

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

Version Original
Lead Administrator: Rick Rose

Date submitted
Lead Financial Officer: Brittany Lee

10/1/2024

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	Remaining funds spent after 06/30/24 due to invoice timing
NACEA Debt Service		\$24,835	\$24,835	\$24,835	
Data Center and Command Center		\$18,610,421	\$18,610,421	\$17,937,196	Funds carried into FY25 as project details are solidified.
Salary Study Payback		\$1,965,000	\$1,965,000	\$1,965,000	
OESC new operating system		\$19,000,000	\$19,000,000	\$0	OMES has not been billed by OCIA for this project
LCF Debt Service - Jim Thorpe		\$3,500,000	\$3,500,000	\$3,500,000	
LCF Debt Service - Capitol Complex		\$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		\$880,250	\$880,250	\$0	OMES has not been billed by OCIA for this project
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 procedures 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						
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.			Full-time and Part-time Employees (#)			
Agency Location / Address	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