

Oklahoma Department of Commerce

Lead Administrator: Secretary Larry Parman

Lead Financial Officer: Karla Graham

FY'15 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Division 1 Community Development	6	0	49	1	41	7
Division 2 Global Business Services	4	0	25	0	23	3
Division 3 Contracts for Community and Economic Development	0	0	0	0	0	0
Division 4 Operational Support	13	0	51	4	38	8
Subdiv.A Main Street Program	1	0	6	0	5	1
Subdiv. B NACEA	4	0	9	0	7	2
Total	28	0	140	5	114	21

Salaries only.

FTE History					
	2014 Budgeted	2013	2010	2009	2004
Division 1 Community Development	49	42	39	40	36
Division 2 Global Business Services	25	29	24	32	32
Division 3 Contracts for Community and Economic Development	0	0	0	0	0
Division 4 Operational Support	51	48	63	68	41
Subdiv.A Main Street Program	6	5	5	5	6
Subdiv. B NACEA	9	8	11	11	5
Total	140	132	142	156	120

FY'14 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Division 1 Community Development	\$895,762	\$4,285,062	\$17,394	\$0	\$0	\$5,198,218
Division 2 Global Business Services	\$2,951,539	\$141,700	\$335,871	\$0	\$0	\$3,429,110
Division 3 Contracts for Community and Economic Development	\$10,911,401	\$66,000,723	\$11,012,511	\$0	\$0	\$87,924,635
Division 4 Operational Support	\$6,911,730	\$0	\$1,116,454	\$0	\$0	\$8,028,184
Subdiv.A Main Street Program	\$661,833	\$0	\$5,000	\$0	\$0	\$666,833
Subdiv. B NACEA	\$6,784,354	\$0	\$723,044	\$0	\$0	\$7,507,398
Division 7 REAP	\$0	\$0	\$11,532,469	\$0	\$0	\$11,532,469
Division 8 ISD Data Processing	\$456,593	\$0	\$450,854	\$0	\$0	\$907,447
Division 9 Oil Settlement Fund Projects	\$0	\$63,520	\$0	\$0	\$0	\$63,520
Total	\$29,573,212	\$70,491,005	\$25,193,597	\$0	\$0	\$125,257,814

*Source of "Other" and % of "Other" total for each.

FY'13 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'13 Carryover	\$1,955,977	\$0	\$10,290,602	\$0	\$0	\$12,246,579

*Source of "Other" and % of "Other" total for each.

NACEA portion of appropriation carryover is \$723,044.

What Changes did the Agency make between FY'13 and FY'14

- 1.) Are there any services no longer provided because of budget cuts? N/A
- 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? N/A

FY'15 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Division 1 Community Development	\$895,762	\$4,096,777	\$10,354	\$0	\$5,002,893	0.00%
Division 2 Global Business Services	\$2,951,539	\$141,700	\$335,871	\$0	\$3,429,110	0.00%
Division 3 Contracts for Community and Economic Development	\$10,911,401	\$65,631,354	\$10,400,199	\$0	\$86,942,954	0.00%
Division 4 Operational Support	\$6,911,730	\$0	\$495,833	\$0	\$7,407,563	0.00%
Subdiv.A Main Street Program	\$661,833	\$0	\$5,000	\$0	\$666,833	0.00%
Subdiv. B NACEA	\$6,784,354	\$0	\$0	\$0	\$6,784,354	0.00%
Division 7 REAP	\$0	\$0	\$11,532,469	\$0	\$11,532,469	0.00%
Division 8 ISD Data Processing	\$456,593	\$0	\$450,854	\$0	\$907,447	0.00%
Division 9 Oil Settlement Fund Projects	\$0	\$63,520	\$0	\$0	\$63,520	0.00%
Total	\$29,573,212	\$69,933,351	\$23,230,580	\$0	\$122,737,143	0.00%

*Source of "Other" and % of "Other" total for each.

FY'15 Top Five Appropriation Funding Requests

	\$ Amount
Request 1	\$0
Request 2	\$0
Request 3	\$0
Request 4	\$0
Request 5	\$0

How would the agency handle a 3% appropriation reduction in FY'15?

If Commerce's FY-15 appropriation is cut by 3%, the agency would first have to consider ways in which existing funds could be used to support unavoidable agency cost increases. These increases may include benefits and uncontrollable insurance, utility, and motor pool costs. Resource realignment and reallocation would also have to be considered if a 3% cut was received.

How would the agency handle a 5% appropriation reduction in FY'15?

If Commerce's appropriation was reduced by 5%, it is difficult to project exactly what actions would be taken to balance the budget. Serious and thoughtful deliberation, with input from many, would have to occur before decisions of this magnitude could be made. One possible method to allocate the necessary state dollar reductions is a pro-rated method for an equal percentage cut between agency operations and pass-through funds. A reduction of this magnitude would result in reduced services to businesses and communities.

Is the agency seeking any fee increases for FY'15?

N/A	\$ Amount
	\$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 is 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 agency's Workforce Division and the majority of its Community Development Division. There would additionally be statewide community impacts.
- 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 all draw processes stay functional during the shutdown. Workforce is not expecting any additional awards until April 2014 and most programs are funded in April, July, or October. 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.

Division and Program Descriptions

- Community Development Services**
1) Community Development fosters economic development by helping communities understand and implement infrastructure projects and comprehensive planning in order to maximize their resources.
2) The Workforce Program builds a workforce system that provides core employment services to the universal customer through a one-stop service delivery system.
- Business Services**
The purpose of this program is threefold: to provide 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.
- Contracts for Community and Economic Development**
Contracts for Community and Economic Development are contracts, which include ones that the Oklahoma Department of Commerce has been statutorily mandated to administer via annual appropriations.
- Operational Support Services**
These services include Executive Leadership, Finance, Human Resources, Communications, Purchasing, General Counsel, and Research and Economic Analysis, which all provide the tools and support services necessary for the agency to operate.
- Main Street Program**
The Main Street Program provides specific services and training to participating towns or neighborhoods as they begin the process of revitalizing their districts. It also offers education to non-Main Street communities on the benefits of historic preservation and community commercial development.
- NACEA**
To promote the history and culture of Native Americans for the mutual benefit of the State of Oklahoma and its Indian and non-Indian citizens.

Performance Measure Review

	FY'13	FY'12	FY'11	FY'10	FY'09
Community Development Services					
New Jobs	7,473	9,640	5,339	5,818	5,136
New Investment	\$3,338,893,261	\$1,059,118,000	\$861,842,000	\$274,109,000	\$288,838,295
Private Investment in Main Street	\$115,511,064	\$41,340,930	\$35,630,000	\$20,907,000	\$30,000,000
Average Wage of New Jobs	175.5%	132%	N/A	N/A	N/A
Workforce Training	14,432	24,494	14,450	12,971	11,635
Community Improvement Projects	241	146	404	195	170
Global Business Services					
New Jobs	7,473	9,640	5,339	5,818	5,136
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