

Department of Commerce

Lead Administrator: Don Hackler

Lead Financial Officer: Stacie Willis

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Community Development	\$848,937	\$5,326,715	\$6,449	\$0	\$0	\$6,182,101
Business Services	\$2,922,247	\$0	\$333,638	\$0	\$0	\$3,255,885
Contracts and Comm. & E	\$10,389,169	\$60,206,773	\$8,390,012	\$0	\$0	\$78,985,954
Operational Support	\$6,285,906	\$0	\$1,743,678	\$0	\$0	\$8,029,584
Main Street Program	\$626,757	\$0	\$5,000	\$0	\$0	\$631,757
REAP	\$0	\$0	\$10,884,894	\$0	\$0	\$10,884,894
NACEA	\$6,725,270	\$0	\$770,582	\$0	\$0	\$7,495,852
ISD Data Processing	\$436,196	\$0	\$318,651	\$0	\$0	\$754,847
Total	\$28,234,482	\$65,533,488	\$22,452,904	\$0	\$0	\$116,220,874

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

FY-15 Budget as of 3rd revision. Revolving includes state appropriated carryover and indirect.

FY'14 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'14 Carryover	\$2,364,412	\$0	\$10,537,747	\$0	\$0	\$12,902,159

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

NACEA portion of appropriation carryover is \$640,582

What Changes did the Agency Make between FY'14 and FY'15	
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? N/A	
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, only individuals whose position changed and there was an increase in their duties.	

FY'16 Requested Division/Program Funding By Source							
	Appropriations	Federal	Revolving	Other	Total	% Change	
Community Development	\$848,937	\$5,326,715	\$6,449	\$0	\$6,182,101	0.00%	
Business Services	\$2,922,247	\$0	\$333,638	\$0	\$3,255,885	0.00%	
Contracts and Comm. & E	\$10,389,169	\$60,206,773	\$7,360,514	\$0	\$77,956,456	-1.30%	
Operational Support	\$6,285,906	\$0	\$521,269	\$0	\$6,807,175	-15.22%	
Main Street Program	\$626,757	\$0	\$5,000	\$0	\$631,757	0.00%	
REAP	\$0	\$0	\$10,884,894	\$0	\$10,884,894	0.00%	
NACEA	\$6,725,270	\$0	\$130,000	\$0	\$6,855,270	-8.55%	
ISD Data Processing	\$436,196	\$0	\$318,651	\$0	\$754,847	0.00%	
Total	\$28,234,482	\$65,533,488	\$19,560,415	\$0	\$113,328,385	-2.49%	

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

FY'16 Top Five Appropriation Funding Requests	
	\$ Amount

Total Increase above FY-15 Request

0

How would the agency handle a 3% appropriation reduction in FY'16?	
If Commerce's FY-16 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'16?

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 may result in reduced services to businesses and communities.

Is the agency seeking any fee increases for FY'16?

	\$ Amount
No	\$0
	\$0
	\$0

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

N/A

Federal Government Impact

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

The majority 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 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. 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

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 the Native Americans for the mutual benefit of the State of Oklahoma and its Indian and non-Indian citizens.

FY'16 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Community Development	3	0	41	0	36	5
Business Services	4	0	25	0	22	3
Contracts and Comm. & E	0	0	0	0	0	0
Operational Support	12	0	48	3	37	8
Main Street Program	1	0	6	0	5	1
NACEA	4	0	9	0	7	2
Total	24	0	129	3	107	19

Salaries only

FTE History					
	2015 Budgeted	2014	2010	2009	2004
Community Development	41	39	39	40	36
Business Services	25	25	24	32	32
Contracts for Community & Economic Dev.	0	0	0	0	0
Operational Support	48	43	63	68	41
Main Street Program	6	6	5	5	6
NACEA	9	7	11	11	5
Total	129	120	142	156	120

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	176%	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 Service					
New Jobs	7,473	9,640	5,339	5,818	5,136
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Revolving Funds (200 Series Funds)			
	FY'12-14 Avg. Revenues	FY'12-14 Avg. Expenditures	June '14 Balance
OK Department of Commerce Revolving Fund - 205 Continuing fund and subject to the administrative direction of the Oklahoma Department of Commerce. <i>It contains ONG Weatherization funds of approx. \$250,000</i> <i>It contains OK Bioenergy funds of over \$1.6 million.</i>	\$530,334	\$506,518	\$2,538,540
Native American Cultural & Educ. Revolving Fund- 206 Continuing fund for the Native American Cultural and Educational Authority.	\$0	\$10,621	\$883,521
Energy Conservation Assistance Revolving Fund - 210 Funds are to provide energy conservation grants to qualifying low income homeowners.	\$0	\$0	\$524
Community Development Center Revolving Fund - 216 Funds are for the purpose of the Community Development Centers, with emphasis on aging and elderly citizen interests pursuant to law.	\$0	\$18,779	\$34,013
Rural Economic Action Plan Revolving Fund - 225 Funds are for the purpose of economic development in rural areas with populations of less than 7,000.	\$11,532,469	\$11,756,217	\$392,689
Capital Improvement Program Revolving Fund - 240			

Funds are to provide assistance in communities' capital improvement planning projects.	\$0	\$2,048	\$28,078
OK Viticulture and Enology Revolving Fund - 245 Funds are to be expended for the development of the viticulture and enology industries in the state.	\$444,033	\$325,333	\$356,101
Quick Action Closing Revolving Fund - 255 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 state.	\$3,241,683	\$1,000,000	\$6,725,049