State Governmental Technology Applications Review Board
Office of Management and Enterprise Services
Regular Meeting Minutes
OMES IS Data Center, Conference Room 2024
3115 N. Lincoln Blvd., Oklahoma City, OK 73105
Wednesday, June 10, 2026, 2:00 PM

A meeting notice was filed with the Secretary of State, and the agenda was posted in accordance with the Open Meeting Act.

MEMBERS PRESENT:
Kathy Aebischer, Governor Appointee
Matthew Phillips, Senate Pro Tempore Appointee [Attended Remotely]
Edyn Rolls, Governor Appointee
Topher Fatur, OMES Director Rose designee
Mike Spencer, Speaker of the House Appointee

MEMBERS ABSENT:
Eric Cannaday, Governor Appointee; Law Enforcement
Dr. Sujeet Shenoi, Senate Pro Tempore Appointee

GUESTS:
Beverly Hicks, OMES
David Donahoe, OMES Board Counsel
Steven Birkes, OMES
David Langley, OMES
Blayne Arthur, ODAFF [Attended Remotely]
Jason Harjo, OCC [Attended Remotely]
Liv Di Chiara, OCC [Attended Remotely]

I. Call to order and establish a quorum:

Chairwoman Kathy Aebischer called the meeting to order at 2:02 PM. A roll call was taken, and a quorum was established. Ms. Aebischer was advised that a meeting notice had been filed with the Secretary of State, and that the agenda had been posted in accordance with the Open Meeting Act.

II. Welcome/introductions:

Chairwoman Aebischer welcomed board members and guests to the meeting.

III. Discussion and possible action to approve Mar. 11, 2026, meeting minutes:

Ms. Rolls noted that she was incorrectly recorded as present during the roll call for an agenda item in the March 11 minutes, as she was absent from the meeting. Ms. Hicks stated that the minutes would be corrected accordingly.

Mike Spencer moved to approve the March meeting minutes, as amended. Topher Fatur seconded the motion. The motion passed. The following votes were recorded:

Mr. Fatur, yes; Mr. Phillips, yes; Ms. Rolls, yes; Ms. Aebischer, yes; Mr. Spencer, yes.

IV. Discussion and possible action on approval of charges to state agencies for shared services established by the Information Services Division of the Office of Management and Enterprise Services (OMES), pursuant to Title 62 O.S. 2021, §§ 35.3 and 35.6, and subject to oversight under § 34.27 of this title:

i. OMES Information Services Division request for approval of fees for CORE shared services charged to state agencies effective July 1, 2026.

Dan Cronin, State Chief Information Officer, OMES, presented OMES's request regarding fees for CORE shared services effective July 1, 2026. OMES proposed increasing the monthly Workday license fee from $6.50 to $12 per license. Mr. Cronin explained that the actual cost of the license is a little more than $18 per license and that the original rate was not established to recover the full cost of the service. He noted that the current rate covers approximately 30–35% of the actual licensing cost, with OMES absorbing the remaining cost. He explained that the Workday platform was initially implemented using CARES Act funding and that, after those funds were exhausted, OMES continued to absorb a significant portion of the cost. Due to inflation and the ongoing cost of the service, OMES is seeking to recoup a greater portion of the cost while minimizing the financial impact on agencies. He noted that the proposed rate would continue to provide agencies with approximately a 30% discount from the total license cost. The annual Workday expense is approximately $4.7 million.

Board Member Edyn Rolls asked whether the proposed increase applied only to Workday CORE services. Mr. Cronin confirmed that it did. Board Member Mike Spencer asked whether the fee varied based on full-time or part-time employees. Mr. Cronin stated that the fee does not vary based on employee status and explained that contractors are managed through a different platform, while part-time employees are included in the Workday module. He noted that OMES had explored reducing the number of Workday modules but determined that doing so would create integration and training challenges. Workday is the State's CORE platform used by agencies to manage human resources, talent, employee leave, enterprise learning management, and payroll.

Blayne Arthur, Oklahoma Department of Agriculture, Food and Forestry, expressed concern regarding the short notice of the proposed increase and stated that her agency had only recently received information regarding the July 1 effective date. She questioned whether the increase applied to all licenses and sought clarification regarding the Board's authority to approve the fee increase. Mr. Cronin explained that, if approved by the Board, the increased fee would be incorporated into the normal agency billing schedule beginning July 1, 2026. He acknowledged the short notice and stated that OMES had been working with state leadership to communicate the proposed increase sooner but had not initially been certain whether Board approval would be required.

Board Counsel David Donahoe clarified that, under Title 62, the Chief Information Officer has authority to establish fees for CORE services charged to state agencies, but changes to those fees must be approved by GTARB rather than the Legislature. Ms. Arthur emphasized the importance of transparency and clarity regarding the approval process and stated that additional information would help agencies plan for future increases.

Mr. Harjo asked about potential additional fees in FY2028, FY2029, or future years. Mr. Cronin explained that FY2028 could include the remaining approximately $6 per license associated with Workday licensing, as well as potential cloud consumption costs as OMES vacates the Lincoln Data Center and transitions services to the cloud. He explained that the transition is intended to avoid a large capital expenditure to replace hardware at the data center and stated that OMES is developing a showback model that would provide agencies with visibility into their individual consumption. He noted that the model would be dollar-for-dollar, with no additional overhead added to those costs.

Mr. Harjo asked whether agencies could have an opportunity to discuss potential additional costs before they are reflected in their master service agreements (MSAs), so agencies would have adequate time to budget for the expenses. Mr. Cronin stated that official communications would be sent in July and that OMES would provide opportunities for discussion with agencies. He also noted that agency dashboards were being developed to provide greater visibility into agency consumption.

Chairwoman Aebischer introduced Liv Di Chiara, Oklahoma Corporation Commission. Ms. Di Chiara asked about communications that had been sent regarding the proposed $6 increase and expressed concern that the communication appeared to indicate that the increase was already effective rather than subject to GTARB approval. Mr. Cronin explained that OMES Director Woods authorized the communication to be sent in anticipation of Board approval due to financial shortfalls facing OMES. He acknowledged the risk that the proposed increase could be rolled back and stated that, ideally, the communication would have been sent the previous fall.

Ms. Arthur reiterated her concern that the communication should have clarified that the increase was subject to Board approval. Mr. Cronin stated that he appreciated her feedback and would convey her concerns.

Board Member Matthew Phillips then asked why the proposed increase was approximately 85% and whether it resulted from a reconciliation or an increase in vendor costs. Mr. Cronin explained that neither was the case. He stated that when the State initially acquired Workday, the rates charged to agencies were not established to recover the full cost of usage. He noted that agencies had been charged $6.50 per license compared with an actual license cost of approximately $18.22. He also clarified that Workday's costs had not increased and that OMES has a multi-year contract with Workday. The proposed rate would still represent approximately a 30% discount from the

total license cost per user. Mr. Cronin confirmed that the fee would be assessed monthly and stated that agency headcounts vary significantly, ranging from approximately 20 to 5,000 employees.

Board Member Topher Fatur asked whether the shortfall had previously been covered through CARES funding. Mr. Cronin confirmed that it had.

Mr. Phillips expressed concern regarding how agencies would absorb the additional cost with approximately 20 days remaining before their budgeting deadlines. Mr. Cronin acknowledged the concern and stated that OMES had recently received approval from state leadership to move forward. He noted that the Workday platform is fully utilized and that there was no practical opportunity to discontinue the platform within the remaining 20 days. Mr. Phillips asked how long OMES had been aware of the potential financial impact. Mr. Cronin stated that he had attempted to bring the matter forward the previous fall with then-OMES Director Rose, but the matter did not move forward at that time. He noted that Director Woods was supportive of addressing the issue. Mr. Cronin further stated that, since CARES funding was exhausted, OMES had absorbed more than 60% of the cost for the State as a whole.

Board Counsel Donahoe explained that, under Title 62 O.S. § 35.5(E), the Information Services Division is required to provide shared services to state agencies and bill agencies based on estimated costs. He noted that estimated costs include the full cost of services, including material depreciation-related capital costs. Counsel explained that the legislative intent was for the full cost of shared services to be passed through to agencies and that the historical practice of passing through approximately 30% of the cost represented a policy consideration rather than a statutory requirement.

Ms. Rolls asked whether the statutory provision applied specifically to the transition from PeopleSoft to Workday or more generally. Counsel Donahoe explained that it applied generally and noted that OMES continues to absorb additional costs associated with various information technology systems that could be passed through to agencies but are not currently being passed through.

Chairwoman Aebischer stated that agencies understand the need to pay the costs associated with doing business but emphasized the importance of adequate notice of future increases. She noted that advance notice would allow agencies to account for increased costs in their budget requests and avoid unplanned budget reductions. She emphasized the importance of transparency and adequate notice so agencies can effectively manage their budgets while ensuring that OMES does not continue to absorb costs.

Ms. Rolls asked whether any consideration had been given to using ARPA interest to help address the increase. Mr. Cronin stated that he was not aware of any such consideration. Ms. Rolls suggested that ARPA interest could provide a stair-step opportunity to lessen the immediate financial impact on agencies and allow agencies time to complete any necessary federal budget modifications and obtain required approvals. Mr. Cronin acknowledged the suggestion.

Kathy Aebischer motioned to approve the CORE shared services for Workday licenses at $12.00 per month per license as presented by OMES. Mike Spencer seconded the motion. The following votes were recorded, and the motion passed.

Mr. Fatur, yes; Mr. Phillips, yes; Ms. Rolls, yes; Ms. Aebischer, yes; Mr. Spencer, yes.

V. CIO's Comments:

i. Agency Rates:

Dan Cronin, State Chief Information Officer, OMES, provided an update regarding future agency rate communications. Mr. Cronin stated that official communications regarding agency rates for FY2028 adjustments will be provided in July to give agencies approximately one year of advance notice. He emphasized the importance of transparency and stated that OMES is developing dashboards that will allow agencies to view their individual usage across services. He noted that the dashboards are currently in beta testing and are expected to be available to agencies in late summer or early fall. Mr. Cronin also stated that OMES will conduct listening sessions with agencies to facilitate communication and discussion regarding future rates.

Chairwoman Aebischer asked whether there were any questions from those participating remotely. No questions were raised.

ii. AI Risk:

Mr. Cronin discussed the risks associated with artificial intelligence (AI) and stated that OMES is closely monitoring AI use and taking measures to prevent potential issues. He noted that some agencies have used AI without following proper procurement procedures or applicable policies and that OMES is taking steps to address such use. He stated that the State has an AI policy, AI-related contract provisions, a Chief AI Officer, and a review process for AI procurement that includes technology and legal review, particularly regarding data that may be accessed or stored outside the United States.

Mr. Cronin stated that the State currently makes Microsoft Copilot available to agencies and also permits agencies to procure the full version of Microsoft Copilot. Google Gemini is also available through a State-approved process, and OMES is evaluating Anthropic's Claude. He stated that the State anticipates having approximately three standard AI offerings available to agencies and has established guardrails, training, and policies to help protect the State. He further noted that OMES is developing in-house large language model (LLM) capabilities to support initiatives involving statute review, administrative rules, and procurement. Mr. Cronin stated that OMES is available to assist agencies interested in learning more about AI capabilities or exploring potential applications.

Chairwoman Aebischer asked for clarification regarding the new process requiring review prior to the purchase of AI-related products or services. Mr. Cronin confirmed that a formal review process is in place through the OMES service portal and advised agencies to anticipate additional review time due to security controls.

Board Counsel David Donahoe clarified that the approved version of Google Gemini is not the publicly accessible version that allows users to enter sensitive or protected information. Mr. Cronin confirmed that access is provided through a State-approved process and cautioned employees against using publicly available AI tools for State business. He advised that employees should use State-approved AI capabilities on State devices.

Board Member Matthew Phillips asked whether OMES is addressing AI-enabled note-taking devices that may be used by state employees to record and transcribe meetings and the potential implications for records retention and open records requirements. Mr. Cronin stated that this is one of the significant risks identified by OMES. He explained that OMES can monitor AI use on State-issued devices but has more limited visibility into personal devices that may be used to record or transcribe meetings. He stated that the use of such devices is addressed by State policy and that OMES monitors access to AI-related websites and services.

VI. Chair updates and discussion:

Chairwoman Aebischer announced that the next meeting of the GTARB is scheduled for July 8 at 2:00 PM.

VII. Adjournment:

There being no further business, Topher Fatur made the motion to adjourn. Mike Spencer seconded the motion. Seeing no opposition, the meeting adjourned at 2:35 PM.