

**FY 2026 Budget Performance Review
09000 Office of Management and Enterprise Services**

Version Original
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Date submitted
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Agency Mission

Serving those who serve Oklahomans

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

Administrative Services (1000001, 1000026, 1000027, 1000028)

Administrative Services includes the OMES Executive Director and Deputy Director. This section of the budget specifically supports the agency's administrative team, the COO's Office, OMES Finance, Legal Services, and Legislative and Outreach.

Agency Business Services: performs financial transaction processing as a shared service to state agencies. Currently it services approximately 63 state entities, providing support in the areas of budget, procure-to-pay, account reconciliation, financial reporting and billing and accounts receivable.

Statewide Finance (1000002, 1000003, 1000014, 1000015, 1000025)

The Division of Statewide Finance is led by the State Chief Financial Officer and consists of the following Departments:

Budget, Policy and Gaming Compliance (Budget):

- State Budget

- Gaming Compliance

Capital Asset Management (all 20xxxxx)

Provides central printing & interagency mail, construction & properties, facilities management, fleet management, real estate and leasing, and state & federal surplus services.

Risk, Assessment, and Compliance (all 21xxxxx)

Risk Management directs and manages property and liability coverage for both state and non-state entities. Assessment identifies opportunities to improve business and purchasing practices. Compliance provides guidance related to requirements and external audit responses.

HCM (3000000)

Provides human resources, employee benefits admin, talent management, employee and organizational development, and Workday services

Central Purchasing (5000001)

Oversees the Statewide Purchasing Act, manages the State Use program, and provides procurement services for the agency and its clients/customers. Audit monitors and provides guidance to agencies in conjunction with statewide purchasing rules. Starting point for vendors and payees, rolling solicitations, CPO certification & training, and library of forms and reports

Information Services (all 8800xxx)

Unified state IT resource providing shared technology resources and services to all state agencies as well as overseeing technology investments and establishing state standards.

FY'25 Budgeted Department Funding By Source

| Dept. # | Department Name | Appropriations | Federal | Revolving | Local ¹ | Other ² | Total |
|--------------|--|----------------------|--------------------|----------------------|--------------------|--------------------|----------------------|
| 1 | Administrative Services | \$7,157,704 | \$3,357 | \$7,032,076 | | | \$14,193,137 |
| 2 | Statewide Finance | \$6,944,550 | \$3,029,203 | \$1,995,956 | | | \$11,969,709 |
| 3 | Capital Asset Management (CAM) | \$37,067,174 | \$8,316 | \$114,512,739 | | | \$151,588,229 |
| 4 | Risk, Assessment, and Compliance (RAC) | \$1,558,984 | | \$73,063,663 | | | \$74,622,647 |
| 5 | Human Capital Management (HCM) | \$4,203,463 | | \$5,189,757 | | | \$9,393,220 |
| 6 | Central Purchasing | | | \$7,959,969 | | | \$7,959,969 |
| 7 | Information Services | \$85,963,175 | | \$122,814,967 | | | \$208,778,142 |
| 9 | County Emergency | | | \$5,800,000 | | | \$5,800,000 |
| 10 | Debt Service | | | | | | \$0 |
| | | | | | | | \$0 |
| | | | | | | | \$0 |
| Total | | \$142,895,050 | \$3,040,876 | \$338,369,127 | \$0 | \$0 | \$484,305,053 |

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department:

Balances of Appropriated Funds from Prior Fiscal Years

| 3-digit Class Fund # | Class Fund Name | GA Bill # and Section # | Fiscal Year of Original Appropriation | Original Appropriation Amount (\$) | Total Expended Amount as of 8/31/2024 (\$) | Balance as of 8/31/2024 (\$) |
|--|---|-------------------------|---------------------------------------|------------------------------------|--|------------------------------|
| 193 | FY23 Appropriations | SN1040 Sec. 58 | 2023 | 144,742,805.00 | \$144,176,811 | \$565,994 |
| 194 | FY24 Appropriations | HB1004 Sec. 56 | 2024 | 143,932,622.00 | \$138,280,884 | \$5,651,738 |
| | FY24 Appropriations - SOK Portion not yet transferred | | 2024 | 11,749,095.33 | \$11,494,488 | \$254,607 |
| Total remaining prior year appropriation balance: | | | | | | \$6,472,339 |

Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 193, 194). Do not report carryover class funds separately.

Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.

What changes did the agency make between FY'24 and FY'25?

1.) Are there any services no longer provided because of budget cuts?

No

2.) What services are provided at a higher cost to the user?

None

3.) What services are still provided but with a slower response rate?

None

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Yes, OMES completed a market study and structural reorganization that resulted in pay raises to agency personnel that were below market standards. This exercise also resulted in eliminated positions that resulted in better efficiency in use of state dollars.

| Appropriation Increase Review | | | | | |
|------------------------------------|--|---------------------|---------------------------------------|---|--|
| Appropriation Increase Purpose | Appropriation Increases (Additional to Agency Base Appropriation) | | | Expenditures | |
| | FY 2023 | FY 2024 | Total Amount Received FY 2023-2024 | Total Expenditure of Increase as of 6/30/2024 | If funds have not been spent, please explain why. |
| Commission on the Status of Women | \$150,000 | | \$150,000 | \$110,137 | Remaining funds budgeted in FY25 |
| Capitol Debt Service | \$26,679 | | \$26,679 | \$26,679 | |
| DaaS | \$15,847,666 | | \$15,847,666 | \$15,847,666 | |
| NACEA Debt Service | | \$24,835 | \$24,835 | \$24,835 | |
| Data Center and Command Center | | \$18,610,421 | \$18,610,421 | \$17,937,196 | Remaining funds spent after 06/30/24 due to invoice timing |
| Salary Study Payback | | \$1,965,000 | \$1,965,000 | \$1,965,000 | |
| OESC new operating system | | | | \$0 | Funds carried into FY25 as project details are solidified. |
| LCF Debt Service - Jim Thorpe | | \$19,000,000 | \$19,000,000 | \$0 | |
| LCF Debt Service - Capitol Complex | | \$3,500,000 | \$3,500,000 | \$3,500,000 | |
| | | \$950,000 | \$950,000 | \$0 | OMES has not been billed by OCIA for this project |
| LCF Debt Service - Kelley Building | | \$1,316,115 | \$1,316,115 | \$1,316,115 | |
| LCF Debt Service - Libraries | | | | \$0 | OMES has not been billed by OCIA for this project |
| | | \$880,250 | \$880,250 | \$0 | |
| Total: | \$16,024,345 | \$46,246,621 | \$62,270,966 | \$40,727,628 | |

List appropriation increases that the agency has received in the prior two years. List amounts received in each year. Include PREP, but not ARPA/SRF, appropriations.

| FY'26 Requested Funding By Department and Source | | | | | | | |
|--|--|----------------------|--------------------|----------------------|--------------------|----------------------|--------------|
| Dept. # | Department Name | Appropriations | Federal | Revolving | Other ¹ | Total | % Change |
| 1 | Administrative Services | \$7,157,704 | \$3,357 | \$7,032,076 | \$0 | \$14,193,137 | 0.00% |
| 2 | Statewide Finance | \$6,944,550 | \$3,029,203 | \$1,995,956 | \$0 | \$11,969,709 | 0.00% |
| 3 | Capital Asset Management (CAM) | \$37,067,174 | \$8,316 | \$114,512,739 | \$0 | \$151,588,229 | 0.00% |
| 4 | Risk, Assessment, and Compliance (RAC) | \$1,558,984 | \$0 | \$73,063,663 | \$0 | \$74,622,647 | 0.00% |
| 5 | Human Capital Management (HCM) | \$4,203,463 | \$0 | \$5,189,757 | \$0 | \$9,393,220 | 0.00% |
| 6 | Central Purchasing | \$0 | \$0 | \$7,959,969 | \$0 | \$7,959,969 | 0.00% |
| 7 | Information Services | \$85,963,175 | \$0 | \$122,814,967 | \$0 | \$208,778,142 | 0.00% |
| 9 | County Emergency | \$0 | \$0 | \$5,800,000 | \$0 | \$5,800,000 | 0.00% |
| 10 | Debt Service | \$0 | \$0 | \$0 | \$0 | \$0 | #DIV/0! |
| Total | | \$142,895,050 | \$3,040,876 | \$338,369,127 | \$0 | \$484,305,053 | 0.00% |

1. Please describe source(s) and % of total of "Other" funding for each department:

| FY'26 Top Five Operational Appropriated Funding Increase Requests | | | | |
|---|---------------------|--|-----------------------------------|--|
| Request by Priority | Request Description | Is this a Supplemental Request? (Yes/No) | Timeframe (One-Time or Recurring) | Appropriation Request Increase Amount (\$) |
| Request 1: | | | | |
| Request 2: | | | | |
| Request 3: | | | | |
| Request 4: | | | | |
| Request 5: | | | | |
| Top Five Request Subtotal: | | | | \$0 |
| Total Increase above FY-25 Budget (including all requests) | | | | |
| Difference between Top Five requests and total requests: | | | | \$0 |

| What are the agency's top 2-3 capital or technology (one-time) requests, if applicable? | | |
|---|---------------------------------------|---------------------------------------|
| Description of requested increase in order of priority | Needed State Funding for Project (\$) | Submitted to LRCPC or OCAMP? (Yes/No) |
| Priority 1 | | |
| Priority 2 | | |
| Priority 3 | | |

| List any requests for new construction from the Legacy Capital Fund | | |
|---|---------------------------------------|------------------------------|
| Description of requested increase in order of priority | Needed State Funding for Project (\$) | Submitted to LRCPC? (Yes/No) |
| Priority 1 | | |
| Priority 2 | | |
| Priority 3 | | |

| Does the agency have any costs associated with the Pathfinder retirement system and federal employees? |
|--|
| No |

How would the agency be affected by receiving the same appropriation for FY '26 as was received in FY '25? (Flat/ 0% change)

How would the agency handle a 2% appropriation reduction in FY '26?

In the event of a 2% reduction in appropriation, the following would need to occur: Delayed initiation of IT modernization and cybersecurity projects; Delayed repairs to buildings with an impact to health and safety for tenants (failing air handlers, etc); Delayed progress in shared services projects; Increased rates for services to agencies will need to be implemented; reduction in services provided to agencies.

| Is the agency seeking any fee increases for FY '26? | | |
|--|---------------------------|-------------------------------------|
| Description of requested increase in order of priority | Fee Increase Request (\$) | Statutory change required? (Yes/No) |
| Increase 1 | | |
| Increase 2 | | |
| Increase 3 | | |

| Federal Funds | | | | | | | |
|---------------|--|----------------|-------------------|--------------------|--------------------|--------------------|------------------------|
| CFDA | Federal Program Name | Agency Dept. # | FY 25 budget (\$) | FY 24 actuals (\$) | FY 23 actuals (\$) | FY 22 actuals (\$) | FY 24 budgeted FTE (#) |
| 17.207 | State Occupational Licensing Review and Reform Grant | 1000002 | - | - | - | 107,149.66 | - |
| 84.425C | Governor's Emergency Education Relief I/II | 1000015 | - | 12,298,664.00 | 168,491.67 | 236,598.33 | - |
| 21.023 | Emergency Rental Assistance | 1000015 | 190,000.00 | 126,517.00 | 66,025.00 | 37,835.00 | - |
| | American Recovery Plan Act | 1000015 | 3,029,201.00 | 1,263,910.00 | 591,242.00 | 2,601,557.07 | 6 |

| Federal Government Impact |
|--|
| 1.) How much federal money received by the agency is tied to a mandate by the Federal Government? |
| None |
| 2.) Are any of those funds inadequate to pay for the federal mandate? |
| N/A |
| 3.) What would the consequences be of ending all of the federal funded programs for your agency? |
| N/A |
| 4.) How will your agency be affected by federal budget cuts in the coming fiscal year? |
| N/A |
| 5.) Has the agency requested any additional federal earmarks or increases? |
| None |

| FY 2025 Budgeted FTE | | | | | | | |
|----------------------|--|-------------|-----------------|--------------|-----------------|-----------------|------------|
| Division # | Division Name | Supervisors | Non-Supervisors | \$0 - \$35 K | \$35 K - \$70 K | \$70 K - \$100K | \$100K+ |
| 1 | Administrative Services | 25 | 76 | 2 | 50 | 31 | 18 |
| 2 | Statewide Finance | 13 | 39 | 0 | 21 | 20 | 11 |
| 3 | Capital Asset Management (CAM) | 30 | 115 | 11 | 103 | 23 | 8 |
| 4 | Risk, Assessment, and Compliance (RAC) | 6 | 24 | | 9 | 16 | 5 |
| 5 | Human Capital Management (HCM) | 17 | 50 | 3 | 29 | 24 | 11 |
| 6 | Central Purchasing | 4 | 43 | 1 | 15 | 25 | 6 |
| 7 | Information Services | 87 | 576 | 1 | 267 | 289 | 106 |
| Total | | 182 | 923 | 18 | 494 | 428 | 165 |

| FTE History by Fiscal Year | | | | | | | |
|----------------------------|--|------------------|--------------|---------------|---------------|---------------|---------------|
| Division # | Division Name | FY 2025 Budgeted | FY 2025 YTD | FY 2024 | FY 2023 | FY 2022 | FY 2016 |
| 1 | Administrative Services | 101.0 | 93.0 | 88.0 | 56.0 | 56.0 | 33.0 |
| 2 | Statewide Finance | 52.0 | 46.0 | 43.0 | 66.0 | 61.0 | 81.0 |
| 3 | Capital Assets Management (CAM) | 145.0 | 123.0 | 103.0 | 120.0 | 118.0 | 137.0 |
| 4 | Risk, Assessment, and Compliance (RAC) | 30.0 | 24.0 | 21.0 | 11.0 | 14.0 | 15.0 |
| 5 | Human Capital Management (HCM) | 67.0 | 57.0 | 49.0 | 44.0 | 51.0 | 61.0 |
| | Employees Group Insurance (EGID) | 0.0 | 0.0 | 97.0 | 103.0 | 108.0 | 123.0 |
| 6 | Central Purchasing | 47.0 | 37.0 | 38.0 | 46.0 | 45.0 | 46.0 |
| 7 | Information Services | 663.0 | 598.0 | 610.0 | 622.0 | 563.0 | 806.0 |
| Total | | 1105.0 | 978.0 | 1049.0 | 1068.0 | 1016.0 | 1302.0 |

*Employees Group Insurance Division transferred to Healthcare Authority in FY25

| Performance Measure Review | | | | | |
|---|---------|-------------------|-----------------|-----------------|-----------------|
| | FY 2024 | FY 2023 | FY 2022 | FY 2021 | FY 2020 |
| Administrative Services | | | | | |
| Increase the percentage of employees who are fully engaged as measured by the annual OMES Employee Engagement Survey. | | 76 | 74 | 84 | 82 |
| Statewide Finance | | | | | |
| The amount of state reserves in constitutional funds and funds not yet encumbered. | | | \$2.7 Billion | \$1.826 Billion | \$1.549 Billion |
| Capital Asset Management | | | | | |
| To reduce the State's overall real estate footprint to generate greater efficiencies with the transition to a more flexible work environment (i.e. increased teleworking capabilities) and reduce maintenance and energy costs. | | 315 sq.ft./person | 314 sqft/person | 324 sqft/person | 324 sqft/person |
| Risk, Assessment, and Compliance | | | | | |
| Complete a review of agency internal purchasing procedure for new agencies internal | | N/A | N/A | N/A | N/A |

Complete a review of agency internal purchasing procedures for new agencies, internal purchasing revisions and two year recertification.

| Human Capital Management | | | | | |
|---|------|-----------------|-----------------|-----------------|-----------------|
| Increase percentage of completion of statutory credit hours by supervisors statewide | | | | 97% | 89% |
| Central Purchasing | | | | | |
| Increase annual savings and cost avoidance for spend associated with statewide contracts, agency acquisitions, agency reported savings on spend within their threshold, and the P-card program. | | \$159.8 million | \$158.0 million | \$136.7 million | \$117.0 million |
| Information Services | | | | | |
| Reduce time to deliver new standard device to end user after receipt of request and confirmation of delivery details | | | 4.1 days | 5.2 days | N/A |
| First Call Resolution - Increase the percentage of issues resolved on the first call | | | 65% | 93% | 61% |
| Improve the resiliency of the state's cybersecurity defenses by decreasing the Security Resiliency Index. | 65.0 | | 78.0 | 164.4 | 181.7 |

| Revolving Funds (200 Series Funds) | | | |
|--|------------------------|----------------------------|------------------|
| | FY'22-24 Avg. Revenues | FY'22-24 Avg. Expenditures | June '24 Balance |
| 20000 OMES Revolving | \$3,219,887 | \$3,957,626 | \$1,717,260 |
| 20100 General Purpose Revolving | \$0 | \$133 | \$0 |
| 20200 Deferred Maintenance | \$0 | \$1,400 | \$0 |
| 20300 Communications Revolving | \$8,965 | \$5,155 | \$14,555 |
| 20400 Tribal & Gaming Revolving | \$1,246,774 | \$1,100,327 | \$935,713 |
| 20500 Risk Management Revolving | \$65,670,458 | \$54,955,429 | \$81,627,017 |
| 21000 Telecommunications Revolving (ISD) | \$108,436,374 | \$119,028,562 | -\$4,212,803 |
| 21700 Digital Transformation Revolving | \$0 | \$630,728 | \$67,964 |
| 22300 Risk Management Foster Families Revolving | \$435,594 | \$431,512 | \$32,816 |
| 22400 Criminal Just Pay for Success Fund | \$0 | \$519,440 | \$26,616 |
| 22500 State Use Committee Revolving | \$370,886 | \$389,868 | \$797,684 |
| 23100 Postal Services Revolving | \$647,077 | \$694,072 | \$373,776 |
| 24400 Statewide Surplus Property Revolving | \$4,785,960 | \$5,410,581 | \$357,785 |
| 24500 Facilities Service Revolving | \$12,311,764 | \$16,426,155 | \$213,747 |
| 25000 CMIA Fund | \$5,851 | \$0 | \$25,296 |
| 25500 Risk Management Motor License Agents Revolving | \$316,178 | \$53,135 | \$1,950,025 |

| | | | |
|---|-------------|-------------|--------------|
| 26000 Risk Management Fire Protection Revolving | \$1,811,056 | \$1,690,890 | \$6,019,305 |
| 26200 Risk Management Political Subdivision Participation Revolving | \$125,254 | \$123,373 | \$22,024 |
| 26500 Risk Management Worker's Comp Revolving | \$4,532,186 | \$4,504,678 | \$177,957 |
| 26800 Pay for Success Innovation Fund | \$0 | \$38,824 | \$2,783,529 |
| 27000 Cent. Purch/Registration of State Vendors Revolving | \$38,097 | \$3,481 | \$414,669 |
| 27100 Vendor Fees and Rebates Revolving | \$8,830,159 | \$9,515,173 | \$2,695,614 |
| 27500 State Recycling Revolving | \$548 | \$38,722 | \$2,288 |
| 28000 Fed. Surplus/State Surplus Property Revolving | \$981,644 | \$991,226 | \$627,488 |
| 28200 Const & Prop/State Construction Revolving | \$0 | \$73 | \$0 |
| 28300 Maintenance of State Buildings Revolving | \$3,475,030 | \$5,553,491 | \$10,762,499 |
| 28400 HCM Oklahoma Commission on Status of Women Revolving | \$107,837 | \$50,560 | \$208,144 |
| 29200 Medical Expense Liability Revolving | \$392,756 | \$104,549 | \$3,804,540 |
| 29400 OK Print Shop Revolving | \$1,316,598 | \$1,454,710 | \$236,364 |
| 29500 Emergency & Transportation Revolving | \$4,997,738 | \$3,317,167 | \$9,721,446 |
| 29600 State Fleet Management Fund | \$8,473,146 | \$8,547,720 | \$4,652,832 |
| 29800 Human Capital Management Revolving | \$6,222,080 | \$7,352,669 | \$338,507 |
| 29900 State Tribal Litigation Revolving | \$0 | \$78,031 | \$9,765,907 |

| FY 2025 Current Employee Telework Summary | | | | | | |
|---|--------|--|---------------------------------------|---|-----------------|--|
| Agency Location / Address | | | Full-time and Part-time Employees (#) | | | |
| City | County | Onsite (5 days onsite, rarely remote) | Hybrid (2-4 days onsite weekly) | Remote (1 day or less weekly onsite) | Total Employees | |
| | | | | | 0 | |
| | | | | | 0 | |
| | | | | | 0 | |
| Total Agency Employees | | | | | 0 | |

List each agency physical location (not division), then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.