Service Oklahoma

FY 2027 Budget Hearing Presentation

Submitted by: Jay Doyle, Chief Executive Officer

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Chief Executive Officer

Founded in 2022, the agency now encompasses the following divisions: Administrative Services, Driver License Services, Motor Vehicle Services and Information Services.

Service Oklahoma oversees licensed operators, formerly motor license agents, who also provide in-person services within the State.

Agency Vision, Mission and Core Values

Vision: At Service Oklahoma we aspire to be the most customer centric state in America.

Mission: Simply put, we want to remove the stress with navigating government services by providing a best-in-class customer experience.

Core Values: Pioneering, Authentic, Reliable, Neighborly, A Trusted Teammate

Accomplishments

Top accomplishments for FY 2025 – FY 2026

1) **REAL ID Enforcement & Surge Management:** Successfully navigated the federal REAL ID enforcement deadline through expanded statewide access, targeted outreach, and event-driven service models, meeting a 64% increase in demand with no increase to wait times.

2) **AI-Powered Customer Service Transformation (MILES):** Launched MILES, an AWS-powered virtual assistant delivering 24/7 support. MILES significantly contributed to a 20% reduction in call volume, freeing agents to focus on complex issues and improving service quality earning recognition with a 2025 Government Experience Award for innovation in digital service delivery.

3) **Statewide Implementation of Online Written Testing:** Modernized driver testing by implementing online written (knowledge) tests statewide, with 35% of all tests now taken virtually, dramatically improving convenience for students, families and working adults.

4) **Preregistration Success & Impact:** Implemented Oklahoma's vehicle preregistration requirements in cooperation with statewide partners including the Oklahoma Turnpike Authority. This modernization enabled near real-time data sharing, resulting in an 88% decrease in temporary Oklahoma tags on the road, improving toll accuracy, revenue recovery, and law-enforcement visibility.

5) **Ready to Fly: REAL ID Readiness Campaign:** Launched Ready to Fly, a statewide series of early-morning, evening, and weekend REAL ID events designed to meet citizens where they are and prevent last-minute travel disruptions. Leveraging data to schedule events ahead of travel peaks, SOK expanded access across high-demand regions, and ensured customers arrived prepared through proactive communication.

6) **Non-Domiciled CDL Program:** Completed a successful FMCSA review of Oklahoma's non-domiciled CDL program, an achievement many states struggle to obtain, and positioned the program for continued stability and compliance.

7) **Customer Satisfaction & Public Trust:** Achieved exceptional customer experience results, with statewide Google Reviews averaging 4.8 stars in FY25 across Service Oklahoma locations, reflecting strong public confidence and consistently high service quality.

Analysis of Agency Challenges

	Challenge Description	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	**System of Record (BOOST) Hardware Replacement & Statewide Implementation:** BOOST implementation requires a full statewide hardware replacement across SOK and LO sites.	We are executing a phased rollout, beginning with MV terminals in late 2025, and have completed imaging, security hardening, and configuration. We are coordinating storage, delivery, and installation timing with each LO to ensure secure deployment.	Continue coordinated deployment through early 2026 and establish a hardware lifecycle and centralized monitoring program to maintain long-term reliability and cybersecurity.
2	**Licensed Operator (LO) Education & Regulatory Consistency:** Maintaining consistent, up-to-date training across 240 LO locations is challenging due to regulatory complexity and staff turnover.	We routinely provide updated guidance, online modules, and on-site support, and BOOST includes improved document-handling tools to reduce errors.	Expand continuing-education requirements, increase refresher courses, and deploy enhanced digital training and real-time documentation alerts within BOOST.
3	**FMCSA Compliance & Rapid Federal Updates:** Frequent FMCSA regulatory updates require rapid statewide changes in CDL processes and training.	We have strengthened CDL oversight through recurring policy reviews, expanded communication, and targeted training for both SOK and third-party testers, contributing to strong audit performance.	Enhance compliance monitoring, develop new training modules for fast-changing policy areas, and improve audit-preparedness tools and policy-alert systems.
4	**Returned Driver License/ID Mail:** High rates of returned driver license/ID mail from the current production vendor create customer frustration and additional workload.	We track and log returned credentials internally and are working with the vendor to address mailing and address-validation issues ahead of the transition to a new vendor in February 2026.	Implement enhanced address-verification and fraud-prevention tools, evaluate USPS tracking or delivery-notification options, and establish clear service-level expectations with the new vendor.
5	**Recruitment & Retention in Technical Roles:** Recruiting and retaining staff in critical roles, such as Driver License Examiners and title specialists, remains challenging due to training time and competitive labor markets.	We have strengthened recruitment through targeted outreach and streamlined onboarding, while improving retention through coaching, recognition, peer mentoring, and stronger training support.	Implement pay-for-performance in 2026, refine examiner training pipelines, and continue developing career pathways and engagement strategies to maintain long-term expertise.

Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual $ Savings)	FY 2026 (Projected $ Savings)	FY 2027 (Projected $ Savings)
Central Processing Workflows	Redesigned and optimized Central Processing workflows, generating approximately $250,000 in annual savings on postage costs while maintaining accuracy and service quality.	$	$250,000	$267,500	$280,875
On-Site Field Audits	Restructured field audit trips to allow for reduction in staffing needs and travel costs while preserving audit quality and ability to deliver on required visits.	Salary	$61,592	$61,592	$61,592
New Driver License Card Production	The redesigned driver license production vendor is expected to have significantly reduced return-mail rates by improving address validation accuracy. Lower return-mail volume decreases postage, reprocessing work, and customer follow-up, resulting in meaningful reductions in administrative and operational overhead.	$	N/A	$75,000	$225,000
Motor Vehicle Reports (MVRs) Brought In-House	Migrated MVR generation in-house, reducing the passthrough fee charged to customers by $2.50 per report, increasing affordability and transparency while lowering external vendor dependency.	Cost to Customer	N/A	$1,000,000	$3,000,000
Miles Virtual Assistant – Reduction in Call Center Volume	Deployment of the Miles virtual assistant deflects routine call center inquiries, reducing demand on live agents and lowering overall staffing and operational costs while maintaining service quality.	Call Reduction	10%	12%	14%

Hours, FTE, square feet, etc.

Agency Goals and Key Performance Metrics

	Goal	Metric	FY 25 Target	FY 25 Actuals	FY 26 Target
1	Ensure frontline positions are adequately staffed to provide full capacity of services to citizens	Percentage of vacant driver license examiner positions	10%	18%	12%
2	Improve customer satisfaction and experience for Service Oklahoma in-person services	Average Google review statewide (1-5 scale)	4.6	4.8	4.7
3	Decrease the average wait time for in-person services at Service Oklahoma locations	Average wait time	45 minutes	34.25 minutes	30 minutes
4	Increase the call answer and resolution rate for drivers licensing and motor vehicle services	Percentage of calls answered	92%	91%	92%
5	Reduction in overall transaction time for driver license and motor vehicle transactions for citizens	Average transaction time	15 minutes	18 minutes	10 minutes

Projects for FY 2026

1) **Complete Statewide Implementation of BOOST:** Service Oklahoma will complete BOOST, the unified driver license and motor vehicle system of record, delivering modern workflows, common logins between services, improved reporting, and a fully refreshed hardware environment across all service points. FY26 also includes launching Navigate, the new online platform for DL/MV services, and deploying Mobile ID through Apple and Google Wallets as part of this integrated modernization effort.

2) **Launch Pay-for-Performance:** SOK will launch a pay-for-performance program that aligns compensation with measurable results, supports retention of high-skill roles, and reinforces clear expectations. Over time, the program drives operational efficiency by reducing rework and improving customer experience.

3) **Modernize and Relocate Service Centers:** SOK will continue upgrading and relocating physical service centers, often in partnership with local governments, to improve accessibility, customer experience, and operational efficiency. FY26 priorities include Norman, Stillwater, Woodward, and Ardmore, with additional improvements evaluated in Edmond.

4) **Conduct Statewide Footprint Optimization Analysis**: With REAL ID demand stabilizing and BOOST improving efficiency, SOK will complete a statewide footprint assessment to determine the optimal long-term mix of service locations. The review will evaluate demand patterns, LO proximity, facility costs, and long-term access needs to inform restructuring recommendations for FY27.

5) **Pilot CDL-Only Testing and Licensing Hub:** In partnership with ODOT, SOK will pilot a dedicated CDL testing and licensing hub that consolidates written exams, skills tests, and licensing into one professional, consistent, and streamlined location: improving reliability for commercial drivers and supporting a critical sector of Oklahoma's economy.

Projects for FY 2027

1) **Launch Service Oklahoma Mobile Wallet:** SOK will introduce the Service Oklahoma Wallet, a unified mobile app that securely stores digital credentials, enables online renewals, delivers real-time notifications, and serves as the digital gateway for state services. Built for expansion, the Wallet will begin onboarding agency partners to reduce stand-alone apps and create a seamless statewide digital experience.

2) **Expand Regional CDL Testing & Licensing Hubs:** Following the FY26 pilot, SOK will expand to five or six regional CDL hubs offering written exams, skills tests, and licensing in one location. The rollout incorporates lessons learned to improve site design, staffing models, and service flow, reducing travel burdens and ensuring a more consistent, efficient experience for commercial drivers statewide.

3) **Implement Statewide Footprint Optimization:** Based on FY26 study results, SOK will begin implementing long-term footprint recommendations: such as consolidations, relocations, or space reductions to align physical service delivery with citizen demand. This ensures strategic resource management, improved efficiency, and continued access where it is needed most.

4) **Consolidate Partner Support & Escalation Phone Lines:** SOK will centralize partner support and escalation lines into a single, professionally staffed contact operation. This improves response consistency, reduces strain on program teams, streamlines case intake, and strengthens visibility into recurring issues, allowing the agency to address root causes more proactively.

5) **Advance NMVTIS & Title Modernization:** SOK will modernize NMVTIS and title workflows through automated data synchronization, real-time error detection, and workflow automation. These upgrades reduce manual processing, improve accuracy, strengthen national compliance, and allow staff to focus on complex cases, ultimately improving the speed and reliability of title services statewide.
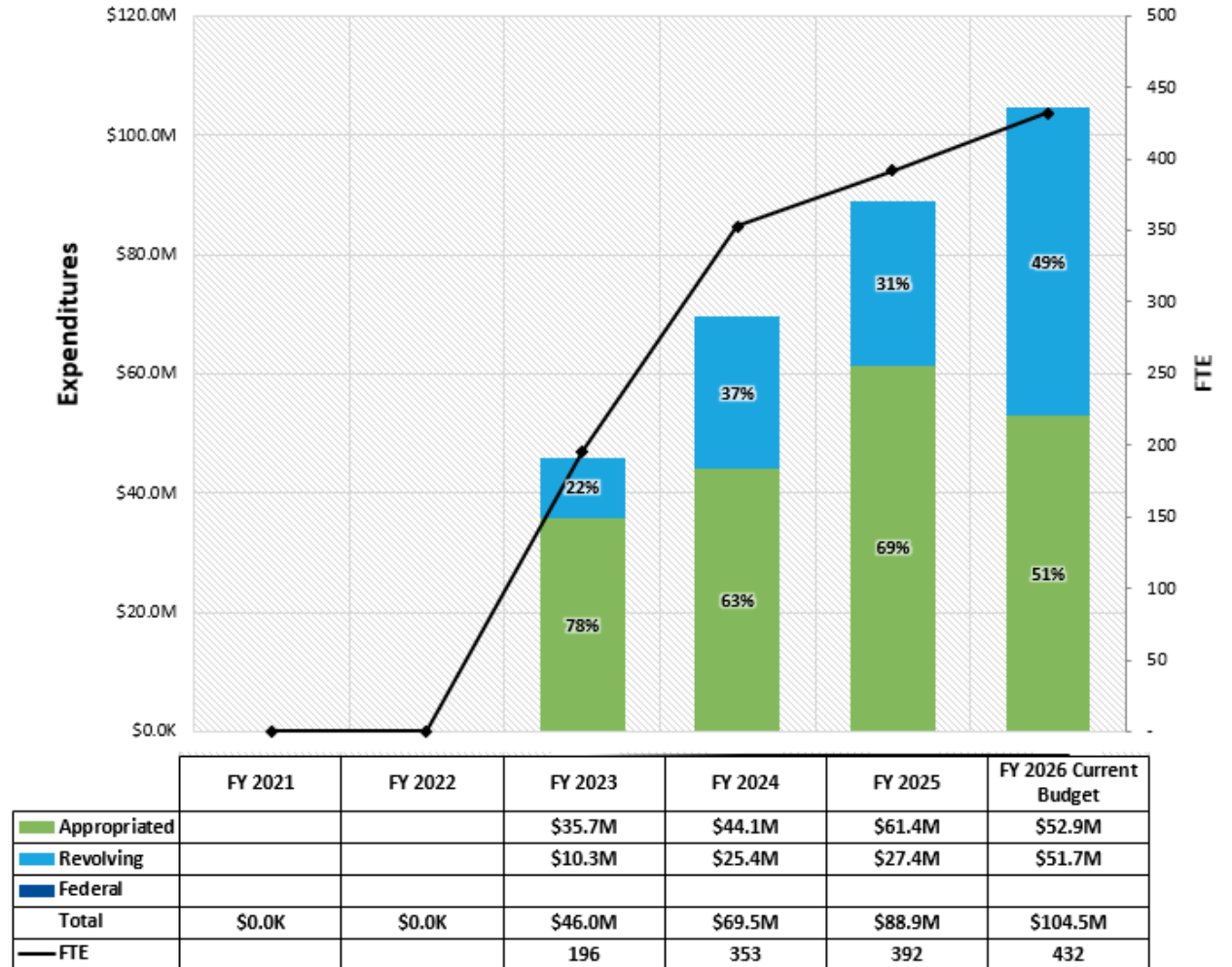
Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

Explanation of Changes and Trends

- Duties
  - FY 2023 data include full-year Administrative Services and partial-year Drivers License & Motor Vehicle Services
  - FY 2024-2026 data include full-year for all duties
- Drivers Licensing System of Record Replacement Project
  - FY 2025 expenditure includes $11.9M in project costs
  - FY 2026 budget includes $21.6M in project costs
- FTE
  - Headcount grew consistently throughout FY 2023-2024 as agency was created.
  - FY 2026 staffing plan is consistent with FY 2025. Agency continues work to reduce turnover and vacancies in front-line positions.

Historic Actual Expenditures and Current Year Budget

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Current Budget
Appropriated			$35.7M	$44.1M	$61.4M	$52.9M
Revolving			$10.3M	$25.4M	$27.4M	$51.7M
Federal						
Total	$0.0K	$0.0K	$46.0M	$69.5M	$88.9M	$104.5M
FTE			196	353	392	432

Estimated Impact of Federal Funding Changes

Program Name	Federal Agency	Description of expected change (s) (i.e. change in state match, admin costs, program requirements or client eligibility, etc.)	Actual FY 25 Total Federal Funding Received ($)	Projected FY 26 Total Federal Funding To Be Received ($)	Estimated FY 27 Total Federal Funding To Be Received ($)
None	N/A	N/A	$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$
			$	$	$

* Only list programs with federal funding that are expected to change. Refer to the agency's Federal Funds Schedule in the Budget Request document.
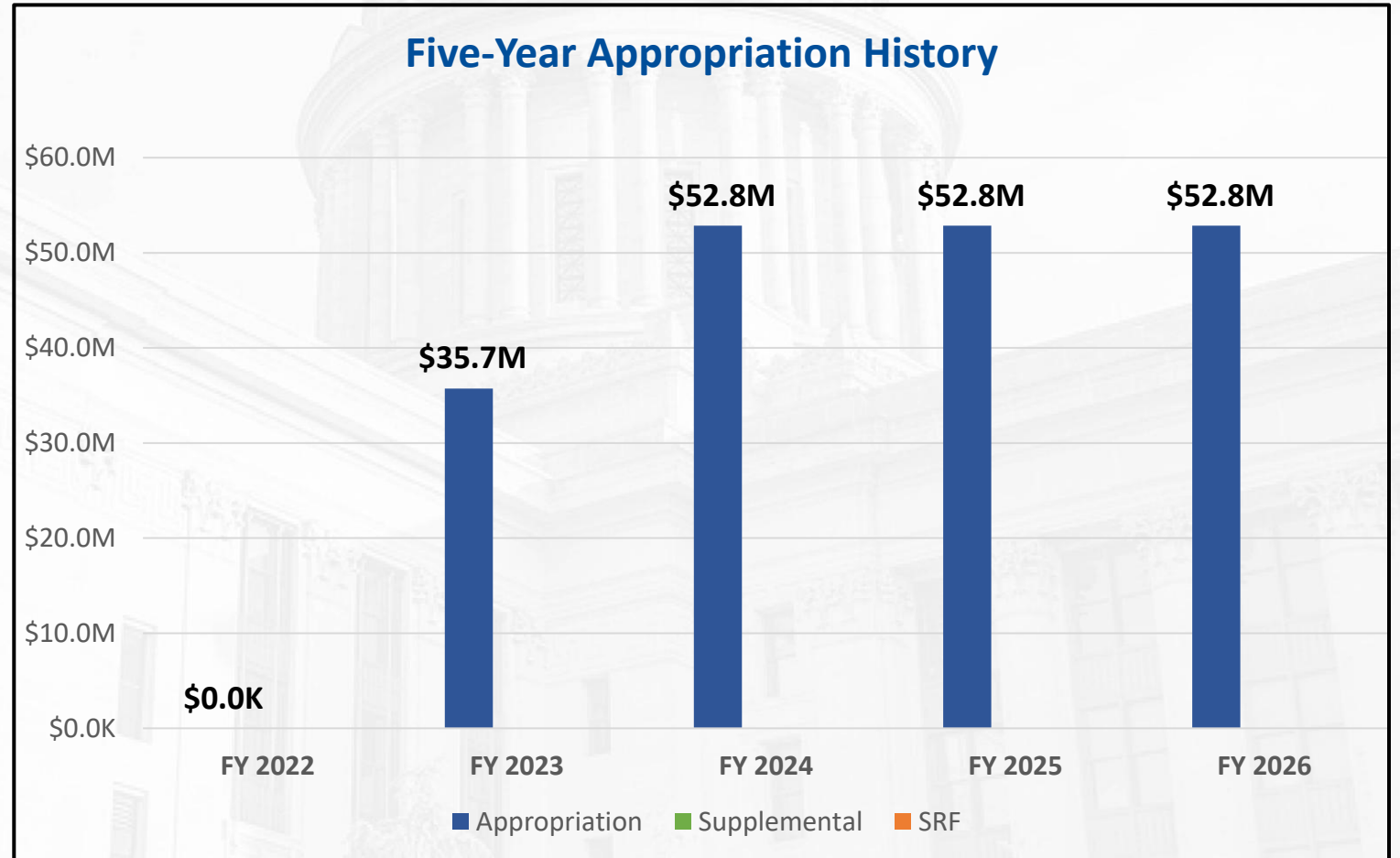
FY 2026 Budgeted Full Time Equivalents (FTE)

	FY 2026 Budgeted FTE
Total FTE	431.7
Supervisor FTE	69.0
Supervisors to Total FTE Ratio (%)	16%
Current Budgeted but Unfilled FTE	34.9

Appropriation History

Fiscal Year	Legislated Appropriation ($) *(Includes supplementals and SRF/ARPA.)*
FY 2022	N/A
FY 2023	35,737,000
FY 2024	52,848,000
FY 2025	52,848,000
FY 2026	52,848,000

Five-Year Appropriation History

Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.

Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended ($)	$0	$0	$0	$8,748,842

Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances *(All Revolving Funds)*	N/A	$7,541,390	$21,742,989	$28,182,918

Revolving Class Fund # *(Unrestricted only)*	Revolving Class Fund Name *(Unrestricted only)*	Current cash balance ($)	Projected FY 2026 year-end cash balance ($)
23300	Service Oklahoma Revolving Fund	$19,274,002	$7,600,000
23400	Service Oklahoma Reimbursement Fund	$1,864,037	$700,000
23500	Service Oklahoma Computer Imaging System Revolving Fund	$3,278,761	$1,100,000
23900	Service Oklahoma Licensed Operator Performance Fund	$1,372,887	$0
Total Unrestricted Revolving Fund Cash balance:		$25,789,687	$9,400,000

Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

FY 2024 – 2025 Appropriation Change Review

Purpose of appropriation increase or decrease	Amount FY 2024	Amount FY 2025	Total amount received FY 2024 - 25	Total amount expended by 11/1/2025	Included in FY 2026 approp? (Yes/No)	If not expended fully, please explain.
N/A	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
	$	$	$	$		
Totals	$	$	$	$		

Do not include SRF / ARPA appropriation increases.

FY 2026 Appropriation Change Review

Purpose of appropriation increase or decrease	Amount of increase or decrease ($)	Does this need to be included in your FY 2027 appropriation? (Yes/No)	If yes, included in appropriation for same purpose? (Yes/No)	If not included for same purpose, please explain.
N/A	$			
	$			
	$			
	$			
	$			
	$			
	$			
	$			
Total adjustment	$			

*Do not include SRF / ARPA appropriation increases.

Incremental & Supplemental Request Summary

	Request Name	FY 2027 Incremental Appropriation Request Amount ($) {or FY 2026 for Supplementals}	Type of Request: Recurring, One-time, or Supplemental
1	N/A	$	
2		$	
3		$	
4		$	
5		$	