Office of Management and Enterprise Services

AGENCY MISSION STATEMENT:
> The Office of Management and Enterprise Services (OMES) is part of the Executive Branch. In the past, OMES' (formerly OSF) main responsibilities resided in the Division of Budget (Budget), Division of Central Accounting and Reporting (DCAR), Information Services Division (ISD) and the Telecommunications Division. Due to the HB2140 consolidations, OMES' scope of services was considerably broadened to include the added duties related to central services, human resources, state employees' benefits, and group insurance.

LEAD ADMINISTRATOR:
> Preston Doerflinger, Director
> Preston.Doerflinger@osf.ok.gov

GOVERNANCE:
> It is under the administrative control of the Director of OMES who is appointed by the governor, with the advice and consent of the Senate.

GOVERNANCE ACCOUNTABILITY:
> Is there a commission or board that oversees the agency? No
> Is there an attendance policy for board members/commissioners? N/A
> If so, is it being followed? N/A

MODERNIZATION EFFORTS:
> Under HB2140, five agencies were consolidated into the new OMES. Currently information technology for HCM, Benefits & DCAM are fully consolidated into the ISD Division; the EGID is currently undergoing consolidation.

CORE MISSION:
> **Division 1   OMES – State Finance**
> Program 1 - Central Accounting and Reporting – Responsible for
> - establishing the policies and procedures for state financial transactions and for executing those transactions in accordance with the various state statutes, federal regulations, and governmental accounting and reporting standards;
> - production of the State's Comprehensive Annual Financial Report;
> - production support for the State's financial system;
> - the Statewide Cost Allocation Plan for federal funding purposes;
> - statewide payroll tax reporting;
> - the financial and budgeting support for OMES;
> - providing shared financial services for state agencies; and
> - administering the State's IRC section 125 plan.

Program 2 - The Budget Division
- prepares the Governor's budget and assists in drafting supporting legislation for the Governor's proposals;
- makes recommendations based on the division's research and analysis on the effectiveness of state management and fiscal systems, focusing on areas where state programs can be operated more efficiently, lowering the cost and size of state government; and
- manages the state's budget system making appropriate allotments and transfers as authorized by law.

Division 2   Capital Assets Management (DCAM)
DCAM is responsible for the following major statewide programs:

Program 1 - Construction & Properties
- Plan, program and deliver construction and real estate services to support the current and long rage facility needs of state agencies;

Program 2 – Central Printing & Interagency Mail
- Provide professional printing, mailing and distribution services to agency and governmental entities of the State;

Program 3 – Facilities Management
- Maintain and operate state-owned facilities;

Program 4 – Fleet Management
- Provide motor vehicle services to state agencies including policy oversight, leasing, maintenance management, reporting, and educating, training and promoting alternative fuel usage in both the public and private sectors;

Program 5 – Property Distribution
- Obtains and manages federal surplus property;

Program 6 – Risk Management
- Protects the assets of the State and political subdivisions through effective programs in risk management including self-insurance and third-party insurance programs for property and liability;

Program 7 – State Leasing
- Responsible for assigning all space in facilities used by the State, authorizing the amount of space to be acquired by agencies, and executing all leasing contracts on behalf of the agencies; and

Program 8 – State Surplus
- Obtains and manages State surplus property.

Program 9 - Central Purchasing
- Establish policies for statewide procurement;
- Provide training to agency procurement personnel;
- Obtain and maintain vendor relationships;
- Uphold the Central Purchasing act; and

- Actively participate in the RFP process for purchases statewide.

Division 3   Human Resource Management (HCM)

Program 1 - Human Resource services
- Provides HR support for all executive level agencies;
- Screens and recruits applicants for state employment;
- Researches and makes recommendations regarding state compensation; and
- Staffing and support for OMES

Program 2 – Payroll processing
- Process payroll for OMES and other state agencies under shared services agreements;
- Functional management and support of the state's payroll system.

Program 3 – Benefits
- Contract with HMOs to offer flexible benefits designed for choice and cost effectiveness, superior administration, and promotion of healthy lifestyles;
- Facilitate the insurance enrollment process.

Division 4   Employees Group Insurance (EGID)

Program 1 - HealthChoice
- Administers self-insured health, dental, life, and disability plans for state, education, and local government employees;
- Maintains contract with Medicare as an employer-direct Medicare Part D Prescription Drug Plan.

Program 2 – Outside Medicare plans
- Contract with outside Medicare health plans to offer choice for retiree health insurance.

Division 5   Information Services (ISD)

The Information Services Division (ISD) of the Office of Management and Enterprise Services (OMES) is the legislatively mandated single provider of information technology (IT) services to appropriated agencies, boards and commissions within the executive branch. In that sense, ISD is by definition unique with respect to other agencies. ISD does not administer programs per se as such might be thought of by other agencies.

The ISD budget is organized into departments and cost centers geared toward accounting for costs in a manner which lends itself to the establishment of rates for the various information technology services provided to customer agencies. ISD provides services in support of customer agency's programs statewide.

PRIVATE ALTERNATIVES:

ISD's efforts on a daily basis are aimed at reducing the size of government through; improved utilization of information technology resources, improved transparency of spending on information technology services, and increased accountability over IT activities and services. Accomplishing these goals requires a continuing commitment to exploring what the most efficient means of providing the variety of services our customer demand, be that through privatization of certain functions or other means. A prime example of such efforts is illustrated most recently in pursuit of a telecom expense management model whereby a third party will assist statewide in improving the state's utilization of cellular and land line telephone services.

DCAM has evaluated the cost of outsourcing fleet deployment in comparison to current operations. Fleet operates at a lower total cost per mile for monthly lease customers than available outsourcing solutions. However, we have found that outsourcing much of our daily rental business to be much more cost effective and have adopted that process.

Construction and Properties and Risk Management already outsources much of their professional service needs (design services, brokerage services) to optimize efficiency. Facility Management has determined that it is more cost effective to outsource the majority of their licensed trade work (mechanical, electrical, plumbing) and has incorporated outside service contracts into their operations and maintenance programs.

We are currently exploring outsourcing the EAP program. The current program is staffed by three HCM employees and does not fully meet the needs of state employees. We feel that by contracting with an outside provider we can deliver higher quality services more effectively.

EGID continually reviews opportunities to outsource certain functions where it may be cost effective to do so. EGID currently outsources the following health plan functions:
claims processing for the health, dental and life plans, pharmacy benefits management, disability claims processing, and actuarial services, consultants, and audit firms.

EGID has also reviewed the cost effectiveness of outsourcing the HealthChoice health and dental provider network. Over the years, it has proven to be more cost effective to continue to maintain the provider network with in-house dedicated staff. Current estimates for outsourcing the network management function would result in a significant increase in administrative costs for the HealthChoice self-funded benefit plans.