government partners:

- The City of Manhattan, Kansas is undertaking a \$5.9 million project to benefit Fort Riley, KS, as part of an even larger effort through the Federal Aviation Administration effort to reconstruct a runway at a nearby municipal airport to allow large military cargo and charter aircraft to continue and expand use of the primary runway for mission readiness, deployment, and operations.
- The City of Minot, North Dakota is undertaking a \$9.8 million project to benefit Minot Air Force Base (AFB), ND, through flood risk management projects along the Mouse River, reducing the likelihood that flooding from the Mouse River will adversely affect operations at the base, military family housing, and the local community.

The OLDCC FY 2024 President’s Budget requests \$50 million for this program, which will provide resources and enable the Department has to leverage state and local investments in critical infrastructure projects.

Defense Manufacturing Community Support:

Assists local partners through a competitive program to enable regions undertake community investments through consortia designated as “Defense Manufacturing Communities” and deliver technology and innovation at the speed of relevance for the defense manufacturing industrial ecosystem. Activities may enhance critical skills, facilities, research and development, and small business support to strengthen the national security innovation base. Under the program, six grants were awarded in FY 2020 and five in both FYs 2021 and 2022, supporting regional areas working with DoD to develop public-private coalitions and strategic economic development plans for manufacturing sectors important to the defense industrial base.

Efforts under this program benefit the Department as well as our civilian government partners:

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I. Description of Operations Financed: (Cont.)

- The “Artificial Intelligences in Metals and Manufacturing Consortium” is undertaking a \$5 million effort to support defense manufacturing firms in Ohio, Pennsylvania, and West Virginia, connecting them with workforce development and training resources to promote the use of advanced metals and materials linked to artificial intelligence and robotics, delivering technology and innovation for the Department.
- The “California Advanced Defense Ecosystems & National Consortia Effort” is undertaking a \$4.9 million effort to assist California’s defense microelectronics sector with a pipeline of workforce talent in flexible hybrid electronics.

Public Schools on Military Installations:

Enables Local Education Agencies to remedy condition and capacity deficiencies at public schools on military installations as prioritized by the Secretary of Defense. Participation in this program is by invitation only based on 1) a Deputy Secretary of Defense prioritization ranking of all 160+ public schools on a military installation through a Priority Listing; and 2) the availability of appropriations to fund a project in the order of that prioritization. Grants are provided to construct, renovate, repair, or expand elementary and secondary public schools. Since FY 2011, the program has received \$3.25 billion in appropriations to execute this program. The top 71 schools prioritized by the Secretary are currently being addressed.

Efforts under this program benefit the Department as well as our civilian government partners:

- The Muroc Joint Unified School District, North Edwards, California completed an \$180 million, 220,000 square foot replacement educational complex at Edwards AFB, California to educate 1,600 K-12 students annually. Their effort replaced three schools to remedy condition and capacity problems, including expired building systems, seismic concerns, foundation failures, localized flooding, and functional deficiencies in food service, information center, and special needs.
- The Clover Park School District, Lakewood, Washington completed a \$204.1 million (included \$50.7 million from the Clover Park School District) rebuild of six Elementary Schools on Joint Base Lewis-McChord to correct capacity and facility condition deficiencies. This effort provides the safe and modernized facilities necessary to support the education of over 2,785 military connected students.

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II. Force Structure Summary:

The OLDCC is actively restructuring to respond to additions in program growth (local infrastructure, defense manufacturing, noise mitigation, installation physical resilience). In FY 2021, the OLDCC was funded at more than 1000% above the FY 2021 President's Budget Request. In FY 2022, the OLDCC was funded at more than 740% above the FY 2022 President's Budget Request. In FY 2023, the OLDCC was funded at more than 700% above the FY 2023 President's Budget Request. The growing volume of activity with increasing complexities (i.e. construction, environmental compliance, Federal Interest) is stretching OLDCC capabilities to effectively manage program activities from cradle to grave, including timely approvals of determinations and findings, quality grants management and oversight, timely close-outs, and de-obligations. The FY 2022 NDAA authorized an additional \$3 million for "oversight personnel" increasing authorized manning to 56 FTEs. This authority and ensures the continued timely and responsible execution of obligations presently in the OLDCC mission. Hiring actions to fill new billets continues through FY 2024.

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III. Financial Summary (\$ in Thousands):

	FY 2023							FY 2024 Estimate
	FY 2022 Actuals	Budget Request	Congressional Action			Current Enacted		
			Amount	Percent	Appropriated			
A. BA Subactivities								
Grants (Core Programs of Assistance)	\$35,615	\$35,345	\$0	0.00%	\$35,345	\$35,345	\$43,910	
Defense Community Infrastructure Pilot Program (DCIP)	\$89,696	\$50,000	\$50,000	100.00%	\$100,000	\$100,000	\$50,000	
Defense Manufacturing Community Support Program (DMCSP)	\$29,739	\$0	\$30,000	0.00%	\$30,000	\$30,000	\$0	
Public Schools on Military Installations (PSMI) Section 8108	\$96,000	\$0	\$686,500	0.00%	\$686,500	\$686,500	\$0	
Noise Mitigation Community Partnership	\$0	\$0	\$0	0.00%	\$0	\$0	\$0	
Operational Support Activities	\$16,919	\$23,352	\$0	0.00%	\$23,352	\$23,352	\$24,306	
Industry Diversification	\$0	\$0	\$5,000	0.00%	\$5,000	\$5,000	\$0	
Total	\$267,969	\$108,697	\$771,500	709.77%	\$880,197	\$880,197	\$118,216	

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III. Financial Summary (\$ in Thousands): (Cont.)

<u>B. Reconciliation Summary</u>	<u>Change FY 2023/FY 2023</u>	<u>Change FY 2023/FY 2024</u>
BASELINE FUNDING	\$108,697	\$880,197
Congressional Adjustments (Distributed)	85,000	
Congressional Adjustments (Undistributed)	0	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	686,500	
SUBTOTAL APPROPRIATED AMOUNT	880,197	
Fact-of-Life Changes (2023 to 2023 Only)	0	
SUBTOTAL BASELINE FUNDING	880,197	
Supplemental	0	
Reprogrammings	0	
Price Changes		19,667
Functional Transfers		0
Program Changes		-781,648
CURRENT ESTIMATE	880,197	118,216
Less: Supplemental	0	
NORMALIZED CURRENT ESTIMATE	\$880,197	\$118,216

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III. Financial Summary (\$ in Thousands): (Cont.)

FY 2023 President's Budget Request (Amended, if applicable)	\$108,697
1. Congressional Adjustments.....	\$771,500
a) Distributed Adjustments	\$85,000
1) Defense Community Infrastructure Program	\$50,000
2) Defense Manufacturing Community Support Program.....	\$30,000
3) Noise Mitigation Community Partnership	\$5,000
b) Undistributed Adjustments	\$0
c) Adjustments to Meet Congressional Intent.....	\$0
d) General Provisions	\$686,500
1) PSMI Section 8108 (Mil Schools).....	\$686,500
FY 2023 Appropriated Amount	\$880,197
2. Supplemental Appropriations	\$0
a) Supplemental Funding	\$0
3. Fact-of-Life Changes.....	\$0
a) Functional Transfers.....	\$0
b) Technical Adjustments	\$0

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III. Financial Summary (\$ in Thousands): (Cont.)

c) Emergent Requirements.....	\$0
FY 2023 Baseline Funding.....	\$880,197
4. Reprogrammings (Requiring 1415 Actions)	\$0
a) Increases.....	\$0
b) Decreases	\$0
Revised FY 2023 Estimate	\$880,197
5. Less: Item 2, Supplemental Appropriation and Item 4, Reprogrammings.....	\$0
a) Less: Supplemental Funding.....	\$0
FY 2023 Normalized Current Estimate	\$880,197
6. Price Change.....	\$19,667
7. Functional Transfers.....	\$0
a) Transfers In	\$0
b) Transfers Out	\$0
8. Program Increases	\$16,197
a) Annualization of New FY 2023 Program	\$0
b) One-Time FY 2024 Increases	\$0

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III. Financial Summary (\$ in Thousands): (Cont.)

c) Program Growth in FY 2024	\$16,197
1) Compensation and Benefits	\$197
One additional compensable day in FY 2024. The number of compensable days change from 260 in FY 2023 to 261 in FY 2024. (FY 2023 Baseline: \$10,698 thousand; 56 FTEs; +0 FTEs)	
2) Defense Diversification and Modernization	\$16,000
Assists our civilian partners to respond to defense dependencies and prepare for and respond to changes in Defense spending, including modernization efforts for the industrial base and installation portfolios. (FY 2023 Baseline: \$0 thousand)	
9. Program Decreases	\$-797,845
a) Annualization of FY 2023 Program Decreases	\$0
b) One-Time FY 2023 Increases	\$-771,500
1) Defense Community Infrastructure Program.....	\$-50,000
To enhance off-base community infrastructure to support installation resiliency, family quality of life, and military value.	
2) Defense Manufacturing Community Support Program.....	\$-30,000
Assists local partners through a competitive program to enable regions undertake community investments through consortia designated as “Defense Manufacturing Communities” and deliver technology and innovation at the speed of relevance for the defense manufacturing industrial ecosystem.	
3) Industry Diversification	\$-5,000
Assists our civilian partners to respond to defense dependencies and prepare for and respond to changes in Defense spending, including modernization efforts for the industrial base and installation portfolios.	
4) Public Schools on Military Installations (PSMI) Section 8108	\$-686,500
Enables local education agencies to remedy condition and capacity deficiencies at public schools on military installations as prioritized by the Secretary of Defense. Section 8108 (Public Schools on Mil Installations) funds were appropriated as No-Year.	

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c) Program Decreases in FY 2024	\$-26,345
1) Compensation and Benefits	\$-313
The decrease in compensation and benefits reflect the organization’s realignment of civilian personnel. OLDCC’s workforce costs are lower due to the significant number of senior personnel retirements and the subsequent hiring of more junior personnel. (FY 2023 Baseline: \$10,698 thousand; 56 FTEs; +0 FTEs)	
2) Grants.....	\$-24,072
The decrease is due to the reduction in anticipated grant awards to properly align with requested funding. (FY 2023 Baseline: \$35,345 thousand)	
3) IT contract support services	\$-884
IT contract support services funding decrease to align with anticipated service requirement changes. (FY 2023 Baseline: \$4,239 thousand)	
4) Training and Leadership Development	\$-75
Reallocation of budgeted funds to accurately reflect anticipated training and leadership development expenditures. (FY 2023 Baseline: \$300 thousand)	
5) Utilities.....	\$-1,001
Reduction in purchased utilities to properly align actual requirements. (FY 2023 Baseline: \$1,004 thousand)	
FY 2024 Budget Request	\$118,216

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IV. Performance Criteria and Evaluation Summary:

The Office of Local Defense Community Cooperation (OLDCC) provides assistance to states, counties, municipalities, regions, and other communities to foster cooperation with military installations to enhance the military mission, achieve facility and infrastructure savings and reduced operating costs, address encroachment and compatible land use issues, support military families, and increase military, civilian, and industrial readiness and resiliency. It also enables State and local governments to plan and carry out civilian economic adjustment responses to workforce, business, and community needs arising from Defense actions. Their efforts routinely leverage other Federal and state/local technical and financial resources.

The OLDCC grant management and oversight responsibilities extend from pre-award project management and risk assessments, through post-approval monitoring and management of awards (to include payments, amendments, enforcement, and project management travel), to close-out, audit responsiveness, Federal Interest enforcement, and intellectual property management. Applications are evaluated against criteria established by 2 CFR 200 and 1120, 10 USC 2391 authorities, as well as Congressional legislation addressing specific programs. Post-award monitoring consists of continual OLDCC project and grants management oversight to include approving recurring performance and financial reports submitted by grantees, which are evaluated against scope and cost data in the award to ensure compliance. Depending on the award, OLDCC oversight may extend across several fiscal years.

OLDCC Operations performance is evaluated against execution criteria that is established through budget formulation. Further, OLDCC's well-established Risk Management and Internal Controls Program provides consistent oversight of activities during the year through continuous internal testing of assessable units to mitigate risks and provide reasonable assurance that OLDCC's assets are protected from fraud, waste, and mismanagement.

OLDCC typically executes the majority of its budget in the latter half of the fiscal year due primarily to grantees' ability to prepare and submit applications as well as to secure its non-federal match requirement as part of grant criteria. These challenges are compounded by delayed appropriations and significant congressional adds that require obligation in the same fiscal year, which can impact efficient program enactment and funding of awards that meet community needs as well as statutory and regulatory requirements

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V. Personnel Summary:

	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Change FY 2022/ FY 2023</u>	<u>Change FY 2023/ FY 2024</u>
Active Military End Strength (E/S) (Total)	3	3	3	0	0
Officer	3	3	3	0	0
Civilian End Strength (Total)	38	56	56	18	0
U.S. Direct Hire	38	56	56	18	0
Total Direct Hire	38	56	56	18	0
Civilian FTEs (Total)	38	56	56	18	0
U.S. Direct Hire	38	56	56	18	0
Total Direct Hire	38	56	56	18	0
Average Annual Civilian Salary (\$ in thousands)	204.7	191.0	195.1	-13.7	4.0
Contractor FTEs (Total)	36	22	22	-14	0

Personnel Summary Explanations:

In FY 2023, the OLDCC increased FTEs in support of the FY 2022 NDAA, authorizing an additional \$3 million for “oversight personnel”, as well as the Congressional increase of \$3 million in the Department of Defense Appropriations Act of FY 2022. For FY 2024, the OLDCC maintains the additional FTEs to ensure the OLDCC meets Congressional intent.

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

		Change from FY 2022 to FY 2023			Change from FY 2023 to FY 2024			
	<u>FY 2022</u>	<u>Price</u>	<u>Program</u>	<u>FY 2023</u>	<u>Price</u>	<u>Program</u>	<u>FY 2024</u>	
	<u>Program</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	
101	EXEC, GEN'L & SPEC SCHEDS	7,779	321	2,598	10,698	538	-313	10,923
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	7,779	321	2,598	10,698	538	-313	10,923
308	TRAVEL OF PERSONS	235	5	210	450	10	5	465
0399	TOTAL TRAVEL	235	5	210	450	10	5	465
417	LOCAL PURCH SUPPLIES & MAT	58	1	99	158	3	-3	158
0499	TOTAL DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS	58	1	99	158	3	-3	158
912	RENTAL PAYMENTS TO GSA (SLUC)	98	2	-1	99	2	-2	99
913	PURCHASED UTILITIES (NON-FUND)	59	1	944	1,004	22	-1,023	3
914	PURCHASED COMMUNICATIONS (NON-FUND)	76	2	-48	30	1	-1	30
915	RENTS (NON-GSA)	710	15	-45	680	15	0	695
917	POSTAL SERVICES (U.S.P.S)	1	0		1	0		1
921	PRINTING & REPRODUCTION	0	0	30	30	1	-31	0
922	EQUIPMENT MAINTENANCE BY CONTRACT	3	0	5	8	0	34	42
925	EQUIPMENT PURCHASES (NON-FUND)	2	0	7	9	0		9
932	MGT PROF SUPPORT SVCS	2,699	57	1,271	4,027	89	408	4,524
933	STUDIES, ANALYSIS & EVAL	320	7	-7	320	7	-8	320
934	ENGINEERING & TECH SVCS	0	0	4,045	4,045	89	240	4,374
935	TRAINING AND LEADERSHIP DEVELOPMENT	44	1	255	300	7	-82	225
960	OTHER COSTS (INTEREST AND DIVIDENDS)	3	0		3	0		3
987	OTHER INTRA-GOVT PURCH	892	19	-61	850	19	-19	850
988	GRANTS	251,052	5,272	596,918	853,242	18,771	-779,877	92,136
989	OTHER SERVICES	4	0		4	0		4
990	IT CONTRACT SUPPORT SERVICES	3,934	83	222	4,239	93	-977	3,355
0999	TOTAL OTHER PURCHASES	259,897	5,459	603,535	868,891	19,116	-781,338	106,670
9999	GRAND TOTAL	267,969	5,786	606,442	880,197	19,667	-781,649	118,216