

**FY 2027 Budget Performance Review**  
**Oklahoma Department of Commerce - 160**

Version Revision 01  
 Lead Administrator: John Budd

Date submitted  
 Lead Financial Officer: Stacie Willis

12/12/2025

**Agency Mission**

To cultivate environments and relationships that foster economic growth.

**Division and Program Descriptions**

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

**43 - CORE (Community Outreach and Revitalization Enterprise)**

*Community Services fosters economic development by helping communities understand and implement infrastructure projects and comprehensive planning in order to maximize their resources.*

**43 - Main Street**

*Provides specific services and training to participating towns, communities, or neighborhoods as they begin the process of revitalizing their historic commercial districts. It also offers education to non-Main Street communities on the benefits of historic preservation and community commercial development. Facilitates Main Street Development P3 grant program for infrastructure and revitalization of Main Street districts. Administers the Rt. 66 Revitalization Grant Program.*

**43 - Regional Development Team**

*Staff designated for the support of economic growth, particularly in communities or regions with declining populations. This program supports the local efforts of city and county leaders in business assistance, grant identification, resources connections, one on one training, site development, and economic best practices.*

**45 - EDGE (Economic Development, Growth, and Expansion)**

*Provides for the creation and retention of jobs, to recruit business investment to Oklahoma, and to contribute to economic development through export trade and the attraction of foreign investment.*

**70 - Operational Support Services**

*These services include Executive Leadership, Finance, Human Resources, Communications, Purchasing, General Counsel, Public Information Office, and Research and Economic Analysis, which all provide the tools and support services necessary for the agency to operate.*

**88 - ISD Data Processing**

*Information technology expenditures must be budgeted as a separate line item within agency budgets. (62 O.S. § 34.43) All IT expenses should be budgeted in division 88 unless otherwise approved.*

**93 - Rural Economic Action Plan**

*This is a continuing fund, not subject to fiscal year limitations, for economic development in rural areas with populations of less than 7,000. Funds have to be used for one of the following items: rural water quality, rural waste, rural sanitary sewage, rural roads, rural health services, rural fire protection, rural telecommunications, municipal energy employment projects, and other projects approved by 2/3 of the substate governing board. The Community Development Services Division annually monitors the REAP program at each COG.*

**FY'26 Budgeted Department Funding By Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Local <sup>1</sup>	Other <sup>2</sup>	Total
30	ARPA Infrastructure Grants			\$1,500,000			\$1,500,000
40	PREP Infrastructure Grants			\$5,500,000			\$5,500,000
41	PREP Southern Regional Airpark			\$1,500,000			\$1,500,000
42	PREP State Fair Project			\$1,500,000			\$1,500,000
44	PREP International Recruiting			\$20,000			\$20,000
46	PREP Municipal Park Project			\$250,000			\$250,000
47	PREP Submarine Relocation Project			\$250,000			\$250,000
48	PREP Industrial Park Infrastructure Project			\$150,000			\$150,000
60	PREP Rural Dev Grants			\$2,000,000			\$2,000,000
43	Community Development	\$3,148,864	\$3,640,524	\$112,669			\$6,902,057
43	Main Street Program	\$863,537		\$116,019			\$979,556
45	Business Services	\$4,558,198		\$225,000			\$4,783,198
67	Contracts and Comm. & Economic Dev.	\$15,051,542	\$42,766,427	\$15,707,132			\$73,525,101
70	Operational Support	\$7,080,353		\$1,266,193			\$8,346,546
88	ISD Data Processing	\$591,148	\$289,770	\$508,228			\$1,389,146
93	REAP (Rural Economic Action Plan)			\$33,000,000			\$33,000,000
<b>Total</b>		<b>\$31,293,642</b>	<b>\$46,696,721</b>	<b>\$63,605,241</b>	<b>\$0</b>	<b>\$0</b>	<b>\$141,595,604</b>

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 8/31/2025 (\$)	Balance as of 8/31/2025 (\$)
192	General Revenue Fund	SB 1125, 110	2025	\$21,650,000	\$3,385,650	\$18,264,349.64
193	General Revenue Fund	HB 1038X, 1	2024	\$145,000,000	\$69,896,540	\$75,103,459.95
194	General Revenue Fund	HB 1004X, 100	2024	\$36,377,973	\$28,997,158	\$7,380,814.61
195	General Revenue Fund	SB 1125, 109	2025	\$27,301,366	\$22,920,738	\$4,380,628.16
386	Progressing Rural Economic Prosperity	HB 1019XX & HB 2794	2023 & 2025	\$132,950,000	\$24,110,534	\$108,839,466.32
<i>Total remaining prior year appropriation balance:</i>						<b>\$213,968,718.68</b>

*Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 194, 195). Do not report carryover class funds separately. Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.*

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**What changes did the agency make between FY'25 and FY'26?**

1.) Are there any services no longer provided because of budget cuts? None

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

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

The agency continually reviews processes to ensure we are operating efficiently and seeks out best value/lowest cost options when making purchases, allowing us to continue the same level of service to customers.

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

Please see tab labelled FY25 Salary Changes

**Appropriation Increase Review**

Appropriation Increase Purpose	Appropriation Increases (Additional to Agency Base Appropriation)			Expenditures	
	FY 2024	FY 2025	Total Amount Received FY 2024-2025	Total Expenditure of Increase as of 6/30/2025	If funds have not been spent, please explain why.
OK Small Business Dev Center Network -Pass Thru	\$150,000		\$150,000	\$150,000	
OK Community Enhancement of Nutrition Assistance (CENA)	\$200,000	\$229,946	\$429,946	\$429,946	
Murray State Univ for four-year gunsmithing program (OT)	\$10,000,000		\$10,000,000	\$6,058,451	Construction is still underway. Murray State plans to use the balance of funds for new market tax credits.
Research Mapping/GIS	\$300,000		\$300,000	\$120,000	Planned expenditures were less than anticipated.
Ag initiative	\$200,000		\$200,000	\$0	Ag position was not filled
Protocol Officer	\$148,650		\$148,650	\$148,650	
Seminole Small Business	\$400,000		\$400,000	\$400,000	
NEO Rodeo	\$250,000		\$250,000	\$249,055	
Ok Small Bus. Dev Center Network, Pass through at SEOSU - this is match money for a federal grant		\$850,000	\$850,000	\$850,000	
Industrial Site Infrastructure Program		\$250,000	\$250,000	\$0	
Automotive Initiative		\$109,135	\$109,135	\$0	
Energy Initiative		\$200,000	\$200,000	\$0	Agency is currently reevaluating program and economic development strategy.
Bioscience Initiative		\$200,000	\$200,000	\$0	
Rural Community Support		\$300,000	\$300,000	\$300,000	
Strategic Planning for Product Development and Regional Districts		\$250,000	\$250,000	\$0	Work on strategic plan is currently underway.
Support of OK Substate Planning to Councils of Government		\$150,000	\$150,000	\$150,000	
Support of OK Community Action Agency Partners		\$36,221	\$36,221	\$36,221	
Support of CAA Head Start		\$183,874	\$183,874	\$183,874	
Support of RX for Oklahoma Program		\$64,217	\$64,217	\$64,217	Moved to OK Department of Health Program was planned over two year period. Funds will be expended during FY 26.
Recruitment and Marketing		\$10,000,000	\$10,000,000	\$2,348,452	
Rogers State		\$10,000,000	\$10,000,000	\$129,656	
QACF		\$20,000,000	\$20,000,000	\$0	
<b>Total:</b>	<b>\$11,648,650</b>	<b>\$42,823,393</b>	<b>\$54,472,043</b>	<b>\$11,618,522</b>	

*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.*

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**FY'27 Requested Funding By Department and Source**

Dept. #	Department Name	Appropriations	Federal	Revolving	Other <sup>1</sup>	Total	% Change
30	ARPA Infrastructure Grants	\$0	\$0	\$1,500,000	\$0	\$1,500,000	0%
40	PREP Infrastructure Grants	\$0	\$0	\$5,500,000	\$0	\$5,500,000	0%
41	PREP Southern Regional Airpark	\$0	\$0	\$1,500,000	\$0	\$1,500,000	0%
42	PREP State Fair Project	\$0	\$0	\$1,500,000	\$0	\$1,500,000	0%
44	PREP International Recruiting	\$0	\$0	\$20,000	\$0	\$20,000	0%
46	PREP Municipal Park Project	\$0	\$0	\$250,000	\$0	\$250,000	0%
47	PREP Submarine Relocation Project	\$0	\$0	\$250,000	\$0	\$250,000	0%
48	PREP Industrial Park Infrastructure Project	\$0	\$0	\$150,000	\$0	\$150,000	0%
60	PREP Rural Dev Grants	\$0	\$0	\$2,000,000	\$0	\$2,000,000	0%
43	Community Development	\$3,148,864	\$3,640,524	\$112,669	\$0	\$6,902,057	0%
43	Main Street Program	\$863,537	\$0	\$116,019	\$0	\$979,556	0%
45	Business Services	\$5,108,198	\$0	\$225,000	\$0	\$5,333,198	11%
67	Contracts and Comm. & Economic Dev.	\$16,350,947	\$42,766,427	\$15,707,132	\$0	\$74,824,506	2%
70	Operational Support	\$15,880,353	\$0	\$1,266,193	\$0	\$17,146,546	105%
88	ISD Data Processing	\$726,148	\$289,770	\$508,228	\$0	\$1,524,146	10%
93	REAP (Rural Economic Action Plan)	\$0	\$0	\$33,000,000	\$0	\$33,000,000	0%
<b>Total</b>		<b>\$42,078,047</b>	<b>\$46,696,721</b>	<b>\$63,605,241</b>	<b>\$0</b>	<b>\$152,380,009</b>	<b>\$0</b>

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

**FY'27 Top Five Incremental 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:	Deferred Maintenance and Repairs of Commerce Office (LRCPC or LCF request)	No	One-time	\$8,300,000.00
Request 2:	Census 2030 Support	No	Recurring	\$500,000.00
Request 3:	EDGE Domestic and International Recruiting Project Management - Alignment with State ISD	No	Recurring	\$300,000.00
Request 4:	Standards & Strategy	No	Recurring	\$135,000.00
Request 5:	Taiwan Regional Trade Office	No	Recurring	\$250,000.00
<b>Top Five Request Subtotal:</b>				<b>\$9,485,000.00</b>
<b>Total Increase above FY-26 Budget (including all requests)</b>				<b>\$10,784,405.00</b>
<b>Difference between Top Five requests and total requests:</b>				<b>\$1,299,405.00</b>

\* Capital requests in the table above should be listed in the next table.

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

Description of requested increase in order of priority	Total Project Cost (\$)	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)
Priority 1    Deferred Maintenance and Repairs of Commerce Office (LRCPC or LCF request)	\$8,300,000	\$8,300,000	No

**Does the agency has any costs associated with the Pathfinder retirement system and federal employees? If so, please describe the impact.**

Yes, we have costs associated with the Pathfinder retirement system for 18 federal funded employees.

\* Include the total number of federally funded FTE in the Pathfinder system.

**How would the agency be affected by receiving the same appropriation for FY '27 as was received in FY '26? (Flat / 0% change)**

Agency would be able to operate at the same level as FY '26.

**How would the agency handle a 2% appropriation reduction in FY '27?**

Agency would be able to operate at the same level as FY '26 and use carryover to cover any deficits related to one-time expenditures.

**Is the agency seeking any fee increases for FY '27?**

Description of requested increase in order of priority	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1    N/A		

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Federal Funds							
CFDA	Federal Program Name	Agency Dept. #	FY 26 budget (\$)	FY 25 actuals (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)	FY 25 budgeted FTE (#)
11.307	EDA - Economic Development Admin	70	0	0	0	24,000	0
14.228	CDBG - Community Development Block Grant	43, 67, and 88	22,750,000	19,636,135	18,258,276	34,691,671	11.26
14.231	ESG - Emergency Solutions Grant	43, 67, and 88	1,710,000	1,714,921	2,269,686	5,431,098	.34
14.269/14.228	CDBGDR - Community Development Block Grant I	43, 67, and 88	3,750,000	6,394,035	3,351,111	560,542	0
59.061	STEP - State Trade and Export Promotion	70	22,000	325,432	231,811	363,820	0
81.041	SEP - State Energy Program	43, 67, and 88	1,025,679	1,067,109	771,080	982,316	2.00
81.042	DOE - Weatherization Assistance Program	43, 67, and 88	7,500,000	5,470,237	5,011,209	3,140,641	6.87
81.254	DOE- Grid Resilience	43, 67, and 88	10,000	6,731	11,668		0.15
93.568	DHS - Low-Income Home Energy Assistance	43, 67, and 88	830,000	830,341	827,113	713,816	0.65
93.569	CSBG - Community Services Block Grant	43, 67, and 88	8,840,000	8,845,004	8,965,956	10,777,309	4.37
93.6	HS - Head Start Collaboration	43 & 67	175,000	187,601	147,969	162,264	0.00
		30, 43, 50, 60, 67,					
21.027	ARPA Statewide Recovery Fund	70	1,606,042	3,496,526	617,555	16,614,545	.8
81.128	Energy Eff Conservation Block Grant	43, 67, and 88	0	12,450	0	0	

**Federal Government Impact**

**1.) How much federal money received by the agency is tied to a mandate by the Federal Government?**

The majority of federal funds consist of formula money directly allocated to the State of Oklahoma. Only a small portion are grants that the Agency proactively applied for and received.

**2.) Are any of those funds inadequate to pay for the federal mandate?**

Yes. Each of the Federal programs has an administrative percentage allowance for staff, as well as staff charges to the indirect rate. However, state appropriated funds are required to be used to supplement several of the programs since the allowable administrative percentage is not always sufficient to cover all salary and fringe costs.

**3.) What would the consequences be of ending all of the federal funded programs for your agency?**

It would essentially eliminate the majority of Commerce's Community Development Division. There would additionally be statewide community impacts due to the elimination of funding used by local governments to improve streets and water treatment facilities and funds used by community action agencies to feed and educate low-income children and weatherize homes of low-income citizens.

**4.) How will your agency be affected by federal budget cuts in the coming fiscal year?**

Presently, Commerce will continue to draw on "older" money so the impact will not be severe unless a Federal shutdown or cut occurs over a long period of time because most draw processes stay functional during the shutdown. At this time, significant cuts are not expected to be applicable to current awards.

**5.) Has the agency requested any additional federal earmarks or increases?**

Not at this time.

**FY 2026 Budgeted FTE**

Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
43	Community Development	9	41.5	0.5	31	17	2.0
43	Main Street Program	1	5	0	3	2	1.0
45	Business Services	5	21.5	0	10	11.5	5.0
67	Contracts for Community & Economic Dev.	0	0	0	0	0	0.0
70	Operational Support	15	35.5	0.5	23	17	10.0
88	ISD Data Processing	0	0	0	0	0	0.0
93	REAP (Rural Economic Action Plan)	0	0	0	0	0	0.0
<b>Total</b>		<b>30</b>	<b>103.5</b>	<b>1</b>	<b>67</b>	<b>47.5</b>	<b>18.0</b>

*Salary only. Does not include benefits.*

**FTE History by Fiscal Year**

Division #	Division Name	FY 2026 Budgeted	FY 2026 YTD	FY 2025	FY 2024	FY 2023	FY 2017
43	Community Development	50.5	49.7	33.5	36.0	46.0	27.0
43	Main Street Program	6.0	6.0	7.0	6.0	6.0	6.0
45	Business Services	26.5	15.5	3.0	11.5	5.5	24.0
67	Contracts for Community & Economic Dev.	0.0	0.0	0.0	0.0	0.0	0.0
70	Operational Support	50.5	43.5	70.0	60.0	71.0	43.0
88	ISD Data Processing	0.0	0.0	0.0	0.0	0.0	0.0
93	REAP (Rural Economic Action Plan)	0.0	0.0	0.0	0.0	0.0	0.0
67	NACEA	0.0	0.0	0.0	0.0	0.0	4.0
<b>Total</b>		<b>133.5</b>	<b>114.7</b>	<b>113.5</b>	<b>113.5</b>	<b>128.5</b>	<b>104.0</b>

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Performance Measure Review					
Program Name	FY 2025	FY 2024	FY 2023	FY 2022	FY 2021
KPM #1 Direct New Jobs	8,910	10,344	5,763	8,117	6,225
KPM #2 Average Annual Wage	\$74,231	\$66,803	\$55,028	\$62,010	\$51,083
KPM #3 New Private Investment	\$7.2 Billion**	\$9.1 Billion*	\$2.13 Billion	\$4.5 Billion	\$2.1 Billion
KPM #4 New Business Projects	202	207	210	185	281
KPM #5 Community Capacity Improvement Projects	619	531	539	253	226

\*Note FY24 includes announced projects Rolling Rock, Heart, Albatross 2 & TEO with high investments

\*\*Note FY25 includes announced projects, North Fork and Rohan 2024, with high investments

Revolving Funds (200 Series Funds)			
	FY'23-25 Avg. Revenues	FY'23-25 Avg. Expenditures	June 2025 Balance
<b>OK Department of Commerce Revolving Fund - 205</b> Continuing fund and subject to the administrative direction of the Oklahoma Department of Commerce. <i>Includes Port of Muskogee \$10,000,000 transfer.</i> <i>Approximately 67% of revenue is reimbursement of grant expenditures previously disbursed from Fund 205. Current grant end September 2026.</i>	\$648,103	\$2,395,590	\$5,925,402.36
<b>Rural Economic Action Plan Revolving Fund - 225</b> Funds are for the purpose of economic development in rural areas with populations of less than 7,000. <i>Appropriation only</i>	\$30,000,000	\$30,000,000	\$4,650,292.00
<b>Oklahoma Rt 66 Centennial Celebration Fund - 226</b> These funds are to be used for approved projects in eligible communities along Rt 66 in Oklahoma.	\$6,600,000	\$1,936,924	\$16,621,919.50
<b>Oklahoma Main Street Fund - 250</b> The Main Street Fund is used for the purpose of providing specific services and training to participating towns or neighborhoods as they begin the process of revitalizing their districts and offering education on the benefits of historic preservation and community commercial development.	\$10,667	\$5,665	\$12,000.00
<b>Quick Action Closing Revolving Fund - 255</b> Funds are to be expended by the Governor for economic development and related infrastructure development in instances in which expenditure of such funds would likely be a determining factor in locating a high-impact business project or facility in Oklahoma or in retaining such a project or facility within the	\$1,017,983	\$3,988,631	\$51,490,983.98
<b>Disaster Mitigation Fund - 260</b> This fund was created to help counties and municipalities impacted by natural disasters or at risk for future loss in their application for recovery and mitigation project financing. The new fund is an opportunity to match federal grant programs like those from FEMA and others. <i>Appropriation only FY23.</i>	\$1,666,667	\$0	\$5,000,000.00

FY 2026 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
900 N. Stiles Avenue	Oklahoma City	Oklahoma	92.7			92.70
No specified location					11	11.00
No specified location				11		11.00
			Total Agency Employees			
			<b>114.70</b>			