

**FY23 Budget Performance Review**  
**09000 Office of Management and Enterprise Services**

Lead Administrator: Steve Harpe

Lead Financial Officer: Lia Tepker-McHughes

**Agency Mission**

Dramatically change the experience of providing central services for the State of Oklahoma by focusing on human capital management, building deep relationships with all we serve, infusing modern technology into the citizen experience, while being fiscally responsible.

**Division and Program Descriptions**

**Note: Please define any acronyms used in program descriptions.**

**Division or Program Number and Name**

*Administrative Services (1000001, 1000027, 1000028)*  
 Administration supports the director of OMES, coordinates and liaises with Capital Assets Management (CAM) to maintain the OMES offices within the Capitol; manages the OMES administrative offices for the director of OMES; and serves as the recording secretary for the Legislative Compensation Board and Contingency Review Board. Finance facilitates the financial functions specific to OMES operations. Public Affairs interfaces with the Legislature, news outlets and the general public in order to provide information, inform about OMES, and respond to open records requests on behalf of the agency.

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

Budget provides a fiscal impact and policy analysis for the state and acts as the oversight function for approval of agency budgets. Tribal Gaming is responsible for monitoring compliance with Tribal compacts in place. Central Accounting and Reporting attends to the state's general ledger and accounting, provides agency business services, monitors and processes all expenditure transactions through PeopleSoft, and manages vendor files. Finance Center of Excellence advises on best practices, drives process improvement, and manages reporting and training strategies for statewide finance functions. Grants Management's aim to increase federal funding to the state in order to increase jobs and investment, expand into new fields through cooperation with federal, state, and local partners, and leads the State's efforts to plan for, implement, and account for COVID-19 and other large projects.

*CAM (all 20xxxxx)*

Provides central printing, interagency mail, fleet management, federal and state property reutilization, risk management, state facilities strategy and operations, construction and properties, real estate and leasing, facilities management, and planning services for state agencies.

*HCM (3000000)*

Provides human resources, talent management, employee benefits services, strategic workforce programs, and policy. In addition, provides employment counseling, resume assistance, and job search assistance for veterans for The Office of Veterans Placement at OMES.

*EGID (4000001, 4000002, 4000003, 4880001)*

Administers the self-funded HealthChoice insurance plans available to state, education and local government employees and retirees.

*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 and Internal Controls monitors and provides guidance to agencies in conjunction with statewide purchasing rules.

*Information Services (all 8800xxx)*

Responsible for the protection and provision of state IT services as pursuant to state legislation. Safeguards state data and applications; supports computers, phones, and software; Network & Servers: Builds and supports infrastructure for state data and applications; Applications: Builds, maintain and support applications and web services; Data: Support data integration and standards.

**FY'22 Budgeted Department Funding By Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
1	Administrative Services*	\$6,653,278	\$0	\$2,613,985	\$0	\$0	\$9,267,263
2	Statewide Finance	\$16,492,937	\$158,850	\$3,952,415	\$0	\$36,000	\$20,604,202
3	Capital Assets Management (CAM)	\$32,290,690	\$0	\$100,826,997	\$0	\$0	\$133,117,687
4	Central Purchasing and Audit	\$667,962	\$0	\$6,577,323	\$0	\$0	\$7,245,285
5	Human Capital Management (HCM)	\$4,175,068	\$0	\$4,907,388	\$0	\$0	\$9,082,456
6	Employees Group Insurance (EGID)	\$0	\$0	\$51,729,637	\$0	\$0	\$51,729,637
7	Information Services*	\$46,989,272	\$0	\$137,496,091	\$0	\$0	\$184,485,363
8	County Emergency	\$0	\$0	\$0	\$0	\$4,000,000	\$4,000,000
9	Debt Service	\$23,627,675	\$0	\$0	\$0	\$0	\$23,627,675
10	Native American Cultural & Educational Authority (NACEA) (Pass-through)	\$5,554,851	\$0	\$0	\$0	\$0	\$5,554,851
11	CARES Act CRF	\$0	\$0	\$4,708,440	\$0	\$0	\$4,708,440
<b>Total</b>		<b>\$136,451,734</b>	<b>\$158,850</b>	<b>\$312,812,275</b>	<b>\$0</b>	<b>\$4,036,000</b>	<b>\$453,458,859</b>

1. Please describe source of Local funding not included in other categories: **N/A**

2. Please describe source(s) and % of total of "Other" funding if applicable for each department: **Cash Management Improvement Act funds are used for our federal interest payment resulting from grant activity for all agencies. County Emergency fund is dedicated to counties for loans, and is not part of OMES's operational budget.**

\*Includes carryover appropriations

**Note:** \$2,121,693 of appropriations is transferred to Building and Facilities Revolving fund (245); \$7,500,000 of appropriations is transferred to Maintenance of State Buildings Revolving fund (283); \$10,000,000 of appropriations is transferred to State-Tribal Litigation Revolving Fund (299); \$1,200,000 of appropriations is transferred to the Pay for Success Innovation Fund (268); \$720,000 of appropriations is transferred to the Criminal Justice Pay for Success Revolving Fund (274)

**FY'21 Carryover by Funding Source**

Class Fund #	Carryover Class Fund Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
19111	GRF Carryover (Original FY21 appropriations)	\$270,866	\$0	\$0	\$0	\$0	\$270,866
19021	GRF Carryover (Original FY20 appropriations)	\$3,432,396	\$0	\$0	\$0	\$0	\$3,432,396
19913	Carryover (Original FY21 appropriations)	\$2,466,878	\$0	\$0	\$0	\$0	\$2,466,878

1. Please describe source of Local funding not included in other categories: **N/A**

2. Please describe source(s) and % of total of "Other" funding if applicable: **N/A**

As of 9/30/2021

**What changes did the agency make between FY'21 and FY'22?**

**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?**

No. As required by legislation, OMES will submit a report to the Offices of the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives on March 31, 2022 that details any raise given by state agencies.

**FY'23 Requested Funding By Department and Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
1	Administrative Services	\$7,413,980	\$0	\$675,691	\$0	\$8,089,671	-12.71%
2	Statewide Finance*	\$6,296,773	\$0	\$4,246,415	\$20,000	\$10,563,188	-48.73%
3	Capital Assets Management (CAM)	\$11,648,508	\$0	\$89,493,058	\$0	\$101,141,565	-24.02%
4	Central Purchasing and Audit	\$557,632	\$0	\$6,091,948	\$0	\$6,649,581	-8.22%

5	Human Capital Management (HCM)	\$4,162,372	\$0	\$7,722,785	\$0	\$11,885,158	30.86%
6	Employees Group Insurance (EGID)	\$0	\$0	\$49,940,424	\$0	\$49,940,424	-3.46%
7	Information Services	\$60,535,630	\$0	\$137,496,091	\$0	\$198,031,721	7.34%
8	County Emergency	\$0	\$0	\$0	\$4,000,000	\$4,000,000	0.00%
9	Debt Service	\$23,604,913	\$0	\$0	\$0	\$23,604,913	-0.10%
10	Native American Cultural & Educational Authority (NACEA) (Pass-through)	\$5,554,851	\$0	\$0	\$0	\$5,554,851	0.00%
11	CARES Act CRF	\$0	\$0	\$0	\$0	\$0	-100.00%
<b>Total</b>		<b>\$119,774,660</b>	<b>\$0</b>	<b>\$295,666,412</b>	<b>\$4,020,000</b>	<b>\$419,461,071</b>	<b>-7.50%</b>

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

Cash Management Improvement Act funds are used for our federal interest payment resulting from grant activity for all agencies. County Emergency fund is dedicated to counties for loans, and is not part of OMES's operational budget.

\*Occupational Licensing grant is ending 6/30/2021

FY'23 Top Five Operational Appropriation Funding Requests		
Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:	Device as a Service (DaaS) Replacement	\$17,015,829
<b>Top Five Request Subtotal:</b>		<b>\$17,015,829</b>
<b>Total Increase above FY-22 Budget (including all requests)</b>		<b>\$ 25,000,000</b>
Difference between Top Five requests and total requests:		\$7,984,171
<b>Does the agency have any costs associated with the Pathfinder retirement system and federal employees?</b>		
No.		

**How would the agency be affected by receiving the same appropriation for FY '23 as was received in FY '22? (Flat/ 0% change)**  
 We would continue to solely use our current DaaS provider which will lead to continued slower response time, reducing OMES' ability to respond to agencies' needs.

**How would the agency handle a 2% appropriation reduction in FY '23?**  
 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; Increased rent to agencies; Delayed progress in shared services projects; Possible furloughs or terminations resulting in further degradation of quality and timeliness of service; increased rates for services to agencies will need to be implemented.

Is the agency seeking any fee increases for FY '23?			Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1	None			
Increase 2				
Increase 3				

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?			
Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCPC? (Yes/No)	
Priority 1 Continued refresh of infrastructure to new Disaster Recovery center to maintain industry standards	\$10,000,000	Yes	
Priority 2 Replacement of Hodge Top exterior wall panels of penthouse equipment room	\$500,000	Yes	
Priority 3 Replacement of Will Rogers Top exterior wall panels of penthouse equipment room	\$500,000	Yes	

Federal Funds							
CFDA	Federal Program Name	Agency Dept. #	FY 22 budgeted	FY 21	FY 20	FY 19	FY 18
11.549	Public Safety Broadband Network (PSBN) via the FirstNet grant	8800200	-	181,685.47	287,819.94	226,925.00	536,945.00
17.207	State Occupational Licensing Review and Reform Grant	1000002	158,850.00	92,443.00	91,551.00	47,785.00	-

Federal Government Impact	
<b>1.) How much federal money received by the agency is tied to a mandate by the Federal Government?</b>	None.
<b>2.) Are any of those funds inadequate to pay for the federal mandate?</b>	N/A
<b>3.) What would the consequences be of ending all of the federal funded programs for your agency?</b>	All of OMES's Federal Grants are ending in FY22.
<b>4.) How will your agency be affected by federal budget cuts in the coming fiscal year?</b>	N/A
<b>5.) Has the agency requested any additional federal earmarks or increases?</b>	None.

FY'22 Budgeted FTE							
Division #	Division Name	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
1	Administrative Services	13	0	45	4	24	17
2	Statewide Finance	17	2	77.5	3	57.5	19
3	Capital Assets Management (CAM)	38	4	155	29	119	11
4	Central Purchasing and Audit	8	0	50	2	39	9
5	Human Capital Management (HCM)	15	1	75	16	43	17
6	Employees Group Insurance (EGID)	27	5	123.5	15	93.5	20
7	Information Services	78	12	611	3	342	278
<b>Total</b>		<b>196</b>	<b>24</b>	<b>1137</b>	<b>72</b>	<b>718</b>	<b>371</b>

FTE History						
Division #	Division Name	2022 Budgeted	2021	2020	2018	2013
1	Administrative Services	45.0	36.0	40.5	31.0	39.0
2	Statewide Finance	79.5	76.5	77.0	98.0	76.0
3	Capital Assets Management (CAM)	159.0	140.0	148.5	151.0	149.0
4	Central Purchasing and Audit	50.0	44.0	41.0	52.0	28.0
5	Human Capital Management (HCM)	76.0	59.0	55.0	50.0	55.0
6	Employees Group Insurance (EGID)	128.5	113.5	117.5	114.0	127.0

7	Information Services	623.0	552.0	594.0	685.8	815.5
<b>Total</b>		<b>1161.0</b>	<b>1021.0</b>	<b>1073.5</b>	<b>1181.8</b>	<b>1289.5</b>

Notes: 1) Historical FTE from PeopleSoft Monthly FTE Analysis Report as of 6/30  
2) Finance department moved from CAR to Administration in FY2018  
3) Decreased Information Services FTE from FY-2020 to FY-2021 resulted from movement to external vendor for DaaS.

Performance Measure Review					
	FY 21	FY 20	FY 19	FY 18	FY 17
<b>Administrative Services</b>					
Increase the percentage of employees who are fully engaged as measured by the annual OMES Employee Engagement Survey.	84%	82%	N/A	N/A	N/A
<b>Statewide Finance</b>					
The amount of state reserves in constitutional funds and funds not yet encumbered.	\$1.594 billion	\$1.011 billion	N/A	N/A	N/A
<b>Capital Asset Management</b>					
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. Reduce total energy usage in OMES-managed properties	235 sqft/person 62.7 Kbtu/sq.ft	235 sqft/person 62.06 Kbtu/sq.ft	N/A 63.8 Kbtu/sq.ft	N/A 62.08 Kbtu/sq.ft	N/A 59.16 Kbtu/sq.ft
<b>Human Capital Management</b>					
Increase percentage of completion of statutory credit hours by supervisors statewide	Available in Spring 2022	89%	78%	80%	82%
<b>Employees Group Insurance</b>					
Manage healthcare premium cost growth at or below the national 5-year rolling average for HealthChoice members. Premium cost growth is measured by comparing costs of the national 5-year rolling average to the Oklahoma 5-year rolling average.	Oklahoma 2.2% National 3.1%	Oklahoma 2.50% National 3.20%	Oklahoma 2.30% National 3.60%	Oklahoma 3.10% National 4.00%	Oklahoma 2.80% National 4.50%
<b>Central Purchasing</b>					
Increase the amount of annual cost savings resulting from statewide procurement contracts. Cost savings are measured through contract management and negotiation resulting in discounts for statewide use.	not yet available	23%	23%	9%	9%
Increase amount of cost avoidance from Statewide Procurement Contracts related to Information Technology services. Cost savings are measured through contract management and negotiation resulting in discounts for statewide use.	not yet available	cost avoidance \$ 51,350,436.75 spend	cost avoidance \$ 51,020,324.75 spend	cost avoidance \$ 38,744,130.03 spend	cost avoidance \$ 49,754,806.76 spend
<b>Information Services</b>					
Reduce time to deliver new standard device to end user after receipt of request and confirmation of delivery details	5.2 days	N/A	N/A	N/A	N/A
Increase the average customer satisfaction rating on Cherwell CSAT surveys for IS services provided.	93%	93%	94%	93%	92%
First Call Resolution - Increase the percentage of issues resolved on the first call	81%	61%	51.50%	72.75%	73.56%

Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'19-21 Avg. Revenues	FY'19-21 Avg. Expenditures	June '21 Balance
<b>Fund number: Fund name</b>			
20000 OMES Revolving	\$2,405,659	\$2,461,735	\$2,008,153
20100 General Purpose Revolving	\$2,336	\$53,976	\$3,928
20200 Deferred Maintenance	\$0	\$33,333	\$4,200
20300 Communications Revolving	\$6,511	\$92,044	\$1,450
20400 Tribal & Gaming Revolving	\$1,179,509	\$1,583,718	\$496,374
20500 Risk Management - Revolving	\$33,962,531	\$35,130,960	\$52,036,618
21000 Telecommunications Revolving (ISD)	\$112,153,020	\$134,859,538	\$17,469,397
21700 Digital Transformation Revolving	\$0	\$3,278,664	\$1,960,148
22300 Risk Management - Foster Families Revolving	\$474,345	\$470,863	\$20,568
22500 State Use Committee Revolving	\$455,681	\$291,432	\$910,282
23100 Postal Services Revolving	\$618,388	\$559,215	\$422,526
24400 Statewide Surplus Property Revolving	\$4,251,886	\$3,779,882	\$2,182,819
24500 Facilities Service Revolving	\$13,744,125	\$16,080,715	\$9,889,211

25000 CMIA Fund	\$10,186	\$18,656	\$7,744
25500 Risk Management - Motor License Agents Revolving	\$111,181	\$43,136	\$1,159,183
26000 Risk Management - Fire Protection Revolving	\$1,281,062	\$1,060,000	\$5,662,582
26200 Risk Management Political Subdivision Participation Revolving	\$104,670	\$103,885	\$16,378
26500 Risk Management - Worker's Comp Revolving	\$3,687,309	\$3,698,753	\$95,435
27000 Cent. Purch/Registration of State Vendors Revolving	\$92,742	\$27,379	\$310,820
27100 Vendor Fees and Rebates Revolving	\$6,082,186	\$4,791,163	\$5,618,250
27200 Cent. Purch Training Revolving	\$0	\$32,383	\$0
27500 State Recycling Revolving	\$17,381	\$65,652	\$116,810
28000 Fed. Surplus/State Surplus Property Revolving	\$698,916	\$908,988	\$710,287
28200 Const & Prop/State Construction Revolving	\$0	\$0	\$218
28300 Maintenance of State Buildings Revolving	\$293,845	\$3,619,673	\$16,997,881
28400 HCM Oklahoma Commission on Status of Women Revolving	\$6,496	\$4,895	\$36,312
28800 Benefits Council Administration Revolving	\$960,355	\$1,160,134	\$0
29000 EGID Administration Revolving	\$44,076,044	\$43,945,757	\$2,817,760
29200 Medical Expense Liability Revolving	\$472,604	\$119,670	\$2,939,918
29400 OK Print Shop Revolving	\$1,615,612	\$1,601,024	\$550,968
29500 Emergency & Transportation Revolving	\$7,146,035	\$6,297,568	\$4,679,733
29600 State Fleet Management Fund	\$6,876,296	\$6,334,850	\$5,952,697
29800 Human Capital Management Revolving	\$2,872,832	\$2,161,037	\$3,712,294
29900 State Tribal Litigation Revolving	\$0	\$0	\$10,000,000