

**HOUSE BILL 2140:
STATE GOVERNMENT
ADMINISTRATIVE PROCESS
CONSOLIDATION AND
REORGANIZATION REFORM ACT
OF 2011**

Restructuring the administrative
services of Oklahoma's government.

*Agency and Process Consolidation Interim Study
November 10, 2011*

Consolidating Agencies

- ❑ Office of State Finance (OSF)
- ❑ Department of Central Services (DCS)
- ❑ Employees Benefits Council (EBC)
- ❑ Office of Personnel Management (OPM)
- ❑ Oklahoma State and Education Employees Group Insurance Board (OSEEGIB)

Agencies' Missions

OSF	• Finance, budgeting, technology and communications
DCS	• Procurement, facilities, real estate, construction, fleet, risk management, property reutilization, printing and distribution
EBC	• State employees flexible health benefits designed for choice and cost effectiveness
OPM	• Reliable and innovative human resource services
OSEEGIB	• Health insurance benefits (state, education and other governments)

Strategic Transition

- ▣ *Vision:* To develop a unified agency through a deliberative and collaborative process that creates maximum value for our stakeholders.

- ▣ *Transition Principles:*
 - Integrity
 - Innovation
 - Transparency
 - Leadership
 - Strategic Execution

- ▣ *Goal:* A FAST Agency
(*Flatter, Agile, Streamlined, and Technology-Enabled*)

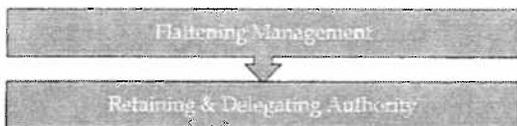
- ▣ Dedicated Staff - Committed Staff

Coordination of Legislation

- HB 2140 - State Government Administrative Processes Consolidation & Reorganization Reform Act of 2011
- HB 1304 - Information Technology Consolidation and Coordination Act
- HB 1207 - Oklahoma Innovation, Efficiency and Accountability Act of 2011
- HB 1086 - Transparency, Accountability and Innovation in Oklahoma State Government 2.0 Act of 2011
- SB 541 - Oklahoma Innovation, Efficiency and Accountability Act of 2011
- HB 1438 - Oklahoma State Government Asset Reduction and Cost Savings Program
- HB 1062 - State health insurance and benefits

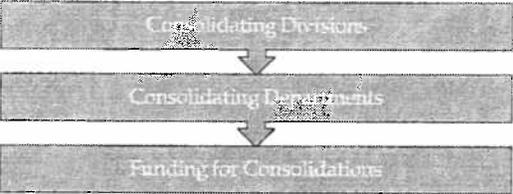
Governance

The Director of the Office of State Finance shall assume all executive-level responsibilities for each agency and shall function as and possess the powers of the agency director for each consolidated agency as enumerated by existing statute.



Admin Functions

Not later than December 31, 2011, the Director of the Office of State Finance shall cause the administrative functions of each consolidated agency to be consolidated.



Cost Savings (est)- 2012 Cuts

2012 Budget Cuts		
OSF - 7%	OPM - 7.4%	Total Cuts
\$1.1M	\$274K	\$1.674M

Cost Savings (est) - HR

The Director of the Office of State Finance shall demonstrate cost reduction as a result of the consolidation that is equal to fifteen percent (15%) of the legislative appropriations received by the consolidated agencies during fiscal year 2012.

Consolidated	2010	2011	2012	2013
Voluntary Buyouts	\$166k	(\$10k)	(\$454k)	\$3.080M
Attrition	\$958k	\$2.433M	\$2.269M	\$981k
Total Savings	\$1.124M	\$2.423M	\$1.815M	\$4.012M

Accumulated	2010	2011	2012	2013
Voluntary Buyouts	\$166k	\$222k	\$312k	\$2.079M
Attrition	\$958k	\$2,433,M	\$3.481M	\$3.580M
Total Savings	\$1.124M	\$2.654M	\$3.793M	\$5.659M

Cost Savings (est) - HR

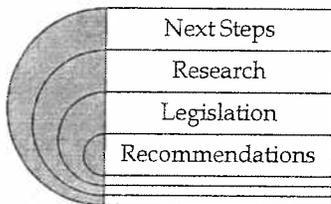
	Appropriations	Total
DCS	\$3.640M	\$17.313M
OPM	\$1.465M	\$3.640M
Total Appropriations	\$5.105M	\$20.953M
15% of Appropriations	\$766K	\$3.143M

Initiative	2012	2013
Flattening Management	\$454k	\$822k
	60%	107%

Year	2012	2013
Total	\$1.815M	\$4.012M
	58%	128%
2013	\$3.793M	\$5.659M
	100%	180%

Reporting

The Director shall produce a report which details the source and estimated amounts of savings resulting from this consolidation, which shall be included in the Governor's Executive Budget for fiscal year 2013.



Reporting

- Next Steps
- Legislation
- Recommendations
- Other Recommendations being researched
- EBA - see Murphy blog
- eLearning
- Financial: Merit agency billing; EBC payroll deduction;

Questions

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