

STATE OF OKLAHOMA

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# EXECUTIVE BUDGET

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FISCAL YEAR  
2018



SUBMITTED BY

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MARY FALLIN,  
GOVERNOR

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TO THE  
FIRST SESSION  
OF THE 56<sup>TH</sup>  
OKLAHOMA  
LEGISLATURE

# FY-2018

## Executive Budget

# Governor Mary Fallin

February 6, 2017



**Mary Fallin**  
**Office of the Governor**  
**State of Oklahoma**

To the Citizens of the Great State of Oklahoma and the Oklahoma Legislature:

It is my pleasure to submit for your consideration the FY-2018 executive budget. The plan I have put forward is part of a long-term blueprint for more reliable revenue estimating and greater legislative control over limited government resources to better govern for the needs of the day.

The success of this fiscal blueprint relies on our ability to address structural deficiencies within the budget-making process. As outlined in the executive summary of this budget book, the state of Oklahoma currently faces substantial budget challenges.

The budget I propose charts a realistic, responsible way forward for the state of Oklahoma. It asks our lawmakers to take on the serious challenges inherent in fixing a budget process in need of an overhaul. Finally, it makes strategic cuts to some areas of government while boosting resources necessary to pursuing critical improvements. I humbly ask your support for these priorities as we move into the 2017 legislative session.

Sincerely,

A handwritten signature in cursive script that reads "Mary Fallin".

Mary Fallin  
Governor

Preston L. Doerflinger

Director

Secretary of Finance, Administration,  
and Information Technology



Mary Fallin

Governor

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February 6, 2017

Governor Fallin:

Please accept this, your executive budget for the FY-2018 budget year. The budget is balanced as required by law.

The budgets of all state agencies, boards and commissions were thoroughly reviewed in the preparation of this budget. Staff of the Budget Division of OMES and I met with directors of major state agencies to examine and analyze agency programs and expenditures. State agency administrators and their staff provided information necessary for this budget review. They also made suggestions to improve the efficiency and effectiveness of the delivery of services by their agencies. Our examination included a review of management efficiencies and innovations, alternative funding methods, tax policies, expenditures and revenue enhancement proposals.

The budget development process was inclusive of many interested parties, including you and representatives of your staff who joined in meetings with agencies and offered ideas and suggestions.

Thank you for all of your time and attention in the development of the budget. To others involved in this process, I extend my appreciation for their input. I also want to thank analysts with the Budget Division for their diligence, hard work and dedication.

Respectfully,

Preston L. Doerflinger

Director

Office of Management and Enterprise Services

# OKLAHOMA OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES

February 6, 2017

**Citizens of the State of Oklahoma  
Members of the First Regular Session  
of the Fifty-Sixth Legislature**

## **“FY-2018 EXECUTIVE BUDGET and HISTORICAL INFORMATION”**

Governor Mary Fallin’s FY-2018 budget consists of her budget recommendations to the 2017 Legislature, as well as a discussion of state revenues, a summary of her proposed budget and explanations of budget recommendations for state agencies. This document is available on the Internet. It can be viewed by accessing the Oklahoma Home Page, the Home Page of the Office of the Governor, or the Home Page of the Office of Management and Enterprise Services. The Oklahoma Home Page address is: <http://www.ok.gov>

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# **Executive Summary**

## **Executive Summary**

In December 2016, the State Board of Equalization projected \$6.038 billion in available revenue for Fiscal Year 2018 appropriations, which is \$739.3 million, or 12.2 percent, less than the appropriated amount for FY-2017. The state is experiencing recurring revenue shortfalls as a result of the structural revenue deficit and the reliance on the use of one-time funds to balance the FY-2017 budget. Mandatory increases, such as the decreased Federal Matching rate for Medicaid programs, also contribute to the widening the gap.

Governor Fallin's FY-2018 Budget recommends bold reforms for recurring revenues, and begins repairing the structural deficit that currently exists in Oklahoma state government. The FY-2018 Executive Budget is balanced and proposes appropriations of \$7.79 billion. When adjusted for inflation, this budget is still over \$100 million less than the FY-2009 appropriated budget. Further, the FY-2018 appropriated amount now includes \$790 million of transportation funding, which has not been included in appropriation totals in previous years. The inclusion causes the appropriated amount to increase, however it results in greater transparency, as this money has historically been spent, just not accounted for in the total appropriated budget.

### **Revenue Changes**

NO one-time revenues are proposed in this executive budget. Oklahoma has long needed to end an overreliance on one-time funds in its operating budget, and this proposal delivers. Governor Fallin proposes to correct structural problems in the state budget before relying on one-time revenue sources and demonstrates how this can be done in a single step beginning next year. Because Oklahoma's Rainy Day Fund is one-time revenue, accessing the Rainy Day Fund is not proposed within this budget.

Governor Fallin's budget proposes \$1.5 billion in recurring revenue sources that permanently diversify and strengthen revenue streams for the appropriated budget. To begin reversing the detrimental trend of diverting revenues off-the-top for specific purposes, most new revenues proposed in this executive budget would be directed to the General Revenue Fund for discretionary appropriation by elected officials.

Recurring revenues for appropriation proposed in Governor Fallin's FY-2018 budget are:

#### **Sales Tax Modernization**

\$839.7 million

When the legislature first contemplated the sales tax laws to boost revenues in the 1930s, the economy depended on the manufacture and sale of goods. As the economy in the United States has shifted from a manufacturing based economy to a service based economy, the way we impose taxes and collect revenue no longer reflects the current economy, but an outdated system that has not changed much since its inception.

We may still buy “things” but the economy has matured enough that companies are now formed to perform services for a society that has most of its material needs met – including making other people’s lives better or to more efficiently distribute the goods and services that are produced.

According to Bureau of Labor statistics, in 1939 service industries employed more people than manufacturing by a ratio of 2 to 1. Today it is around 5-1.

In recent years we have chosen to modernize many areas of state government, such as eliminating the use of paper checks to implementing efficient methods of administrative and support functions, such as shared services and IT unification.

This proposal represents a modernization of the Oklahoma tax laws that will: provide a more stable source of revenue, correct structural deficits present in our current system, return control of a larger share of the budget to legislative appropriators and ensure new growth in years to come so that we may have the flexibility to prioritize spending as new needs emerge.

Future legislators may even choose to reduce the overall sales tax rate as growth revenue continues over time.

### **Elimination of State Sales Tax on Groceries**

-\$234.7 million

This plan also eliminates the most regressive tax on the books today, the state sales tax on groceries. This will benefit all Oklahomans. Eliminating the state sales tax on groceries is expected to result in annual savings of between \$350 to \$676 for a family of four. Cities and counties still have the option to keep the sales tax on groceries.

### **Elimination of Corporate Income Tax**

-\$140.2 million

Governor Fallin proposes to eliminate the corporate tax – one of the most volatile sources of revenue – reducing the burden of many small businesses in our state in an effort to boost economic development. Eliminating this tax also eliminates the need for the Legislature to pick winners and losers with specific tax credits and provides more transparency.

### **Department of Transportation 8 Year Plan Funding Reform**

\$219.7 million

Governor Fallin’s budget includes a proposal to direct taxes associated with roads and bridges as the funding source for maintenance of the roads bridges, returning individual income taxes to the General

Revenue Fund. This plan does not impact the projects in the Department of Transportation’s 8 Year Plan. This proposal:

- Increases gasoline and diesel excise taxes, by \$.07 and \$0.10 respectively, to \$0.24 per gallon. Oklahoma currently ranks 49<sup>th</sup> in the country for gasoline tax and 48<sup>th</sup> for diesel tax, and lowest in the region for motor fuel tax rates. This increase keeps Oklahoma’s motor fuel tax rates well below the national average of over \$0.29 per gallon, while appropriately utilizing road and bridge related revenue for roads and bridge related maintenance.
- Dedicates all gasoline and diesel excise tax to the Oklahoma Department of Transportation.
- Maintains funding for the 8-year plan through a combination of gasoline and diesel excise taxes, Electric vehicle and hybrid fees, and appropriations.
- Returns current ODOT apportionments of individual income tax to the General Revenue Fund, drastically improving the percentage of revenue collections over which the Legislature has control.

	General Revenue and 1017 Fund Impact			Other Impacts, FY-2018		
	FY-2018	FY-2019	FY-2020	ODOT	Ad Valorem	OTRS
Increase Motor Fuel Taxes, Dedicate to 8 Year Plan	\$ -	\$ -	\$ -	\$ 635,772,830	\$ -	\$ -
Electric and Hybrid Vehicle Fee, Dedicate to 8 Year Plan	\$ -	\$ -	\$ -	\$ 1,433,050	\$ -	\$ -
Repeal Eligible Purchaser Discount*	\$ -	\$ -	\$ -	\$ 5,825,500	\$ -	\$ -
Income tax back to General Revenue Fund	\$ 517,370,948	\$ 520,358,600	\$ 520,358,600	\$ -	\$ 5,766,699	\$ 28,833,496
Additional appropriation to maintain funding level	\$ -	\$ -	\$ -	\$ 147,000,000	\$ -	\$ -
Total	\$ 517,370,948	\$ 520,358,600	\$ 520,358,600	\$ 790,031,380	\$ 5,766,699	\$ 28,833,496

### **Electric Vehicle Road Fee**

\$1.4 million

Electric vehicles, including hybrids, continue to increase in popularity and are expected to grow in Oklahoma in the coming years. Currently, approximately 1,000 high speed all electric vehicles are registered in Oklahoma, approximately 27,000 hybrid vehicles are also registered. Since these vehicles do not pay the equivalent amount of motor fuel taxes like gasoline, diesel and compressed natural gas vehicles, pay adjustments need to be made to cover transportation funding lost with conversions to these types of vehicles. These vehicles are also on average heavier than regular vehicles, due to the weight of batteries they use. The proposal would establish an annual \$100 fee for high speed electric vehicles and a \$50 fee for hybrid electric vehicles. Both fees would be dedicated to ODOT’s 8 year plan and will be tied back to the state motor fuel tax if it is changed in the future.

### **Repeal Motor Fuel “Eligible Purchaser” Discount**

\$5.8 million

The proposal is to repeal the current discount allowed for “eligible purchasers” under the Motor Fuel Tax Code. The discount is currently 1.6% for gasoline purchasers and 1.9% for diesel purchasers. The discount was originally enacted in the rewrite of the Motor Fuel Tax Code in 1996 to prevent an increase of tax to distributors who previously enjoyed a discount for timely remittance of tax. However, the distributors no longer have any tax-remitting responsibilities.

### **Cigarette Tax Increase**

\$257.8 million

Smoking remains the number one preventable cause of death in Oklahoma killing more people than AIDS, alcohol, car accidents, illegal drugs, murders and suicides combined. Increasing the price point of cigarettes is the single most effective strategy to reduce tobacco consumption. Oklahoma's annual health care costs caused by smoking are \$1.62 billion. Oklahoma currently ranks 36<sup>th</sup> in the nation with a rate of \$1.03 per pack and Governor Fallin's budget proposes a \$1.50 increase.

### **Non-appropriated Agency Revenue Sharing**

\$45 million

Non-appropriated agencies funded by fees, fines or other revenues annually collect billions of dollars in the course of their duties performing governmental business. Some non-appropriated agencies remit a portion of these revenues back to the General Revenue Fund for appropriation, while others do not. Governor Fallin's budget proposes more non-appropriated agencies make a percentage of their revenues available for certification as revenue available for appropriation by elected officials.

### **Wind Production Tax, Zero Emission Credit Sunset Acceleration**

\$36.6 million

Assuming no changes in current law, it is estimated that the claims paid over the next 15 years (through FY-2032) will average \$60 million a year for a total of \$840 million. This industry was incentivized sufficiently to now be a major player in the Oklahoma energy industry, and a major winner of now-unnecessary incentives. The ad valorem exemption for manufacturing of wind energy costs Oklahomans \$40 million in FY-2017. Governor Fallin proposes to accelerate the sunset of the tax credit, and to begin taxing the production of wind energy at \$0.005 per kWh produced.

### **Increasing the Reinstatement Fee for a Suspended Corporation**

\$736,250

The fee has only been increased once since 1963 when it was raised from \$5.00 to \$15.00 in 1985. The present \$15.00 fee is not a deterrent to late filing, which increases the administration cost. During FY16, the Tax Commission processed reinstatements for 7155 corporations that were suspended for non-payment of franchise taxes and collected \$107,325 in reinstatement fees. Increasing to \$150.00 will increase the number of timely filed returns and help reduce administration costs.

### **Increase the Excise Tax Rate for Commercial Trucks and Truck-Tractors**

\$1.7 million

Under current law, the excise tax rate applicable to commercial trucks and truck-tractors registered at a laden weight or combined laden weight of fifty-five thousand (55,000) lbs. or more and all cargo-carrying commercial trailers is ten dollars (\$10.00). This reduced rate was first enacted in 1987. The proposal is to increase the rate to one hundred dollars (\$100.00) to account for inflation over time and the increased cost of trucks on Oklahoma roads.

## Expenditure Changes

Governor Fallin's budget makes \$317.8 million in targeted expenditure increases across eight agencies for FY-2018, as well as providing supplemental appropriations for three agencies.

### Supplemental Appropriation for FY-2017

- Department of Human Services for operations: \$42 million
- Department of Public Safety for operations: \$6 million
- State Department of Education for ad valorem reimbursement: \$70 million

### Targeted Appropriation Increases for FY-2018

Governor Fallin's budget includes the following targeted appropriation increases:

- Department of Education:
  - \$60 million for \$1,000 teacher pay raise
  - \$30 million for additional classroom instruction resources
  - \$35 million for health insurance increases
- Corporation Commission: \$584,062 to continue to address seismicity
- Oklahoma Health Department: \$1.2 million for FMAP increase
- Oklahoma Health Care Authority:
  - \$41.4 million for FMAP increase
  - \$16.7 million for Medicaid growth
  - \$52.9 million for SoonerHealth Aged, Blind and Disabled Managed Care Implementation
- Department of Human Services:
  - \$11.3 million for Pinnacle Plan commitment
  - 9.6 million for FMAP increase
  - \$42 million to annualize supplemental
- Office of Juvenile Affairs: \$120,000 for FMAP growth
- Department of Mental Health and Substance Abuse Services:
  - \$4.3 million for FMAP increase
  - \$1.4 million for Medicaid growth
  - \$25 million for Oklahoma Justice Reform initiatives
- Department of Corrections:
  - \$6.1 million for offender management technology
  - \$5 million for Oklahoma Justice Reform initiatives
- Office of the Medical Examiner: \$3.27 million for lease payment for laboratory

### Infrastructure Package

The Long Range Capital Planning Commission (LRCPC) has identified several projects that, due to their cost and life cycle, are good candidates for funding through bond indebtedness. In addition, the Department of Corrections has many critical needs, some of which were not included in the LRCPC

proposal but are paramount to the safety of Oklahomans. The Jim Thorpe building is also prioritized due to its ability to be self-sustaining from lease rates when renovated. The following criteria were used to identify a select number of bond-appropriate projects:

- The building or system has failed, or is likely to fail within the scope of the plan (eight years).
- The failure of the building or system would be dangerous to the public, employees and/or those being served by the facility.
- The failure would significantly increase costs to the state.
- The estimated project cost is greater than \$4 million.

The list below is far from inclusive of all the projects that could be appropriate for bond funding. Instead, using the above criteria, below is a list of only the state’s most urgent capital needs. This budget includes \$10.5 million to cover debt service for year one of the bond proposal.

Secure Housing Units and other Facility Critical Needs, Department of Corrections	\$136,111,824
Renovate and expand facilities at correctional facilities to provide specific locations to treat offenders with substance abuse issues, Department of Corrections	\$50,000,000
Public Health Lab Replacement, Department of Health	\$52,155,535
Replacement Buildings, Department of Mental Health and Substance Abuse Services	\$36,668,000
Residence Replacements and Maximum Security Expansion – Central Oklahoma Juvenile Center, Office of Juvenile Affairs	\$23,690,000
Modernization/ Renovation and Expansion – Tulsa, Office of the Chief Medical Examiner	\$9,134,863
Jim Thorpe building renovation	\$42,000,000
Total	\$349,760,222

LRCPC also recommended 35 projects, totaling \$37.5 million, be funded through the Maintenance of State Buildings Revolving Fund. This funds Year 1 of the LRCPC’s FY 2018-2025 Capital Improvements Plan Funding Recommendation, and were prioritized based on many factors, including impact on operating cost, impact on service to the public, urgency of maintenance needs, and health and safety. The list can be found in the FY 2018 – 2025 Capital Improvements Plan and FY 2018 Capital Budget, which can be found on the OMES-CAM website.

	<b>FY-2017 Appropriation</b>	<b>Final FY-2018 Budget Book</b>	<b>\$ From FY-2018 to FY-2017</b>	<b>% From FY-2018 % to FY-2017</b>
Governor	\$1,725,051	\$1,725,051	\$0	0.00%
<b>TOTAL GOVERNOR</b>	<b>\$1,725,051</b>	<b>\$1,725,051</b>	<b>\$0</b>	<b>0.00%</b>
Lt. Governor	\$391,814	\$391,814	\$0	0.00%
<b>TOTAL LT. GOVERNOR</b>	<b>\$391,814</b>	<b>\$391,814</b>	<b>\$0</b>	<b>0.00%</b>
Agriculture, Department of	\$22,059,218	\$22,059,218	\$0	0.00%
Conservation Commission	\$9,039,814	\$9,039,814	\$0	0.00%
Horse Racing Commission	\$1,743,834	\$1,743,834	\$0	0.00%
<b>TOTAL AGRICULTURE</b>	<b>\$32,842,866</b>	<b>\$32,842,866</b>	<b>\$0</b>	<b>0.00%</b>
Commerce, Department of	\$21,611,249	\$21,611,249	\$0	0.00%
Labor, Department of	\$3,697,459	\$3,697,459	\$0	0.00%
<b>TOTAL COMMERCE</b>	<b>\$25,308,708</b>	<b>\$25,308,708</b>	<b>\$0</b>	<b>0.00%</b>
Career Technology Education	\$118,276,325	\$118,276,325	\$0	0.00%
Education, State Department of	\$2,426,721,434	\$2,551,721,434	\$125,000,000	5.15%
Educational Television Authority	\$2,838,163	\$2,838,163	\$0	0.00%
Education Quality & Accountability, Office of	\$1,677,237	\$1,677,237	\$0	0.00%
Higher Education, Regents for	\$810,022,109	\$810,022,109	\$0	0.00%
Physician Manpower Training	\$3,484,558	\$3,484,558	\$0	0.00%
Science and Math, School of	\$6,425,146	\$6,425,146	\$0	0.00%
<b>TOTAL EDUCATION and WORKFORCE DEVELOPMENT</b>	<b>\$3,369,444,972</b>	<b>\$3,494,444,972</b>	<b>\$125,000,000</b>	<b>3.71%</b>

	<b>FY-2017 Appropriation</b>	<b>Final FY-2018 Budget Book</b>	<b>\$ From FY-2018 to FY-2017</b>	<b>% From FY-2018 % to FY-2017</b>
Corporation Commission	\$10,182,682	\$10,766,744	\$584,062	5.74%
Environmental Quality, Department of	\$5,987,388	\$5,987,388	\$0	0.00%
Mines, Department of	\$775,772	\$775,772	\$0	0.00%
Water Resources Board	\$5,515,920	\$5,515,920	\$0	0.00%
<b>TOTAL ENERGY and ENVIRONMENT</b>	<b>\$22,461,762</b>	<b>\$23,045,824</b>	<b>\$584,062</b>	<b>2.60%</b>
Auditor and Inspector	\$3,640,536	\$3,640,536	\$0	0.00%
Bond Advisor	\$110,687	\$110,687	\$0	0.00%
Land Office, Commissioners of	\$8,538,600	\$8,538,600	\$0	0.00%
Management and Enterprise Services	\$35,271,208	\$35,271,208	\$0	0.00%
Merit Protection Commission	\$379,730	\$379,730	\$0	0.00%
Tax Commission	\$44,336,000	\$44,336,000	\$0	0.00%
Treasurer	\$2,815,463	\$2,815,463	\$0	0.00%
<b>TOTAL FINANCE, ADMINISTRATION and INFORMATION TECHNOLOGY</b>	<b>\$95,092,224</b>	<b>\$95,092,224</b>	<b>\$0</b>	<b>0.00%</b>
Children and Youth, Commission	\$1,743,024	\$1,743,024	\$0	0.00%
Disability Concerns, Office of	\$245,647	\$245,647	\$0	0.00%
Health Care Authority	\$991,050,514	\$1,102,057,905	\$111,007,391	11.20%
Health, Department of	\$54,978,498	\$56,259,866	\$1,281,368	2.33%
Human Services, Department of	\$693,500,262	\$714,420,217	\$20,919,955	3.02%
J.D. McCarty Center	\$3,895,191	\$3,895,191	\$0	0.00%
Juvenile Affairs	\$92,069,101	\$92,189,101	\$120,000	0.13%
Mental Health & Substance Abuse	\$324,823,085	\$355,623,645	\$30,800,560	9.48%
OSU Medical Authority	\$10,163,028	\$10,163,028	\$0	0.00%
Rehabilitation Services, Depart.	\$27,452,297	\$27,452,297	\$0	0.00%
University Hospitals Authority	\$34,886,725	\$34,886,725	\$0	0.00%
<b>TOTAL HEALTH and HUMAN SERVICES</b>	<b>\$2,234,807,372</b>	<b>\$2,398,936,646</b>	<b>\$164,129,274</b>	<b>7.34%</b>

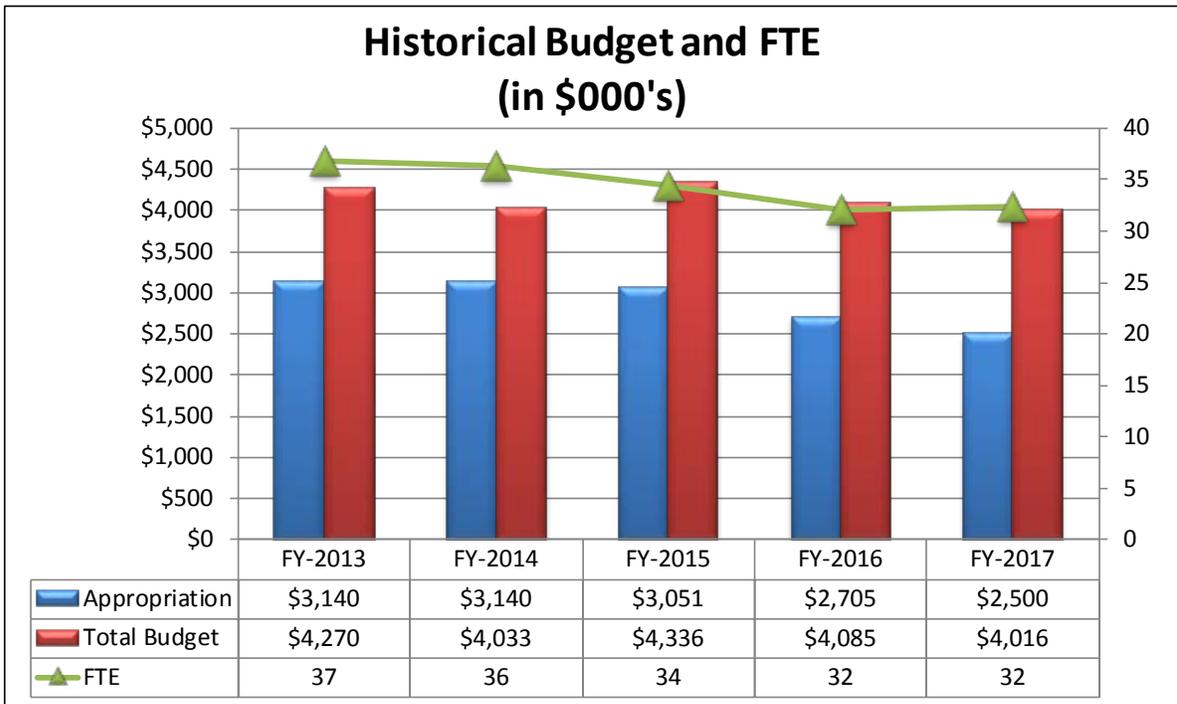
	<b>FY-2017 Appropriation</b>	<b>Final FY-2018 Budget Book</b>	<b>\$ From FY-2018 to FY-2017</b>	<b>% From FY-2018 % to FY-2017</b>
Military, Department of	\$10,035,604	\$10,035,604	\$0	0.00%
<b>TOTAL MILITARY</b>	<b>\$10,035,604</b>	<b>\$10,035,604</b>	<b>\$0</b>	<b>0.00%</b>
ABLE	\$2,500,312	\$2,500,312	\$0	0.00%
Attorney General	\$6,326,057	\$6,326,057	\$0	0.00%
Corrections, Department of	\$484,900,943	\$496,074,443	\$11,173,500	2.30%
District Attorneys and DAC	\$34,468,685	\$34,468,685	\$0	0.00%
Emergency Management	\$503,643	\$503,643	\$0	0.00%
Fire Marshal	\$1,430,946	\$1,430,946	\$0	0.00%
Indigent Defense System	\$14,954,141	\$14,954,141	\$0	0.00%
Investigation, State Bureau of	\$12,392,064	\$12,392,064	\$0	0.00%
CLEET	\$2,912,329	\$2,912,329	\$0	0.00%
Medicolegal Investigations	\$8,749,068	\$11,119,068	\$2,370,000	27.09%
OBND	\$3,091,293	\$3,091,293	\$0	0.00%
Pardon and Parole Board	\$2,294,013	\$2,294,013	\$0	0.00%
Public Safety, Department of	\$95,004,563	\$109,604,563	\$14,600,000	15.37%
<b>TOTAL SAFETY and SECURITY</b>	<b>\$669,528,057</b>	<b>\$697,671,557</b>	<b>\$28,143,500</b>	<b>4.20%</b>
Science & Technology, Center for	\$14,110,140	\$14,110,140	\$0	0.00%
Space Industry Development Auth.	\$305,189	\$305,189	\$0	0.00%
<b>TOTAL SCIENCE and TECHNOLOGY</b>	<b>\$14,415,329</b>	<b>\$14,415,329</b>	<b>\$0</b>	<b>0.00%</b>
Election Board	\$7,893,267	\$7,893,267	\$0	0.00%
Ethics Commission	\$739,754	\$739,754	\$0	0.00%
Libraries, Department of	\$4,611,382	\$4,611,382	\$0	0.00%
<b>TOTAL SECRETARY OF STATE</b>	<b>\$13,244,403</b>	<b>\$13,244,403</b>	<b>\$0</b>	<b>0.00%</b>

	<b>FY-2017 Appropriation</b>	<b>Final FY-2018 Budget Book</b>	<b>\$ From FY-2018 to FY-2017</b>	<b>% From FY-2018 % to FY-2017</b>
Arts Council	\$2,938,293	\$2,938,293	\$0	0.00%
Historical Society	\$11,005,649	\$11,005,649	\$0	0.00%
J.M. Davis Memorial Commission	\$242,420	\$242,420	\$0	0.00%
Tourism and Recreation, Department	\$17,335,554	\$17,335,554	\$0	0.00%
<b>TOTAL TOURISM</b>	<b>\$31,521,916</b>	<b>\$31,521,916</b>	<b>\$0</b>	<b>0.00%</b>
Transportation, Department of (including ROADS)	\$671,928,276	\$790,031,380	\$118,103,104	17.58%
<b>TOTAL TRANSPORTATION</b>	<b>\$671,928,276</b>	<b>\$790,031,380</b>	<b>\$118,103,104</b>	<b>17.58%</b>
Veterans Affairs, Department of	\$31,057,287	\$31,057,287	\$0	0.00%
<b>TOTAL VETERANS AFFAIRS</b>	<b>\$31,057,287</b>	<b>\$31,057,287</b>	<b>\$0</b>	<b>0.00%</b>
House of Representatives	\$12,497,306	\$12,497,306	\$0	0.00%
Legislative Service Bureau	\$13,892,835	\$13,892,835	\$0	0.00%
Senate	\$9,335,506	\$9,335,506	\$0	0.00%
<b>TOTAL LEGISLATURE</b>	<b>\$35,725,647</b>	<b>\$35,725,647</b>	<b>\$0</b>	<b>0.00%</b>
Court of Criminal Appeals	\$3,630,199	\$3,630,199	\$0	0.00%
District Courts	\$55,000,000	\$55,000,000	\$0	0.00%
Supreme Court	\$15,336,267	\$15,336,267	\$0	0.00%
<b>TOTAL JUDICIARY</b>	<b>\$73,966,466</b>	<b>\$73,966,466</b>	<b>\$0</b>	<b>0.00%</b>
REAP	\$9,658,172	\$9,658,172	\$0	0.00%
<b>Total Appropriation</b>	<b>\$7,343,155,926</b>	<b>\$7,779,115,866</b>	<b>\$435,959,940</b>	<b>5.94%</b>

<b>FY-2018 Certified Revenues</b>	<b>\$6,038,893,121</b>
<b>Revenue Adjustments</b>	
Commissioners of the Land Office Excess Certification	-\$389,880
Broaden the base on Sales Tax	\$839,789,988
Gas and Diesel Tax Reform	\$635,772,830
Motor Fuel, Electric Vehicle Proposal	\$518,803,998
Increase Cigarette Tax by \$1.50 per pack	\$257,840,826
Non-Appropriated Agency Revenue Sharing	\$45,000,000
Revolving Fund Reconciliation	\$40,000,000
Production Tax on Wind Energy	\$36,622,025
Repeal Motor Fuel "Eligible Purchaser" Discount	\$5,825,500
Increase the Excise Tax Rate for Commercial Trucks and Truck- Tractors	\$1,710,000
Increasing the Reinstatement Fee for a Suspended Corporation	\$736,250
Repeal Zero Emission Tax Credit (Effective 1/1/18)	\$0
Eliminate Corporate Income Tax	-\$140,234,500
Eliminate Sales Tax on Groceries	-\$234,781,486
Rainy Day Fund	\$0
Unclaimed Property	\$0
<b>Total Revenue</b>	<b>\$8,045,588,672</b>
<b>Appropriations</b>	<b>\$7,779,115,866</b>
Capitol Debt Service	\$12,000,000
\$350 Million Bond Proposal Debt Service	\$10,500,000
Critical Occupations	\$20,000,000
Maintenance of State Buildings Revolving Fund	\$37,500,000
Ad Valorem Supplemental	\$70,000,000
<b>Total Expenditures</b>	<b>\$7,929,115,866</b>
<b>Total Difference</b>	<b>\$116,472,806</b>

# **State Agency Information**

# Alcoholic Beverage Laws Enforcement Commission



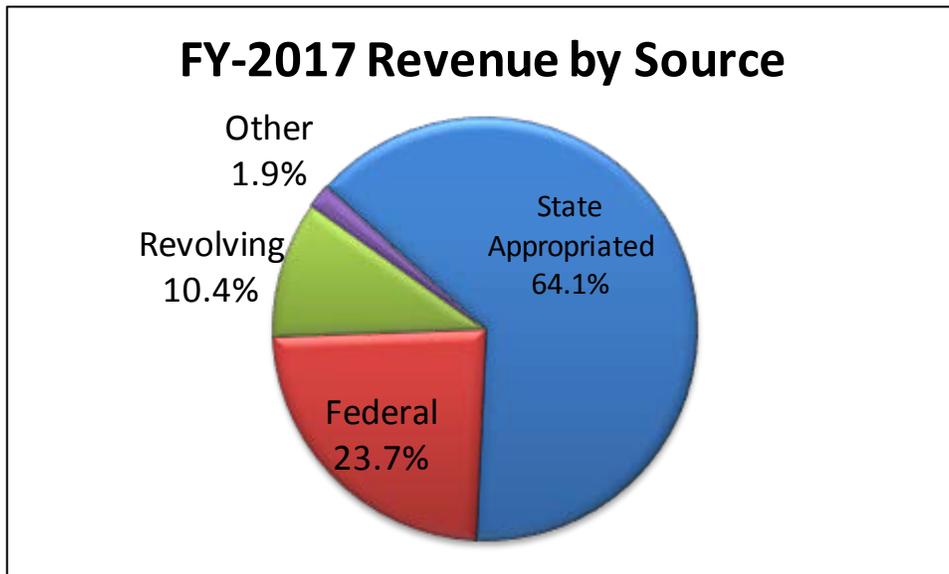
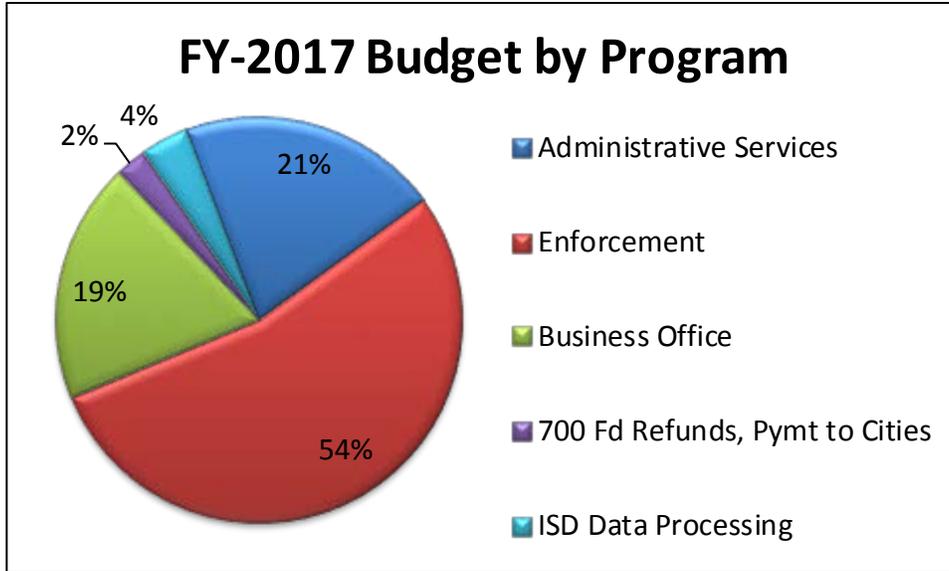
**Mission:**

The mission of the Alcoholic Beverage Laws Enforcement Commission (ABLE) is to protect the public’s welfare and interest through the enforcement of the laws and regulations pertaining to alcoholic beverages, charity gaming, and youth access to tobacco products.

**Programs:**

- Administrative Services
- Enforcement
- Alcohol Education
- Business Office
- Refunds & Payment to Cities
- ISD Data Processing

# Alcoholic Beverage Laws Enforcement Commission



## Accomplishments Over the Past Year:

- Partnered with the Center for Alcohol Policy to host the Oklahoma Alcohol Policy Forum in Oklahoma City to include regulators, industry members, and legislators to discuss new threats to public health.
- Aided legislators in the crafting of several alcohol-related bills including SJR68, SB383, and SB424.
- Worked with multiple stakeholders such as the Oklahoma Restaurant Association (ORA) and the Department of Mental Health and Substance Abuse Services (ODMHSAS) to provide Responsible Beverage Sales and Service (RBSS) training to Oklahoma's alcohol servers.

# Alcoholic Beverage Laws Enforcement Commission

## **Goals For The Upcoming Year:**

- Reduce underage drinking and impaired driving by continuing to work with the Governor's Impaired Driving Prevention Training Advisory Council (GIDPAC);
- Increase contacts with municipal law enforcement agencies to maximize our impact by reaching out to all county sheriffs and other police departments to encourage, assist, and support local law enforcement on liquor and tobacco enforcement;
- Through compliance checks, strive to improve the compliance rate of alcohol and tobacco retail outlets;
- Work with the Responsible Hospitality Institute and Center for Alcohol Policy to bring stakeholders together in the development of best practices for alcohol service; and
- Replace ABLE's current hierarchical Information System (IMS) with a modern database.

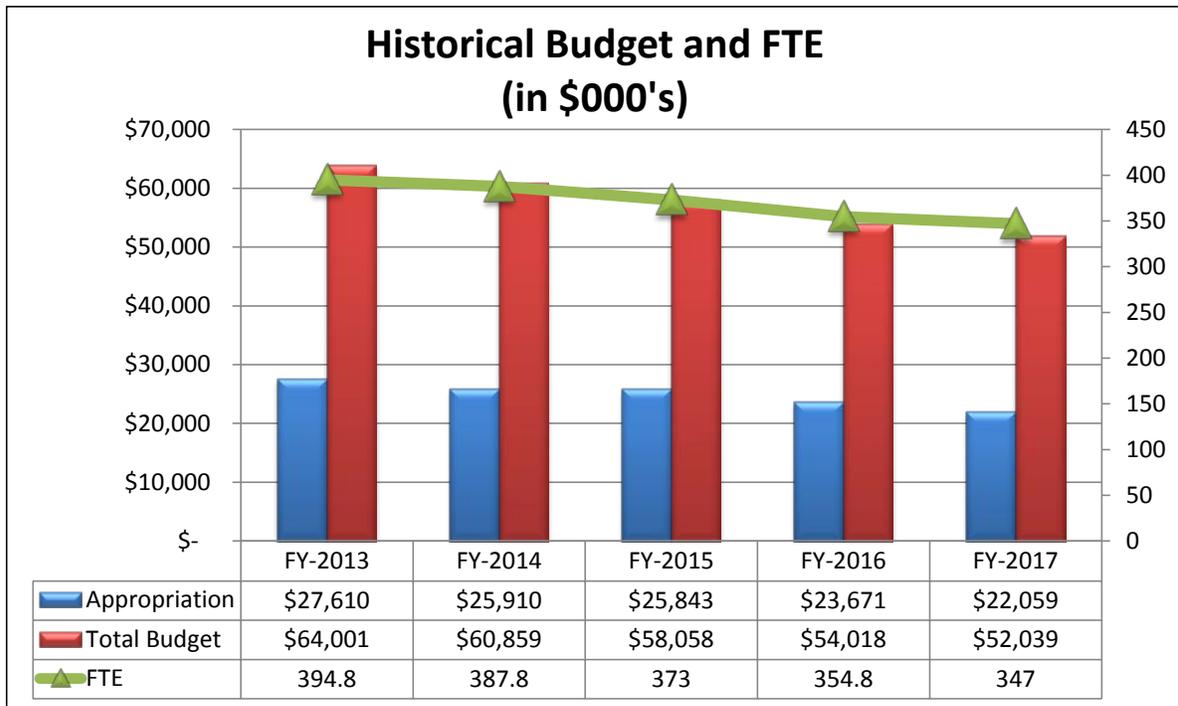
## **Major Agency Projects:**

- Hosting the National Liquor Law Enforcement Association's national convention in Oklahoma City in the fall of 2017;
- Planning, promoting, and delivering 2 Much 2 Lose law enforcement trainings;
- Partnering with Regional Prevention coordinators to train and develop collaborative community partnerships and coalitions that address underage drinking and initiate improvement in community conditions that drive underage drinking;
- Working with the Office of Management Enterprise Services (OMES) to migrate toward a web-based solution to house over 62,000 ABLE Commission licensees currently running on mainframes with outdated technology; and
- Continuing to work with the Governor's Impaired Driving Prevention Advisory Council (GIDPAC) to reduce impaired driving traffic crashes in Oklahoma by collecting data and providing training for Target Responsibility for Alcohol Connected Emergencies (TRACE) investigations to improve Oklahoma's ranking for impaired driving deaths.

## **Savings, Efficiencies and Shared Services:**

Contracted with independent inspectors for tobacco compliance checks, allowing ABLE's enforcement agents more time for enforcement and contracting with the Food and Drug Administration (FDA) to fully fund the compliance checks.

# Department of Agriculture



## Mission:

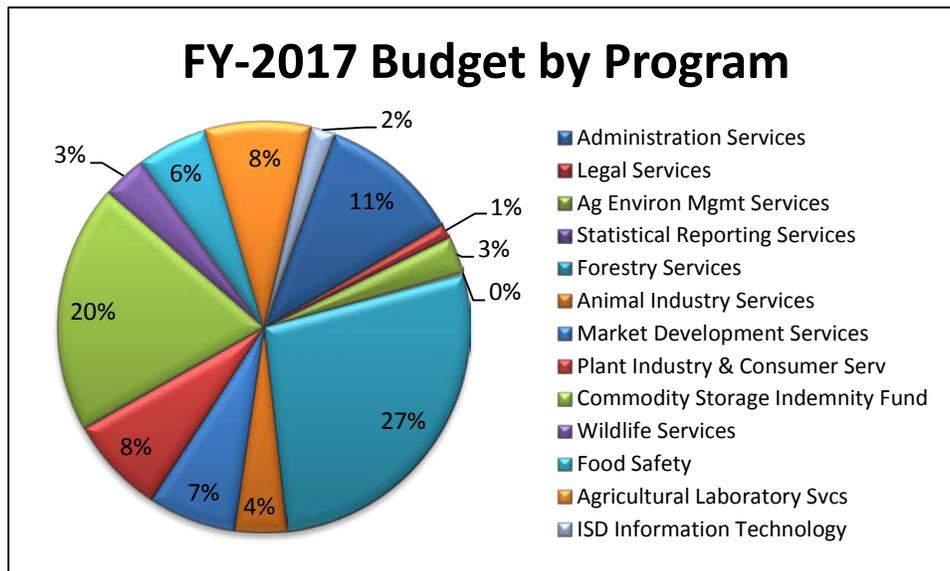
The Oklahoma Department of Agriculture, Food and Forestry's (ODAFF) mission is to look at agriculture with a vision of what it will be in the next 100 years. ODAFF is responsible for increasing the value of agriculture products and enhancing the value of life in rural communities. In addition, ODAFF provides for the development of the state's food and fiber resources in a manner that always protects consumer health and safety, natural resources, property, and the environment.

## Programs:

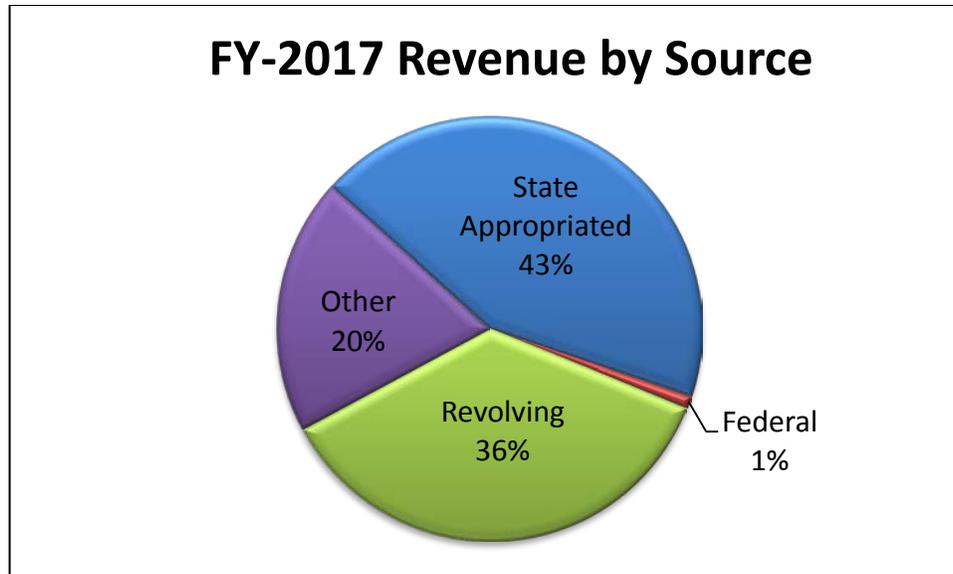
- Legal Services:
  - Pet Breeders Licenses
  - Animal Shelter Licenses
- Agriculture Environmental Management Services (AEMS)
  - Concentrated Animal Feeding Operations
  - Poultry Waste Applicators
  - Poultry Litter Transfer
  - Registered Poultry Feeding Operations
  - Swine Feeding Operations
- Statistical Reporting Services
- Forestry Services (OFS)
  - Wildland fire response
  - Rural fire defense
  - Easter red cedar Registry Board
  - Operational Grants, 80/20 Grants
  - Forest Stewardship and Inventory
  - Forest Resource Assessment and Strategy
  - Forest Regeneration

# Department of Agriculture

- Conservation of Forested Lands
- Urban Forestry
- Forestry Education
- Animal Industry Services (AIS)
  - Animal health and reportable diseases
- Consumer Protection Services (CPS)
  - Asian Gypsy Moth Tracking
  - Pesticide Applicator Licenses
  - Pesticide Disposal
  - Scrap Metal Licenses
- Market Development Services
  - Farm To School
  - Plasticsulture
  - Ag In The Classroom
  - Made In Oklahoma Program
- Plant Industry & Consumer Services
- Wildlife Services
  - Feral Swine Program
  - Bird Strike Prevention at Major Airports
- Food Safety
  - Dairy Section
  - Meat & Poultry Inspection
  - Organic Certification
  - Poultry & Egg Inspection
- Agricultural Laboratory
- ISD Information Technology
- Investigative Services Unit



## Department of Agriculture



### Accomplishments over Past Year:

- Made in Oklahoma Coalition expanded to more than 60 members with sales in excess of \$4 billion;
- Reported \$3 million in Oklahoma farmers market sales in 2016;
- Eliminated 11,206 feral swine in Oklahoma;
- Completed renovation of the third floor of the ODAFF headquarters building;
- Collaborated with other agencies to remove more streams from the EPA 303(d) list than any other state;
- Agriculture Environmental Management Services Division collaborated with ADEQ, U.S. Environmental Protection Agency, University of Arkansas, the Cherokee Nation, and other Oklahoma agencies to move toward the establishment of a Total Maximum Daily Load model on the Illinois Water Shed;
- Serology Lab processed approximately 50,000 samples for Brucellosis, Psuedorabies, and Equine Infectious Anemia in FY-2016 with nearly 23,000 of those analyzed in December;
- Food and Dairy lab created a method that shortens the time for a Listeria analysis from 48 hours to about 26 hours;
- Investigative Services recovered over \$2.9 million in stolen agriculture property and assisted in gathering evidence supporting 511 felony charges;
- Accepted APHIS delegation of CEM Import Quarantine Testing Program in order to increase equine imports. Equine imports to Oklahoma have increased dramatically this past year and have created a quarantine industry in the ag industry that has a lot of growth potential in the equine rich state.
- Forestry Services Regeneration and Tree Improvement programs produced and distributed over three million tree and shrub seedlings to landowners in 34 Oklahoma counties while completing a \$1 million renovation of the irrigation and pesticide storage facilities; and
- Oklahoma led the nation in the number of acres burned as of November 2016 with the Forestry Services wildland firefighters suppressing 1,367 wildfires that burned 613,904 acres statewide - of which 1,039 of these fires were located in the OFS designated protection area and threatened 302 primary residences and 311 outbuildings valued at \$25,234,250.

### Goals For The Upcoming Year:

- Increase the food manufacturing industry in Oklahoma;

# Department of Agriculture

- Increase agriculture processing of our commodity products;
- Increase agriculture exports to other states and internationally; and
- Increase total agriculture cash receipts in the state.

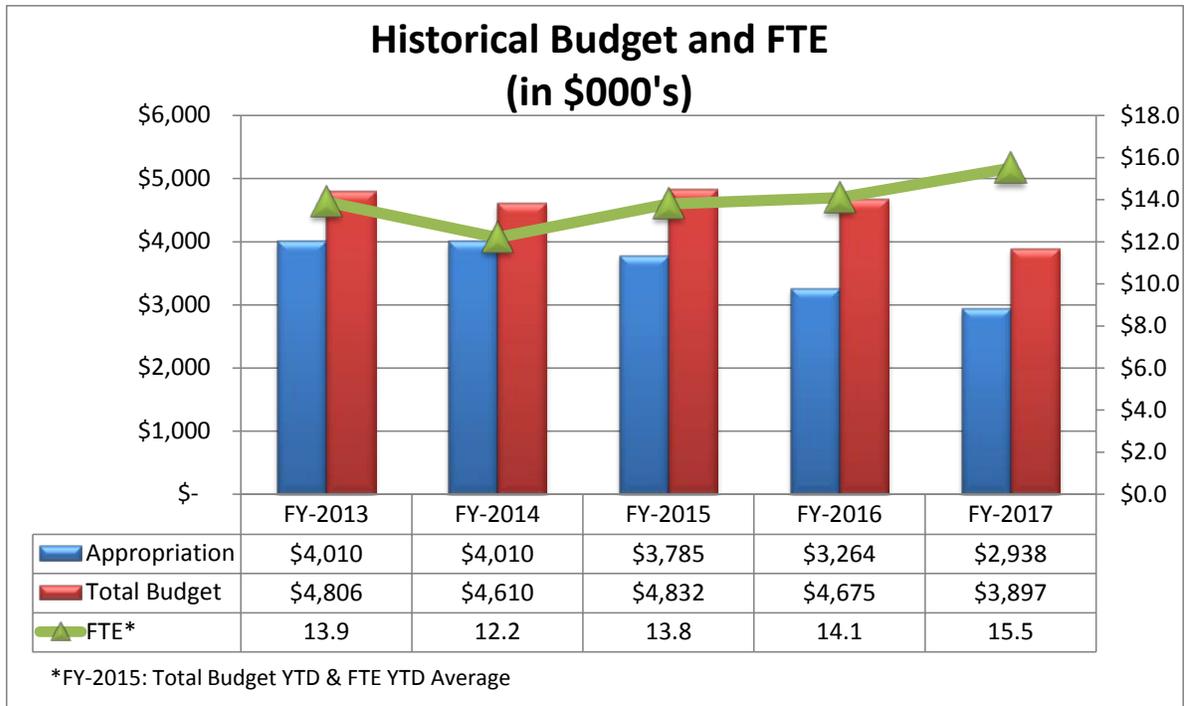
## **Major Agency Projects:**

- Completing the renovation of the second floor of the ODAFF headquarters building;
- Completing transition to online licensing throughout all divisions;
- Documentation of Agriculture's impact statistically to identify baseline and growth of agriculture exports, agriculture processing, and food manufacturing;
- Working toward achieving increases in energy savings, increased agriculture exports, agriculture processing, and increased food manufacturing;
- Working to establish a TMDL model for the Illinois Water Shed with federal and state agencies;
- Further developing and improving the resiliency of our state's natural landscapes to the effects of natural disasters, insects and disease, and wildfire;
- Increasing the number of fire-adapted communities in our state; and
- Improving the safety and effectiveness of our state's wildland fire suppression response.

## **Savings, Efficiencies and Shared Services:**

- Implemented use of Kelly Services to cut costs for registration and licensing processes;
- Conducted and submitted all egg inspections electronically;
- Surplused three gasoline vehicles and replaced them with hybrid bi-fuel units;
- Transitioned to a paperless workplace, saving office space and reducing costs by eliminating storage unit spaces;
- Increased animal traceability within the Animal Industry Division by scanning Certificates of Veterinarian Inspection and trained veterinarians to better utilize electronic certificates;
- Animal Industry Division collected more cattle ID data from livestock markets in an electronic format, allowing for easy transfer to the USA Herds program which saved time and money from the prior procedure of data entry by hand;
- Actively pursued exceptions for purchasing when vendor prices were above available market prices; and
- The Forestry Services, in 2014, pioneered the use of the ESRI Collector application on wildland fires. Forestry Services was the first wildland agency in the United State to fully implement the software. Since late 2015, OFS provides system access to fire departments across Oklahoma free of charge (as they can be trained and funds allow). In addition, access to the software and training was provided to OHP aviation. All OHP pilots have been trained in its use and have provided critical information not only on wildland fires but also on tornado damage, since the system can be used as an assessment tool in such circumstances.

# Arts Council



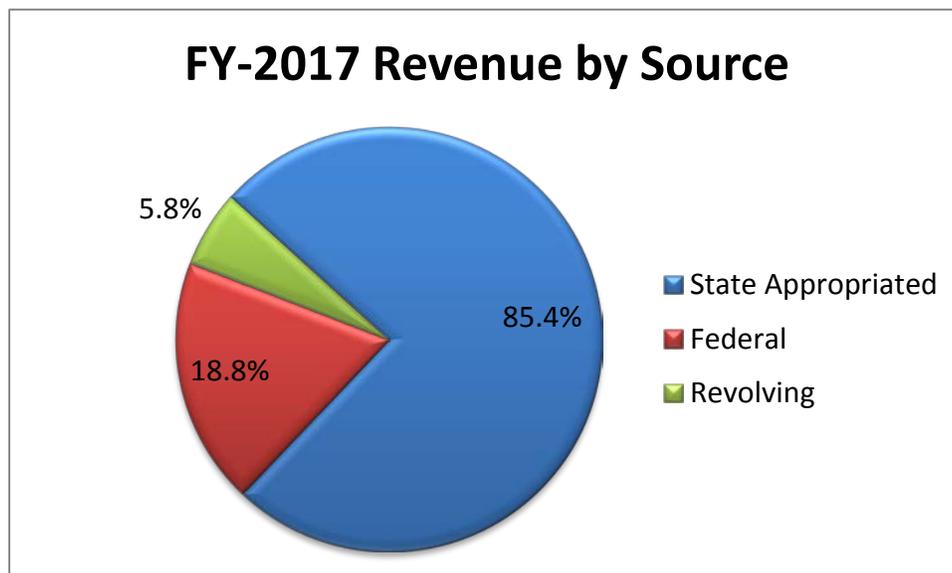
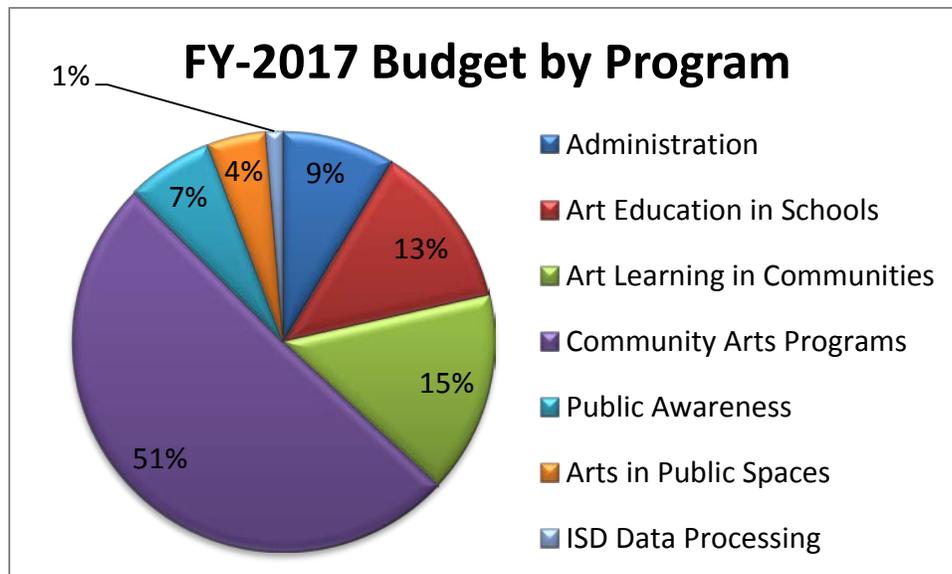
## Mission:

The mission of the Oklahoma Arts Council (OAC) is to lead, cultivate, and support a thriving arts environment, which is essential to the quality of life, education, and economic vitality for all Oklahomans.

## Programs:

- Arts Education in Schools
- Arts Learning in Communities
- Arts in Public Places
- Community Arts Programs
- Public Awareness

## Arts Council



### Accomplishments Over Past Year:

- Provided 515 grants to 268 organizations & schools in 92 communities.
- Convened 400 Oklahomans from 57 communities for the Oklahoma Arts Conference, which provides professional, organizational, and community development sessions led by industry experts.
- Provided in-depth training to 30 individuals from diverse communities; equipping them with strategies for strengthening local economies, enriching quality of life, and improving education.
- Provided grants and professional consultations in assisting seven communities with identifying and leveraging local arts and cultural assets for economic development.
- Awarded a \$140,000 competitive grant from the State Department of Education to reinstate the Arts in Alternative Education grant program.
- Selected as one of 10 states to participate in Americans for the Arts' State Policy Pilot Program; the OAC will receive \$10,000 per year for three years to help develop state-initiated recommendations for arts education policy.
- Served 625 schools through grants and programs.

# Arts Council

- Served 148,216 participants through after-school programs, summer arts camps, adult art programs, senior adult programs, and programs for individuals with special needs.
- Provided matching funds to Agra School District, a district with no arts instruction, for an arts education specialist.
- Led partnership to coordinate development of educational content for Newspapers in Education, The Oklahoman's free publication for schools, reaching 30,400 students, 915 teachers, and 586 schools in 73 counties.
- Coordinated exhibition of Allan Houser sculptures on Capitol grounds as part of a statewide celebration of the noted Oklahoma artist, made possible by Friends of the Capitol and The Kerr Foundation.
- Served as Collections Manager for 300+ works in the Capitol Art Collection, completing the first phase of placing ADA compliant wall labels, facilitating conservation treatment of various Capitol Art Collection works and replacing harmful lighting on murals with energy-efficient bulbs;
- Curated State Art Collection of 200+ works, rotating select pieces into the Betty Price Gallery and adding four works to the collection at no cost to the public.
- Organized and curated 18 Capitol exhibitions, giving free public access to works by Oklahoma artists;
- Partnered with the Governor's office on Septemberfest and Christmas Tree Lighting events;
- Partnered with Arts & Humanities Council of Tulsa to make national Poetry Out Loud program available to students statewide.
- Invited to participate in ENGAGE, a national initiative to develop infrastructure and programming among states in arts, health, and aging. Participating states helped prepare recommendations for the 2015 White House Conference on Aging. Recommendations will be a resource for the Oklahoma Health and Mental Health Industry.

## **Goals For The Upcoming Year:**

- Support Oklahoma's \$314 million nonprofit arts and cultural industry by providing matching grants to organizations for cultural events across the state;
- Develop a robust cultural infrastructure through service programs that provide networking opportunities and professional development training in organizational management and community development through the following strategies:
  - Recruit and train the next Leadership Arts class regarding the economic and educational benefits of arts and culture for their communities;
  - Expand the Cultural District Development Program to additional communities to foster downtown and neighborhood economic development through the arts; and
  - Begin Cultural District Certification Program to recognize existing cultural districts;
- Educate Oklahoma's future creative workforce by:
  - Providing arts education support in low-performing schools. For FY-2016, the Council has identified low performing and/or underserved school sites, primarily in rural counties, which will be priority sites for grant funding and resource support;
  - Providing matching grants for lifelong arts education programs that support critical thinking and problem solving skills for people of all ages and abilities;
  - Developing a minimum of 12 additional online resources using the Capitol Art Collection to complete the Teaching with Art curriculum; and
  - Developing a minimum of ten State Art Collection curriculums, which includes arts integration lessons focusing on math, science, literature, and other subjects.
- Preserve Oklahoma's history and cultural heritage by actively pursuing conservation and preservation of the Capitol art collections.

# Arts Council

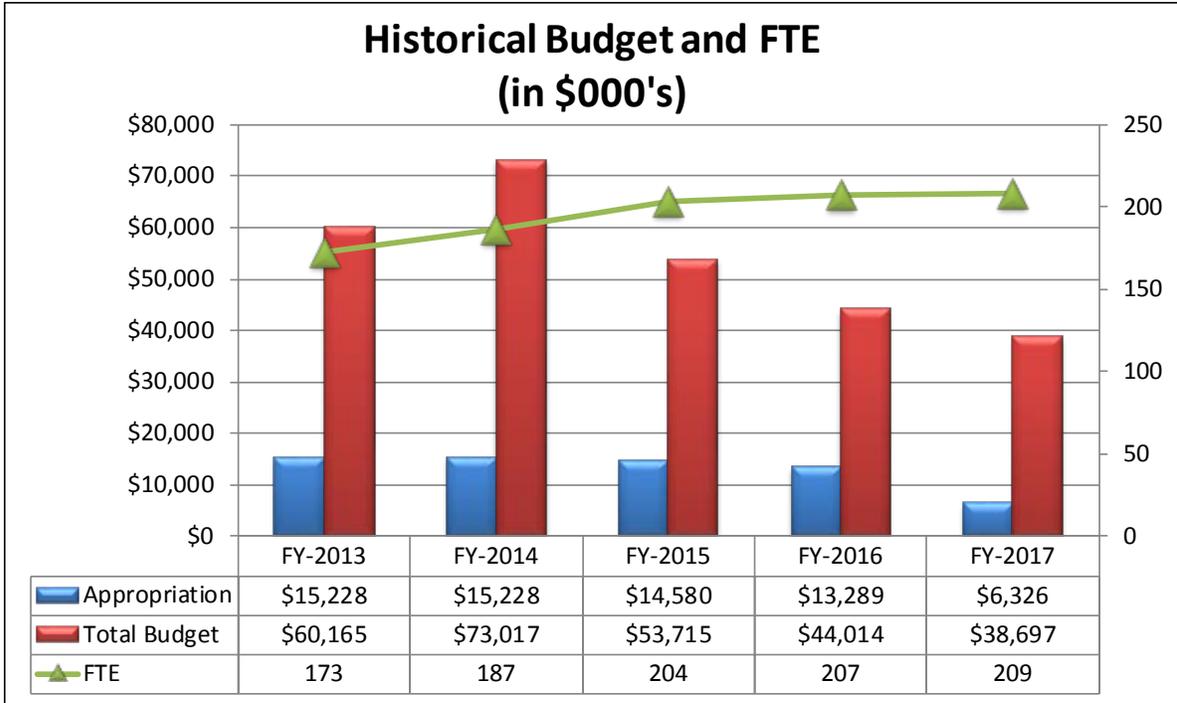
## **Major Agency Projects:**

- **Arts and the Military:** The Council is working with state leaders in military and veterans affairs to launch an Arts and the Military Initiative. The initiative will include pilot programs for veterans as part of their reintegration and clinical rehabilitation, as well as arts learning experiences for active duty members, family members, and caregivers;
- **Arts and Aging Programs:** Developing the program to further aid Oklahoma community arts organizations in providing transformative arts experiences for older adults including individuals affected by memory loss, dementia, and Alzheimer's; and
- **Capitol Renovation:** Overseeing and protecting more than 300 works of art that comprise the art collections during the Capitol building renovation.

## **Savings, Efficiencies and Shared Services:**

- IT services (data storage, email, and PC maintenance, etc.) provided by OMES;
- Installation of LED lighting for Capitol artwork to save energy costs and protect priceless artwork;
- Online grant application and panel review system;
- Use of teleconferencing for grant application panel review to reduce travel costs;
- Limited use of print publications, focusing on leveraging digital communications for cost effectiveness;
- Ongoing review of publishing, marketing, and other communication processes;
- Distribution of administrative services such as payroll, human resources, training enrollment and accounting services among existing staff, keeping administrative costs to an average 7-8% of total agency budget; and
- Reduced annual costs by more than \$17,000 per fiscal year by identifying tasks that could be performed in-house by staff with expertise and eliminating a service contract.

# Attorney General, Office of the



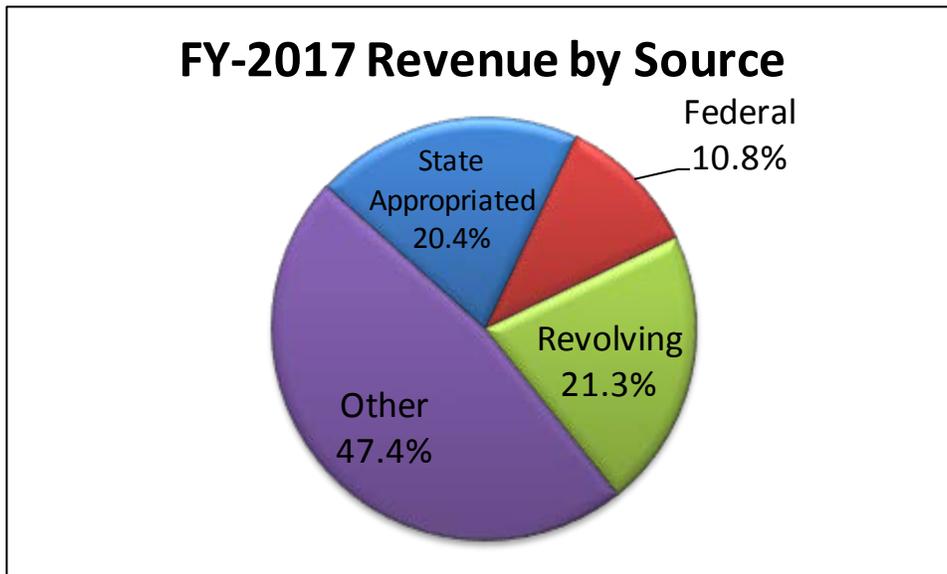
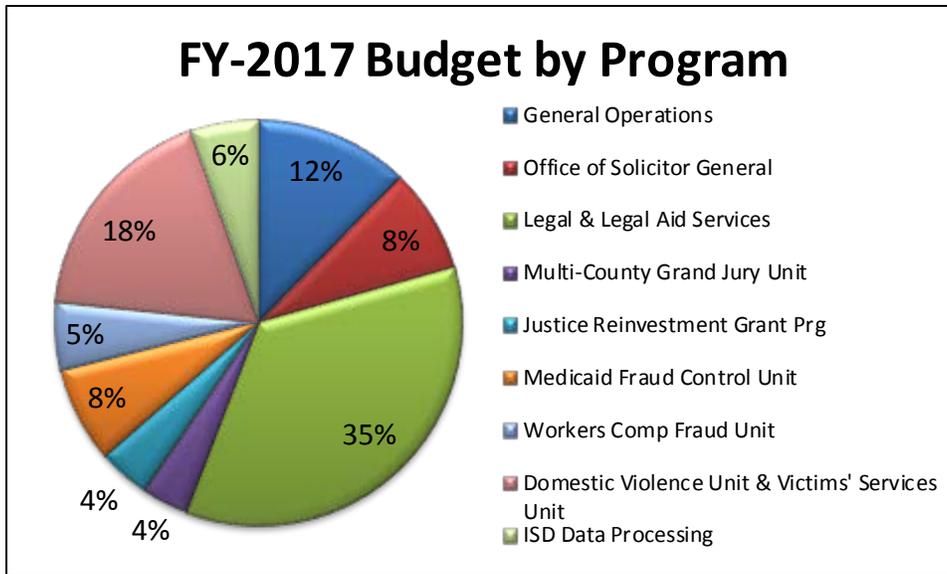
## Mission:

It is the mission of the Office of the Attorney General (OAG) to protect and defend the interests of Oklahomans and the State of Oklahoma by acting with excellence as its chief legal officer.

## Programs:

- General Operations
- Office of Solicitor General
- Legal & Legal Aid Services
- Multi-County Grand Jury Unit
- Justice Reinvestment Grant Program
- Medicaid Fraud Control Unit
- Workers Comp Fraud Unit
- Domestic Violence Unit & Victims' Services Unit
- ISD Data Processing

# Attorney General, Office of the



## Accomplishments Over the Past Year:

- The Criminal Appeals Unit filed 373 briefs in state courts and 146 briefs in federal courts. In addition, 446 opinions were handed down by the state and federal courts in cases briefed and/or argued by the Criminal Appeals Unit. Convictions were upheld in 96% of those cases.
- The Victim Services Unit bolstered awareness of available resources for victims of crime, their families, law enforcement, and the public through multiple programs:
  - The VINE program, which provides free notification via telephone, email, and text to notify victims of crime on the movement or release of inmates. Registration for the VINE program now stands at over 7,000 registrations per month. The VINE mobile application averages 14,444 searches per month by victims of crime.
  - The Address Confidentiality Program provides confidential addresses to victims of domestic violence, sexual assault and stalking. Currently, 425 Oklahomans utilize this confidential mail service and the Victim Services Unit processes approximately 400

## Attorney General, Office of the

- pieces of mail each week for them.
- Finally, VSU certifies 27 Domestic Violence Sexual Assault shelters, two Domestic Violence Sexual Assault Crisis Centers, 50 Batterers Intervention programs, and three human trafficking shelters. Last fiscal year, over 12,800 victims were served by the certified programs and a total of 120,355 nights at shelters were provided to victims by these programs. The certified programs provided 102,212 hours of direct victim services to Oklahoma victims of crime and abuse.
- The Workers Compensation and Insurance Fraud Unit opened 125 formal investigations and filed charges on 42 defendants with potential losses in excess of \$4.2 million. The Unit maintained a 90% conviction rate and restitution was ordered totaling \$46,236. Current efforts include seeking legislation to more effectively prosecute fraudulent providers.
- The Social Security Fraud Unit uncovered 199 fraudulent cases, preventing payments in excess of \$16.7 million in fraudulent social security and other federal funds.
- The Consumer Protection Unit (CPU) recovered in excess of \$100,000 in consumer and taxpayer refunds and collected more than \$150,000 in restitution for victims of fraud. The CPU also received and processed over 2,000 written consumer complaints, more than 7,250 consumer calls (including 690 “Do Not Call” inquiries), 5,900 pieces of mail, distributed over 1,200 consumer complaint forms, and worked with over 100 charities providing educational outreach and assisting charities to ensure compliance with the law.
- The 15th Multicounty Grand Jury (MCGJ) investigations uncovered public corruption and charges are being filed against an elected official, a physician, and an investigator with a state agency posing as a law enforcement officer. The MCGJ also returned two indictments for first degree murder. The MCGJ continues to assist Federal and State law enforcement agencies throughout all 77 counties to protect its citizens and uphold the laws of Oklahoma.
- During the year, the Medicaid Fraud Unit received referrals from various agencies including the Oklahoma Department of Health, Oklahoma Health Care Authority, Department of Human Services-Adult Protective Services Division, and local law enforcement agencies. The Medicaid Fraud Unit also received numerous complaints from private citizens through the newly established “hotline.” The Unit initiated over 100 investigations and filed 17 Medicaid Fraud cases and 15 cases of fraud related to abuse or exploitation of nursing home residents. The Unit also recovered approximately \$6 million for the Medicaid program.
- The Tobacco Enforcement Unit implemented an electronic reporting system that tracks all cigarettes and roll-your-own (RYO) tobacco sales to Oklahoma retailers. Additionally, the Unit conducted field audits of all 16 tobacco wholesalers located in the State of Oklahoma as well as one large tobacco importer. In addition, Tobacco Enforcement agents conducted more than 1,100 compliance inspections of Oklahoma tobacco retailers.
- During 2016, the Office of Civil Rights Enforcement Unit (OCRE) participated in over 15 outreach and training opportunities at the state and local level. OCRE outreach efforts were developed to promote awareness of the OCRE and to create educational opportunities for Oklahomans on the rights and responsibilities under the Oklahoma Anti-Discrimination laws. In December 2016, the OCRE hosted its first Housing Discrimination Conference in Oklahoma City. In addition, the OCRE plans to conduct an Employment Law Conference in early 2017. As of October 25, 2016, OCRE has received 171 complaints concerning discrimination, sexual harassment and retaliation in employment, housing, and public accommodation; the Unit has closed 89 cases.
- The Public Utilities Unit successfully argued for the dismissal of Oklahoma Gas and Electric Company (OG&E) request for approval and recovery of \$400 million in costs for its Mustang Modernization Plan. In addition, a fair, just, and reasonable settlement was reached in Public Service Company of Oklahoma (PSO) 2016-18 Demand Portfolio Case with an estimated additional program savings of approximately \$20 million for PSO and its customers. The Public Utilities Unit also negotiated a fair, just, and reasonable settlement in the Oklahoma Natural Gas Company (ONG) rate case, resulting in a reduction of over \$20 million to the revenue deficiency ONG sought to

## Attorney General, Office of the

- recover from ratepayers in this case among other benefits.
- The OAG's Litigation Unit continues to successfully defend the State, and its agencies, officers and employees at all levels of state and federal forums. While the unit was able to stop many cases from gaining momentum by prevailing on motions to dismiss, it was also successful in obtaining summary judgments on several cases and prevailing at trial in federal court. Litigation attorneys also argued before the Oklahoma Supreme Court and the Tenth Circuit this past year.

### **Goals For The Upcoming Year:**

- Vigorously defend the laws and citizens of the State of Oklahoma;
- Advance civil rights and reduce complaints of discrimination, harassment, and retaliation;
- Successfully enforce the statutes related to the Master Settlement Agreement; and
- Expand the capacity to provide legal services to state agencies at lower costs than the private sector.

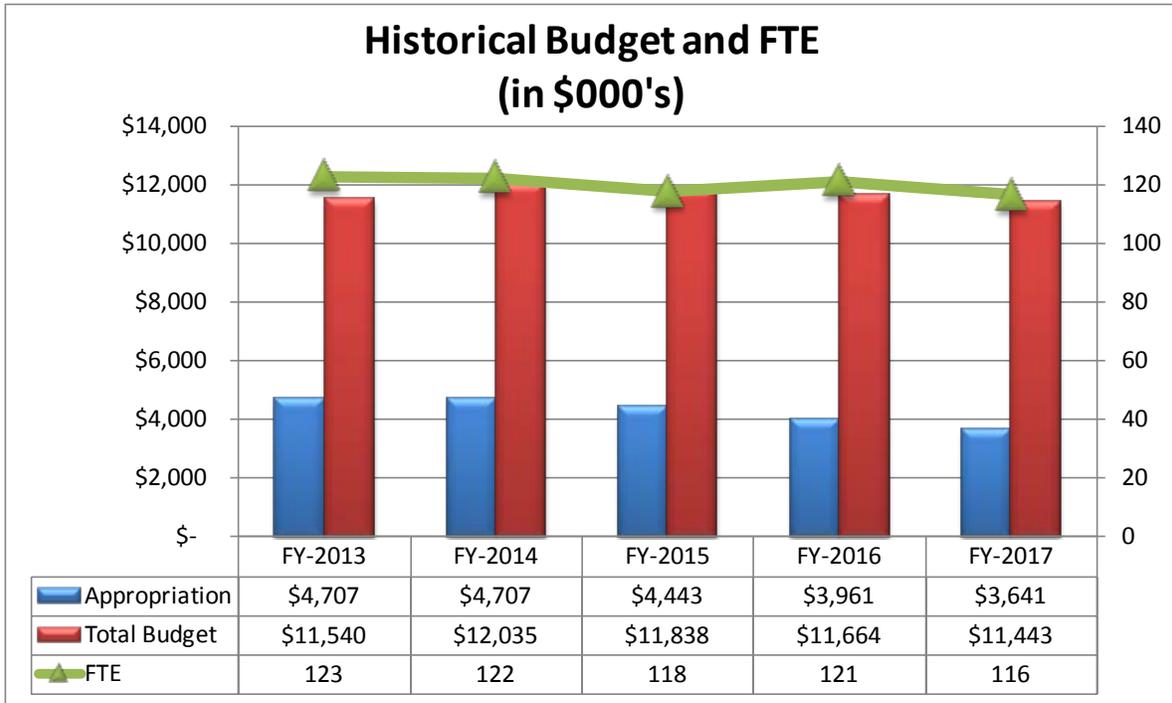
### **Major Agency Projects:**

- The OAG won the lawsuit challenging the implementation of the Affordable Care Act. As the case moves forward on appeal, the OAG remains committed to defending the state's interest.
- Through the Safe Oklahoma Grant, the OAG will continue to provide critical resources to local law enforcement to combat violent crime and to create a safe environment for our families and children.
- As litigation continues over water rights, the OAG will continue to defend the state's interests in protecting this valuable asset.

### **Savings, Efficiencies and Shared Services:**

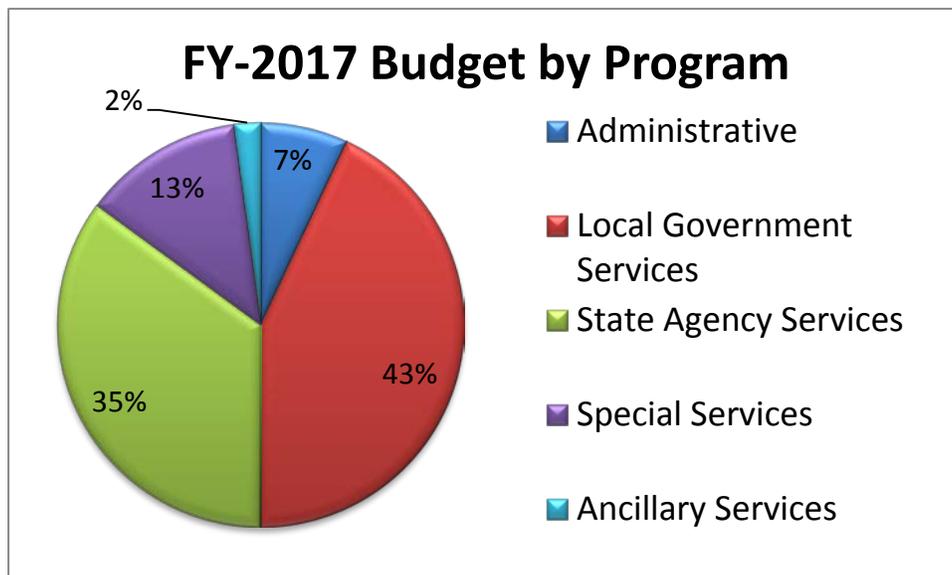
- The General Counsel Unit expanded its role in the representation of state agencies. By utilizing the OAG, those agencies receive representation without paying the salary and benefits of a full-time lawyer, nor are they reliant on outside counsel. Since 2011, these efforts have saved Oklahoma over \$4.25 million.

# Auditor and Inspector

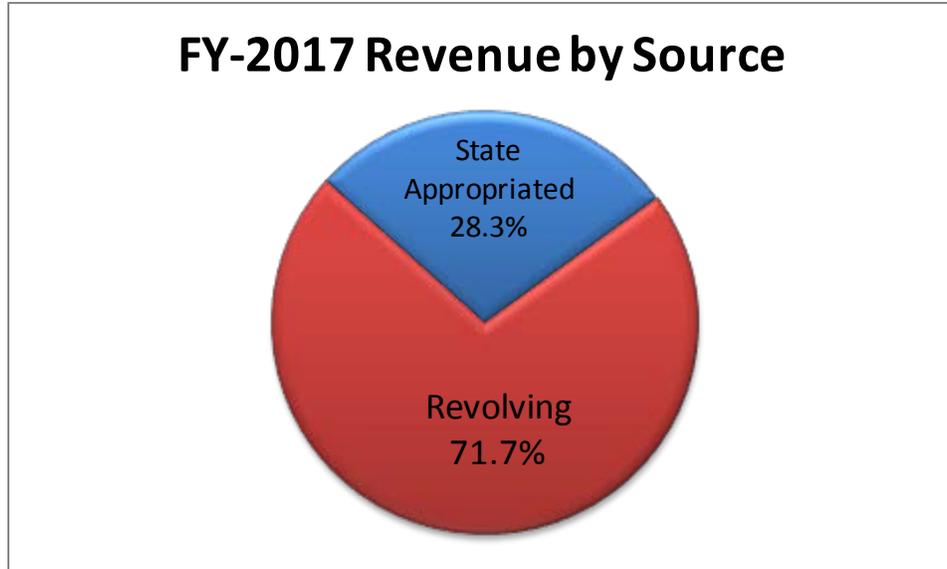


## Mission:

The mission of the State Auditor's & Inspector's Office (SAI) is to independently serve the citizens of Oklahoma by promoting accountability and fiscal integrity in state and local government.



## Auditor and Inspector



### Accomplishments Over The Past Year:

- Critical to the state's ability to continue receiving federal funding is our ongoing commitment to the federal A-133 Single Audit. SAI also conducts audits of federal expenditures at the county level in approximately 40% of its audits to ensure these local governments and the state as a whole are positioned to continue to be recipients of federal disaster funds. Together, these auditing products tremendously enhance Oklahoma's ability to function in times of shrinking state appropriations.
- As in previous years, SAI continues to identify hundreds of thousands of dollars embezzled from local coffers. Previous audit work led to the indictment of two county officials by the state multi-county grand jury. SAI continues to be responsive to requests from the Governor, legislators, legal authorities, and local residents.
- The agency established its electronic audit management system for the multiple types of audits it conducts. Training on the new system was conducted in the final quarter of the fiscal year, and the agency remains confident this system will virtually eliminate the need for printed documents supporting audits and the resulting space previously required to store and maintain these documents. The new system is already improving performance efficiency by streamlining the mechanics of the audit process and reducing the time required to manually assemble paper files.
- Public access to government documents is further enhanced as SAI now posts local government annual Estimate of Needs to its website. In addition to local audit reports, taxpayers now have free access to budget information for local school district, municipal, and county governments.
- SAI expanded its free training for county officials in its effort to assist these elected officials and their staff to improve bidding procedures and safeguard public assets.

### Goals For The Upcoming Year:

- Ongoing identification of fraud, waste, or abuse of taxpayer funds by public entities at every level;
- Remain committed to conducting Performance Audits to provide SAI clients with recommendations for improved efficiencies in agency programs and delivery of services; and
- Invest limited resources to support SAI personnel with the tools and technology required to provide clients the most comprehensive audit results possible. The agency will also sustain limited use of support staff in order to hire and retain qualified audit personnel.

# Auditor and Inspector

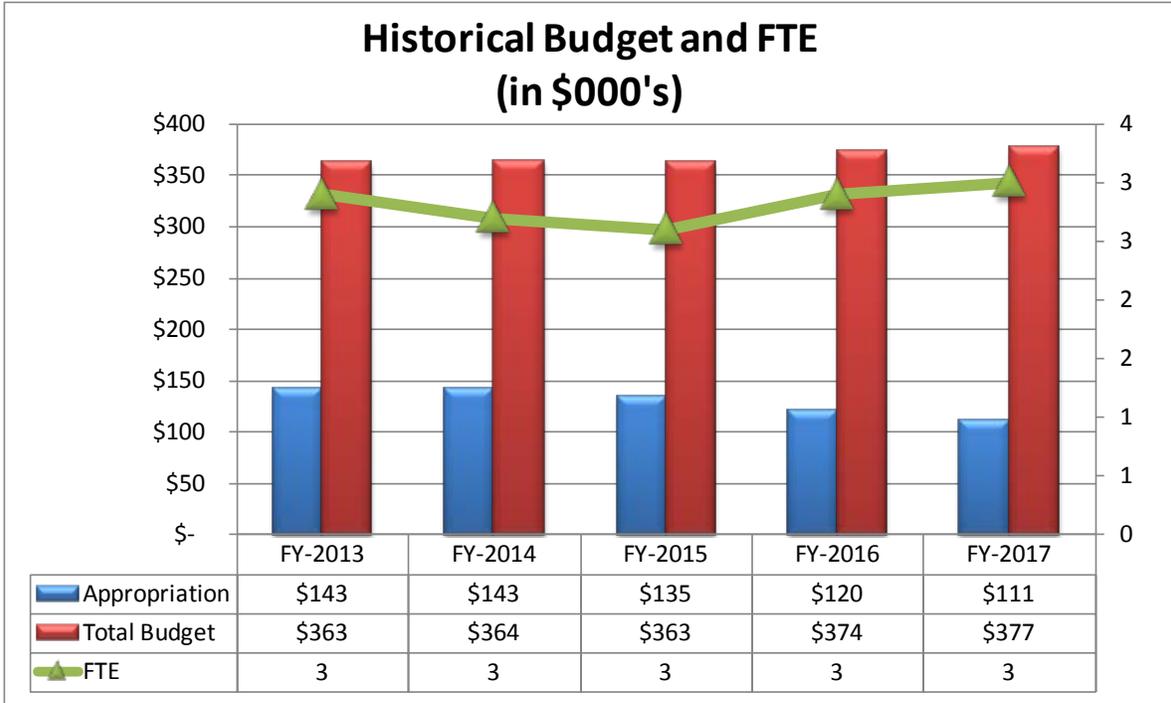
## **Major Agency Projects:**

- The Oklahoma State Auditor & Inspector shall "examine the state and all [77] county treasurer's books, accounts, and cash on hand or in bank at least twice each year" and "prescribe a uniform system of bookkeeping for the use of all treasurers." [OK Constitution, Article 6 § 19]
- The constitution also requires the auditor to annually audit the operations of the state's 58 emergency medical service districts. [OK Constitution, Article 10 § 9C]. State law mandates that the State Auditor establish accounting procedures and forms, and provide assistance to counties and other local governments.
- In accordance with title 19 section 171 of the Oklahoma Statutes, the State Auditor conducts audits of all 77 counties of the state. These audits can be either performance or financial audits, and include the Single Audit for those counties that expended at least \$500,000 in federal funds. For the two largest counties, Oklahoma and Tulsa, the financial audit is of the county's Comprehensive Annual Report. In accordance with title 74 section 212(B) of the Oklahoma Statutes, the State Auditor conducts audits of state agencies, boards and commissions. This includes the audit of the state's Comprehensive Annual Financial Report, and the Single Audit, through which the state's federal programs are audited. SAI also performs special investigative audits of governmental entities when requested by certain officials or citizen petition.
- In accordance with title 74 section 212(E) of the Oklahoma Statutes, the State Auditor conducts audits of all 27 offices of the district attorneys of the state.

## **Savings, Efficiencies and Shared Services:**

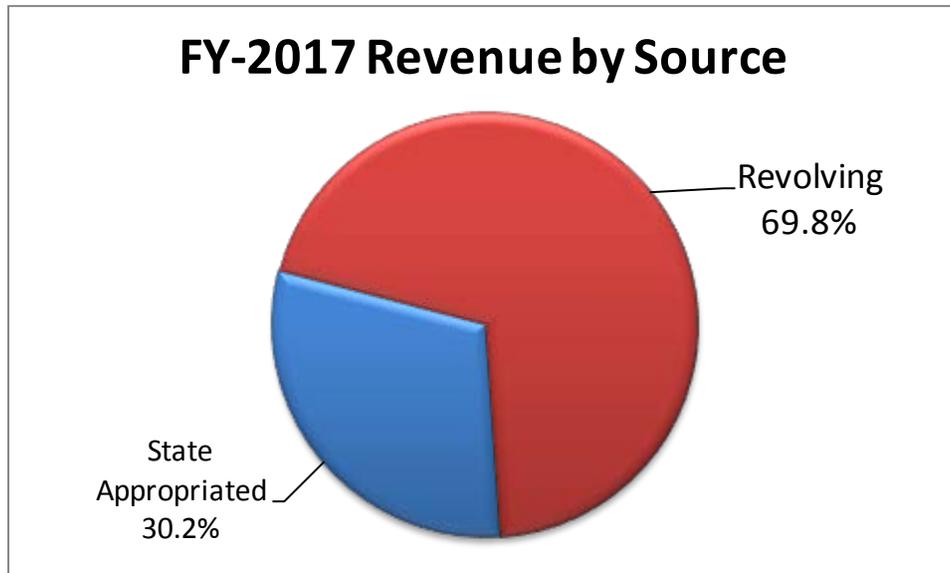
- SAI continues to assess costs in an effort to affect efficiencies. The agency has reduced travel costs through implementation of a strategic staffing practice whereby audits are staffed with those auditors living in closest proximity to the client's location.

# State Bond Advisor



## Mission:

The Bond Advisor's mission is to provide staff support to the Council of Bond Oversight and general assistance to all state issuers subject to the provisions of the Oklahoma Bond Oversight and Reform Act. The State Bond Advisor's Office serves as a resource for the Governor and Legislature in their deliberations related to capital planning, debt issuance and debt management. The Bond Advisor also maintains relations with the national bond rating agencies and credit enhancement providers.



# State Bond Advisor

## **Programs:**

The level of activity in the programs administered by the Office can vary considerably. State debt issuance was significantly higher in 2016, due in part to large issues by the Oklahoma Turnpike Authority, Grand River Dam Authority, and Oklahoma Municipal Power Authority. A number of other state issuers sold bonds to take advantage of a very favorable interest rate environment. Private activity bond volume remained modest in 2016, as it has been for the past several years. Little change is expected in that program in 2017.

## **Accomplishments Over Past Year:**

- The Office assisted with the sale of 32 series of bonds and leases in the total principal amount of \$1,384,682,362. While most were new-money issues, 12 were sold to refinance outstanding bonds at a debt service savings of almost \$121.9 million.
- Significant new money issues included \$170 million for transportation projects in the Oklahoma Department of Transportation capital plan and \$60.3 million for a new Performing Arts Center on the Stillwater campus of Oklahoma State University.

## **Goals For Upcoming Year:**

- In calendar year 2017, the Office will work with state agencies to identify opportunities to refinance outstanding bonds at a savings;
- Refundings will be more challenging due to interest rates increases at the end of calendar year 2016, but savings opportunities should still exist, since interest rates remain low compared to historical averages;
- The Office will work closely with the Legislature to identify opportunities to utilize debt to address deferred maintenance needs; and
- In a difficult budget year, the Office will maintain close contact with analysts at the bond rating agencies to ensure that they fully understand Oklahoma's credit quality.

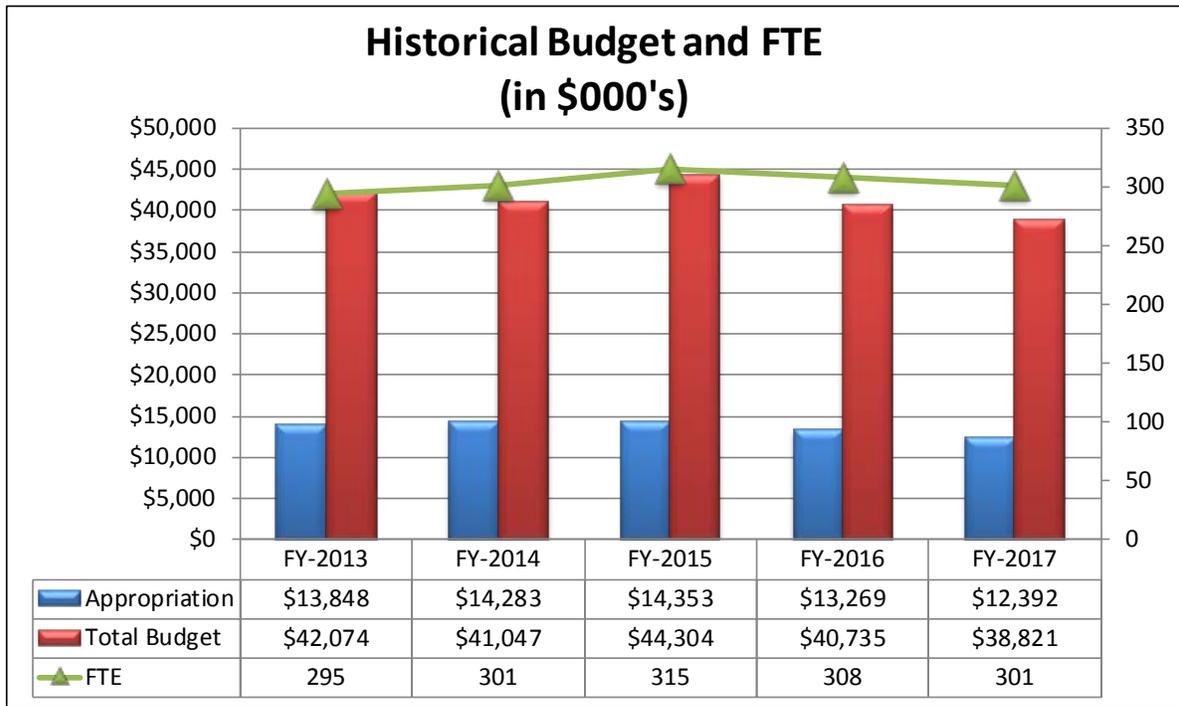
## **Major Agency Projects:**

- The Oklahoma Turnpike Authority is expected to issue its first series of bonds under an estimated \$900 million renewal and expansion program. Financing team selection was completed in 2016 and the first sale (of approximately \$400 million) is scheduled for January 2017.
- The sale of about \$70 million of OCIA bonds for the second phase of the Capitol Building renovations is expected to occur in the first quarter of 2017.

## **Savings, Efficiencies and Shared Services:**

- As noted above, the refunding/advance refunding of outstanding bonds will be monitored and completed, where cost-effective.
- The Office utilizes payroll services under a contract with OMES to improve efficiency in this area.

# Investigation, Oklahoma State Bureau of



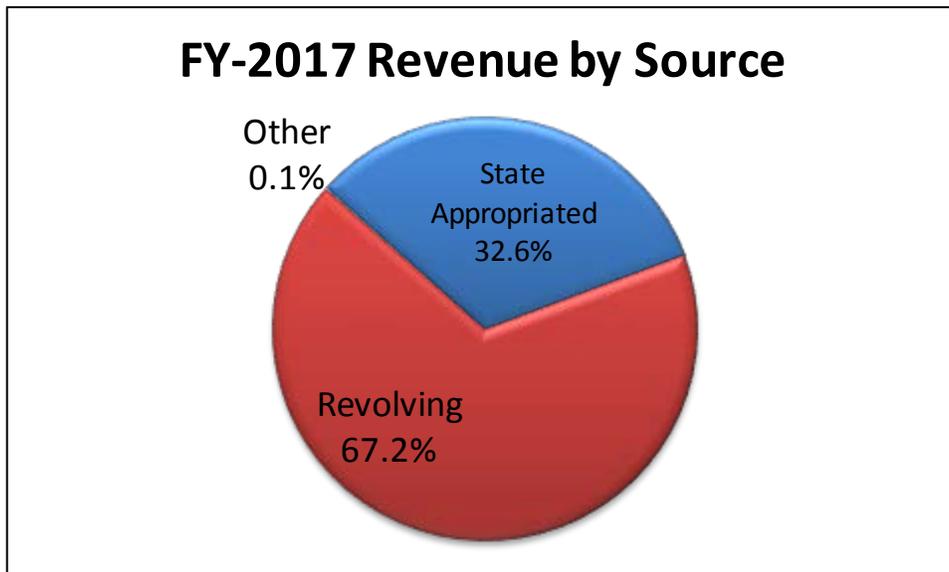
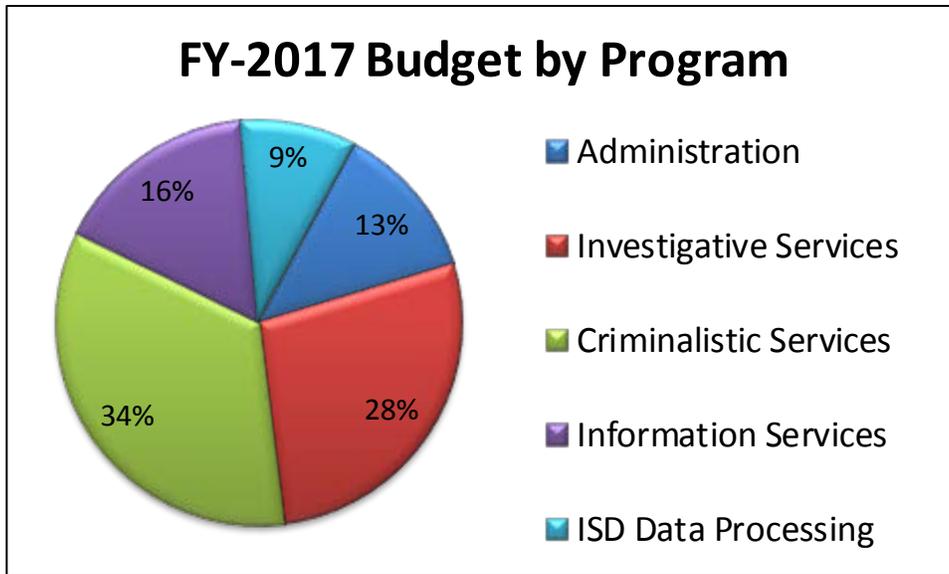
**Mission:**

The mission of every Oklahoma State Bureau of Investigation (OSBI) member is to ensure the safety and security of the citizens of Oklahoma.

**Programs:**

- Administrative Services
- Investigative Services
- Criminalistic Services
- Information Services
- ISD Data Processing

## Investigation, Oklahoma State Bureau of



### Accomplishments Over the Past Year:

- Designed and implemented a successful employee Wellness Program (Focus5) that earned the “Excellence” level of Certified Healthy Business, the highest possible, from the Oklahoma State Department of Health.
- Validated new DNA kits to ensure compliance with federal requirements.
- Established a policy for investigating officer-involved shootings.
- Introduced new procedures to streamline processing of firearm evidence.
- Hosted two forensic science academies for members of the criminal justice system.

# Investigation, Oklahoma State Bureau of

## **Goals For The Upcoming Year:**

- Complete implementation of an upgraded Automated Fingerprint Identification System (AFIS);
- Earn re-accreditation through the Council on Accreditation for Law Enforcement Agencies;
- Develop written standardized training and continuing operations plans for each unit;
- Complete and implement Criminal History Information Request Portal (CHIRP); and
- Develop a program to more effectively access court mental health records.

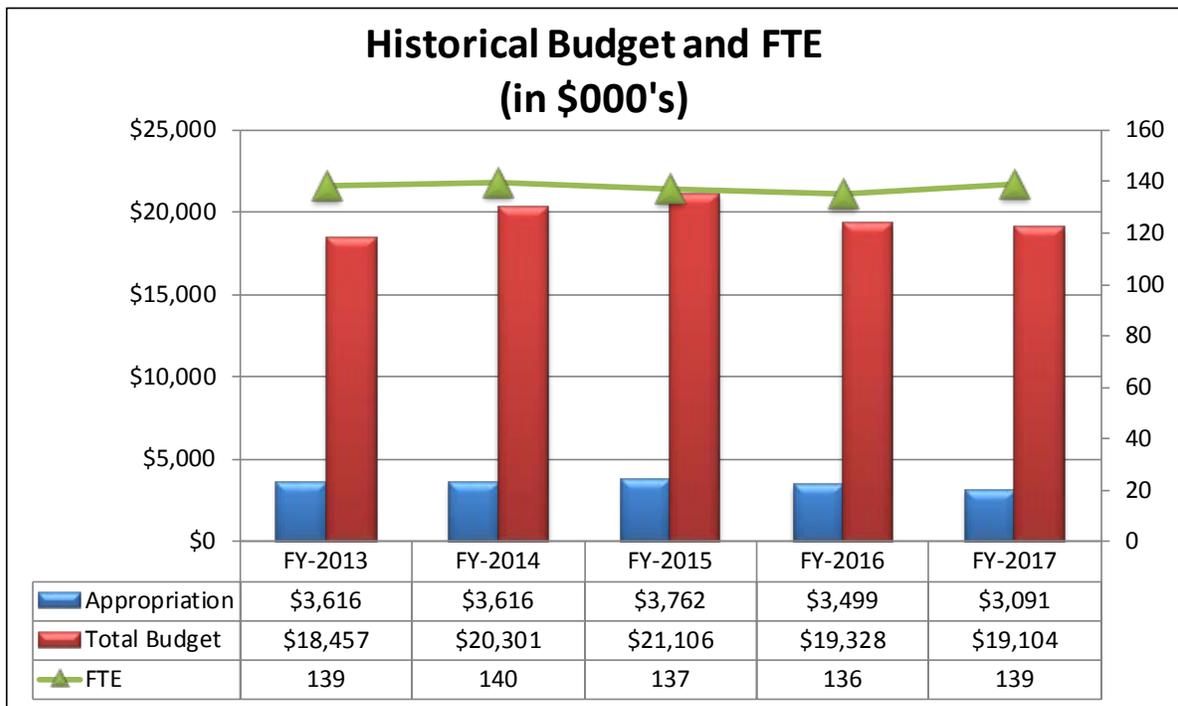
## **Major Agency Projects:**

- Updating OSBI headquarters to a Voice over IP (VoIP) phone system;
- Complete infrastructure projects including roof replacements on OSBI regional facilities; and
- Revise the background investigation process manual.

## **Savings, Efficiencies and Shared Services:**

- Converted lighting system and trained employees on energy saving techniques;
- Entered into agreement with OMES-ISD to provide facilities management services for the new Center for Excellence data center;
- Shared OSBI's Internal Purchase Request and Purchase Order Tracking software, policies, and procedures with the Department of Corrections;
- Shared OSBI's Inventory System and Court Assessment Fee software, policies, and procedures with the Council on Law Enforcement Education and Training;
- Transferred old and underutilized property; and
- Continuing to explore opportunities to partner with other law enforcement agencies for space and dispatching where available.

# Narcotics and Dangerous Drugs Control, Bureau of



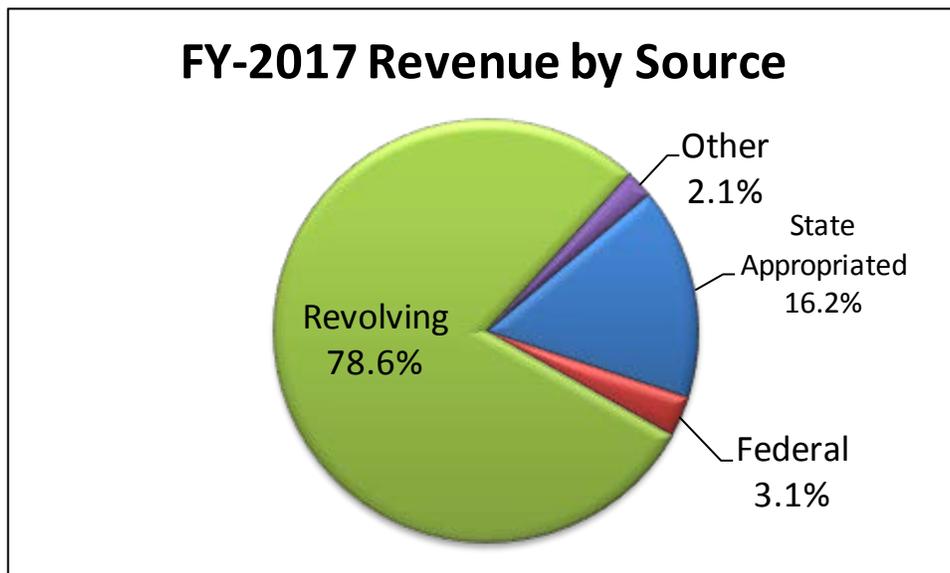
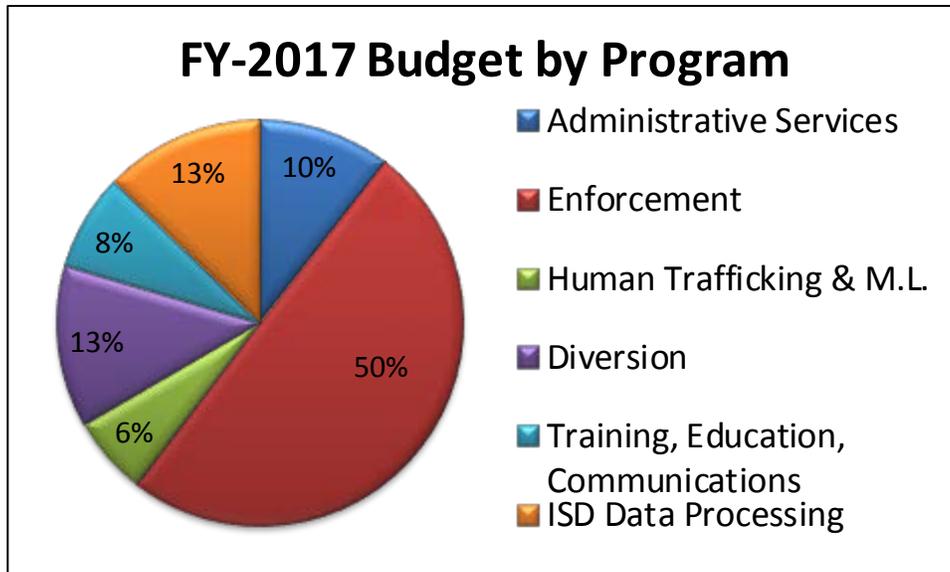
## Mission:

The OBNDCC mission statement is “Committed to honor, integrity, and excellence, the Oklahoma Bureau of Narcotics will serve the citizens of Oklahoma in the quest for a drug free state.” The mission of the Oklahoma Bureau of Narcotics and Dangerous Drugs Control (OBNDCC) is to measurably reduce drug trafficking in Oklahoma. This mission is to be accomplished through the use of multi-jurisdictional law enforcement (federal, state, and local) and intelligence initiatives designed to attack, disrupt, and dismantle major drug trafficking organizations that are operating throughout Oklahoma. Additionally, the mission will be accomplished through working closely with medical professionals to stop the diversion of legitimate pharmaceutical drugs; working closely with various groups educating law enforcement officers, medical professionals, students (in universities and public schools), the general public; and providing a research base for understanding the threat of drugs within the State of Oklahoma.

## Programs:

- Administrative Services
- Enforcement
- Human Trafficking & Money Laundering
- Diversion
- Training, Education, Communications
- ISD Data Processing

## Narcotics and Dangerous Drugs Control, Bureau of



### Accomplishments Over the Past Year:

- Completed the necessary requirements to become the first state law enforcement agency to earn accreditation by the Oklahoma Association of Chiefs of Police.
- Human-Trafficking Division worked on multiple investigations throughout the State to identify victims of trafficking, identifying and rescuing several victims and placing them in a safe shelter, including several juveniles.
- Celebrated the five-year anniversary of the “Safe Trip for Scripts” program to safely dispose of expired, unwanted pharmaceutical drugs collected from home medicine cabinets which has led to the installation of 177 drug take-back boxes, the collection of more than 55 tons of medication, and the production, through incineration by Covanta Energy, of clean energy at no cost to the State.
- Worked with legislators on a measure to mandate checking the Prescription Monitoring Program (PMP) prior to prescribing certain Controlled Dangerous Substances in an effort to combat the growing epidemic of prescription drug fraud and abuse.

# Narcotics and Dangerous Drugs Control, Bureau of

- Initiated several significant cases involving prescription fraud to address the growing issue of “doctor shopping”.
- Conducted investigations that resulted in criminal and administrative actions taken against practitioners who are involved in illegal distribution of controlled drugs via “pill mills” throughout the state.
- Conducted statewide training for the Oklahoma Drug Endangered Children’s Program to protect and rescue children found living in deplorable conditions inside drug homes.
- Provided free drug education programs to thousands of Oklahoma school students, staff, parents, and the general public.
- Continued to initiate complex investigations to target distribution networks operating in Oklahoma.
- Implemented body cameras for agents working highways to improve transparency.
- Conducted a 40 hour CLEET certification meth lab course for law enforcement agencies across the state.
- Conducted statewide training for the Oklahoma Drug Endangered Children’s Program.

## **Goals For The Upcoming Year:**

- Enhance public and internal educational opportunities;
- Develop an Opioid/Heroin task force to address the growing presence and abuse of these drugs;
- Increase inspections of Narcotics Treatment Programs (NTP’s) and Ambulance Services, investigate waiver requests and various registrant investigations concerning potential violations of the OBNDDC rules and/or state statutes;
- Register 100% of all practitioners for the new PMP system who administer, prescribe, or dispense controlled substances and have a successful roll out of the OBNDDC new PMP system;
- Upgrade the security requirements within the new PMP to ensure appropriate use and auditing of the accounts for users of the PMP;
- Make enhancements to the National Pseudoephedrine Law Enforcement Exchange (NPLEX);
- Implement an initiative by the OBNDDC and the Department of Mental Health and Substance Abuse Services to help identify “at risk” persons for prescription drug abuse and provide those persons education and/or drug treatment opportunities; and
- Increase the OBNDDC’s presence in the rural communities of Oklahoma, especially in those areas that are lacking the necessary resources to combat their specific drug issues.

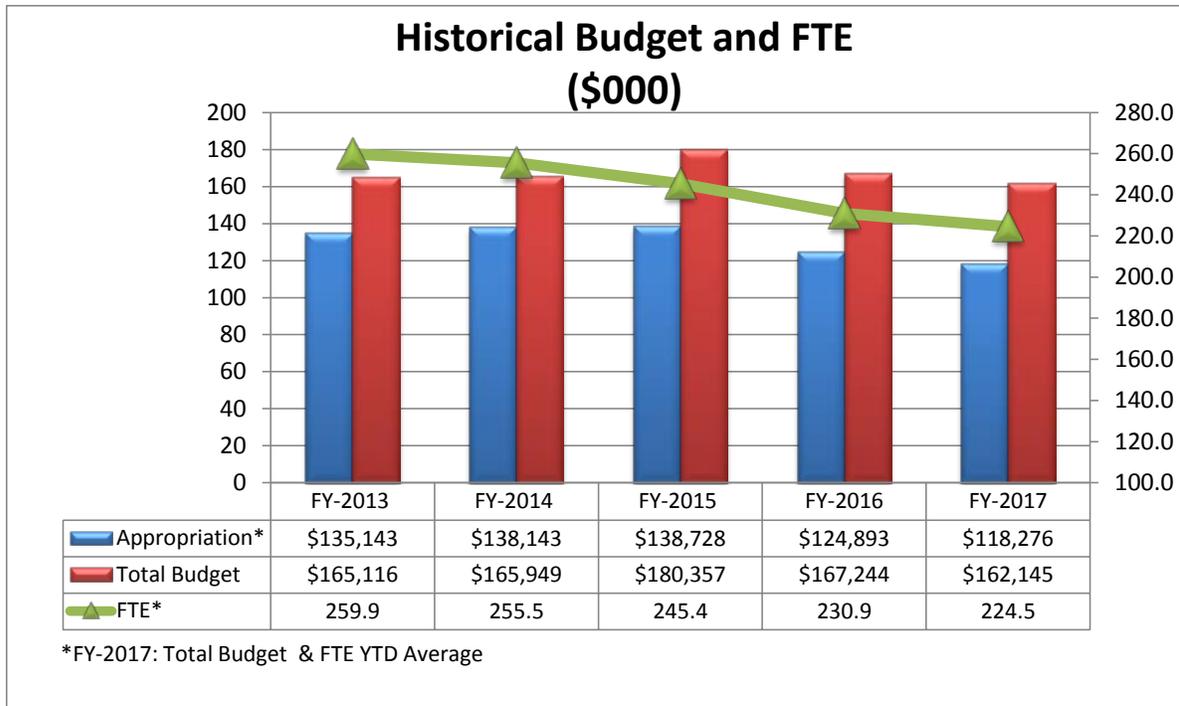
## **Major Agency Projects:**

- Working to retain certification as the first state law enforcement agency to receive accreditation from the Oklahoma Association of Chiefs of Police;
- Connecting the PMP to surrounding states to stop “doctor shoppers” going across state lines to obtain prescription drugs; and
- Continuing to work on the ACISS System in an effort to connect with other law enforcement agencies in the state and adjoining states for information sharing.

## **Savings, Efficiencies and Shared Services:**

- Provided free drug education programs for schools, saving school districts funding otherwise spent paying private drug education organizations;
- Increased utilization of task force operations to improve efficiency and co-operation by having additional capacity for overtime through federal reimbursement agreements;
- Collaborated with OSBI’s Internet Crimes Against Children Unit (ICAC) as a force multiplier regarding human-trafficking investigations increasing investigative abilities to protect children; and
- Received and utilized grants from the Center for Disease Control (CDC) and the Bureau of Justice Assistance (BJA) to enhance, fund, and help staff the PMP program.

# Department of Career and Technology Education



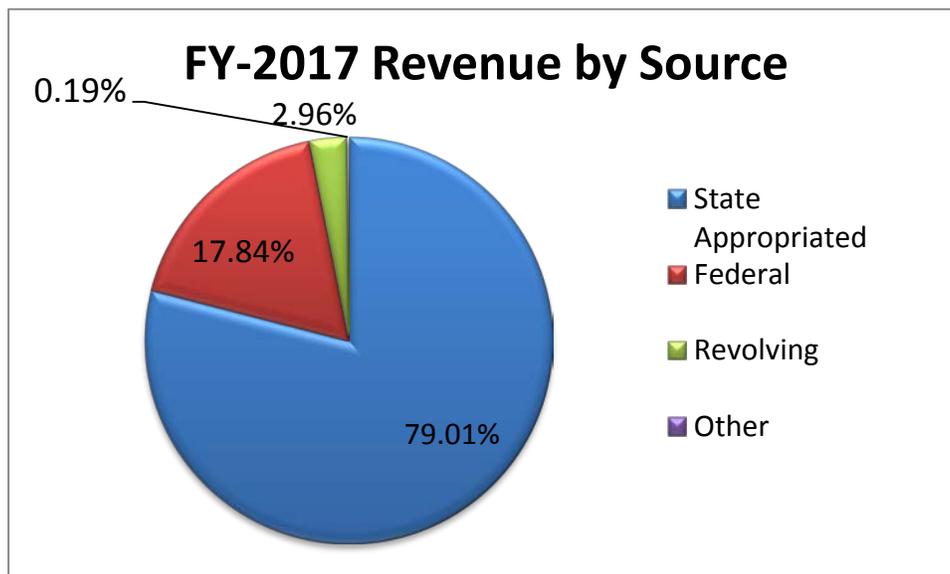
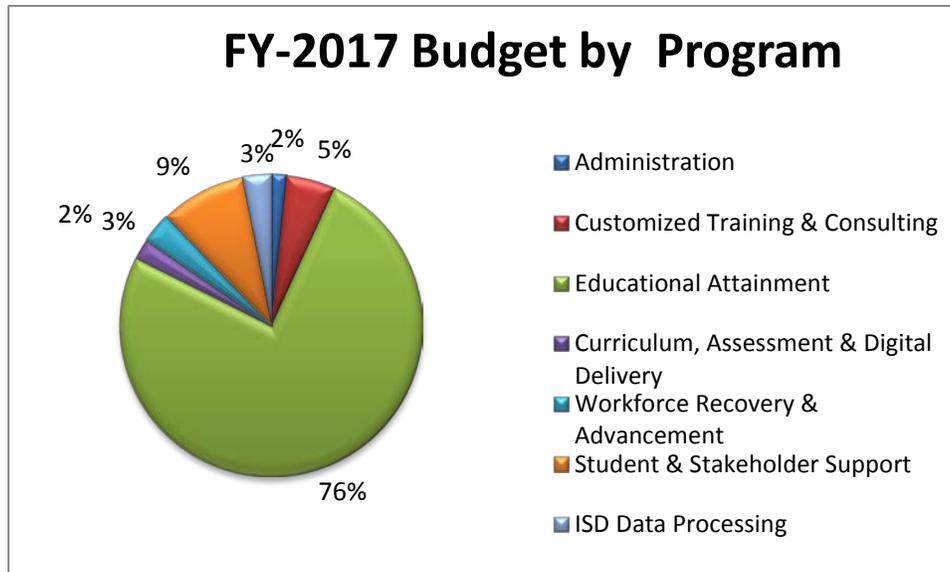
## Mission:

Preparing Oklahomans to succeed in the workplace, in education, and in life.

## Programs:

- Student and Stakeholder Support
- Administration
- Customized Trainings and Consulting
- Educational Attainment
- Curriculum, Assessment & Digital Delivery
- Workforce Recovery & Advancement
- ISD Data Processing

# Department of Career and Technology Education



## Accomplishments Over The Past Year:

- Completed Phase I of Information Management - Validation of enrollment uploads and collected requirements for grant system;
- Completed 95% of Phase II - Grant system launched, full-time data uploads, and programs for instructional framework deployed;
- Completed 20% of Phase III - Framework started for teaching and salary schedules, secondary enrollment, and follow-up;
- School accreditation update fully deployed;
- National Advisory Committee of Institutional Quality and Integrity approved distance education programs;
- Assisted 1,326 Oklahoma companies in winning contracts valued at more than \$500 million through a federal grant "OBAN";
- Completed deployment of an online career development system including portfolios, assessments, schools & scholarship database, occupational database, practice tests for ACT/SAT, and resume

# Department of Career and Technology Education

- builder;
- STEM PLTW courses were approved and will count for academic credit and will count for OKPromise;
- Coordinated four "Hiring Events" that hosted up to 125 companies which met with over 600 exiting military job seekers leading to over 100 new hires;
- Implemented the Business & Industry Services performance-based funding process leading to 383,480 safety training hours, 493,742 customized training hours, 877,222 total contact hours, and 6,760 companies served;
- Deployed a new digital printing system designed to reduce costs, increase speed, and customize curriculum to school and program needs;
- Increased from approximately 84,000 CTSO students to 88,640; and
- Positive Student placement of 93%.

## **Goals For The Upcoming Year:**

- Increase business/educational partnerships;
- Increase career awareness; and
- Increase educational attainment.

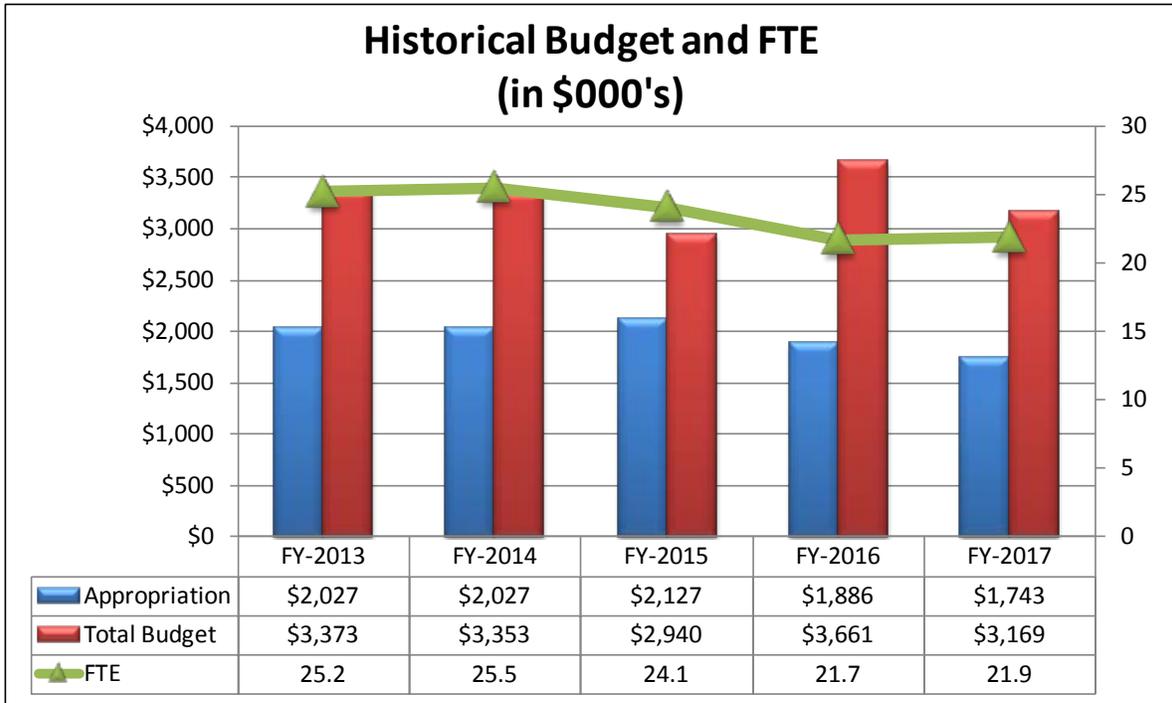
## **Major Agency Projects:**

- Add Connect 2Business module to the Okcareerguide;
- Implement the required revisions and adjustments to the revised Carl Perkins federal grant application;
- Complete Phase II and deploy Phase III of the Information Management System;
- Transition of career majors to instructional framework;
- Final deployment of the online curriculum catalog and ordering system;
- Initiate project management;
- Initiate sharing of best practices/ideas sharing process;
- Initiate system-wide customer service professional development;
- Initiate Director's business and military advisory councils; and
- Initiate CareerTech branding.

## **Savings, Efficiencies and Shared Services:**

- Reduced costs of the accreditation process;
- Reorganized regional assignments to serve all CTE programs with less staffing and reduced travel expenses;
- Utilizing various OMES shared services;
- Deploying the 20% utility reduction by 2020; and
- Reduction of curriculum printing and digital delivery costs.

# Commission on Children and Youth



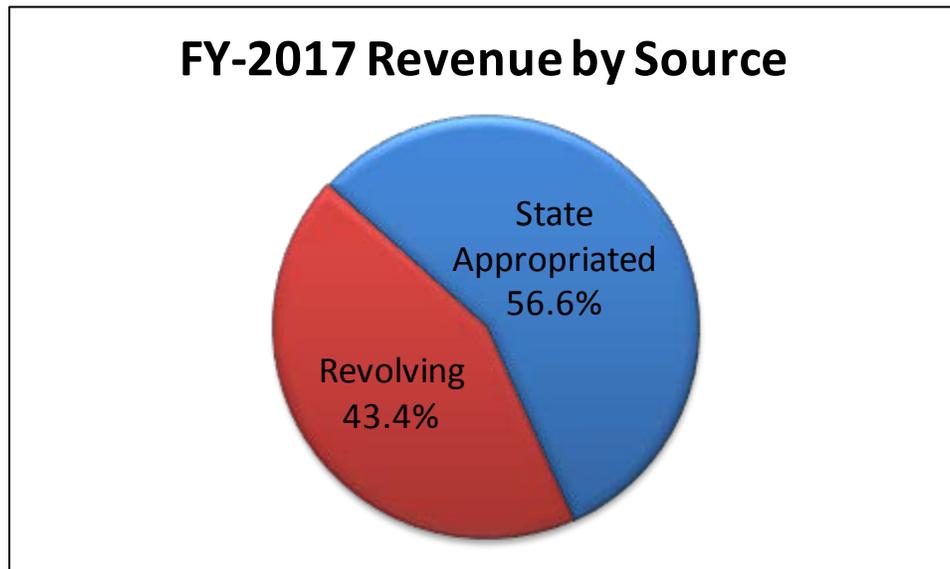
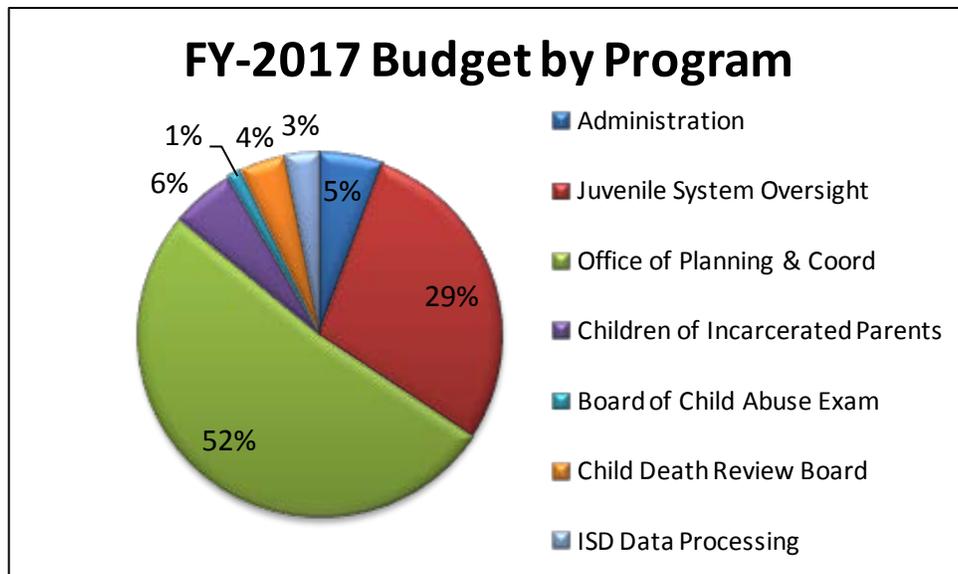
**Mission:**

The mission of the Oklahoma Commission on Children and Youth is to improve services to children by facilitating joint planning and coordination among public and private agencies; monitoring the children and youth services system for compliance with established responsibilities; entering into agreements to test models and demonstration programs for effective services; and providing continuing professional education and training for the purpose of improving services to children and youth.

**Programs:**

- Office of Juvenile System Oversight
- Children of Incarcerated Parents
- Board of Child Abuse Examination
- Child Death Review Board
- Office of Planning and Coordination:
  - Freestanding Multi-Disciplinary Child Abuse Teams
  - State Plan for Services to Children and Youth
- Post Adjudication Review Boards:
- Foster Care Mediation
- Foster Parent Complaint/Grievance System

# Commission on Children and Youth



#### Accomplishments Over The Past Year:

- Established a credentialing program for juvenile forensic evaluators with four forensic evaluators credentialed and three provisionally approved and 25 juveniles receiving a competency evaluation;
- Maintained a high number of complaint investigations, investigating 702 complaints; and
- Oversaw the successful transfer of the freestanding Multidisciplinary Teams on Child Abuse/Neglect (MDT's) from the Department of Human Services (DHS) to OCCY with 33 MDTs executing cost reimbursable contracts with OCCY and 5,983 children benefiting from a MDT review.

#### Goals For The Upcoming Year:

- Utilize data from OK Foster Parent Voices to recommend positive system changes for children;
- Continue partnership with the Department of Rehabilitation Services (DRS), Office of Juvenile Affairs (OJA), and DHS to bridge the reintegration of youth exiting state custody; and

## 12700 - Commission on Children and Youth

- Assist local freestanding MDTs in ensuring children who have been victims of abuse or neglect are protected, and justice is served.

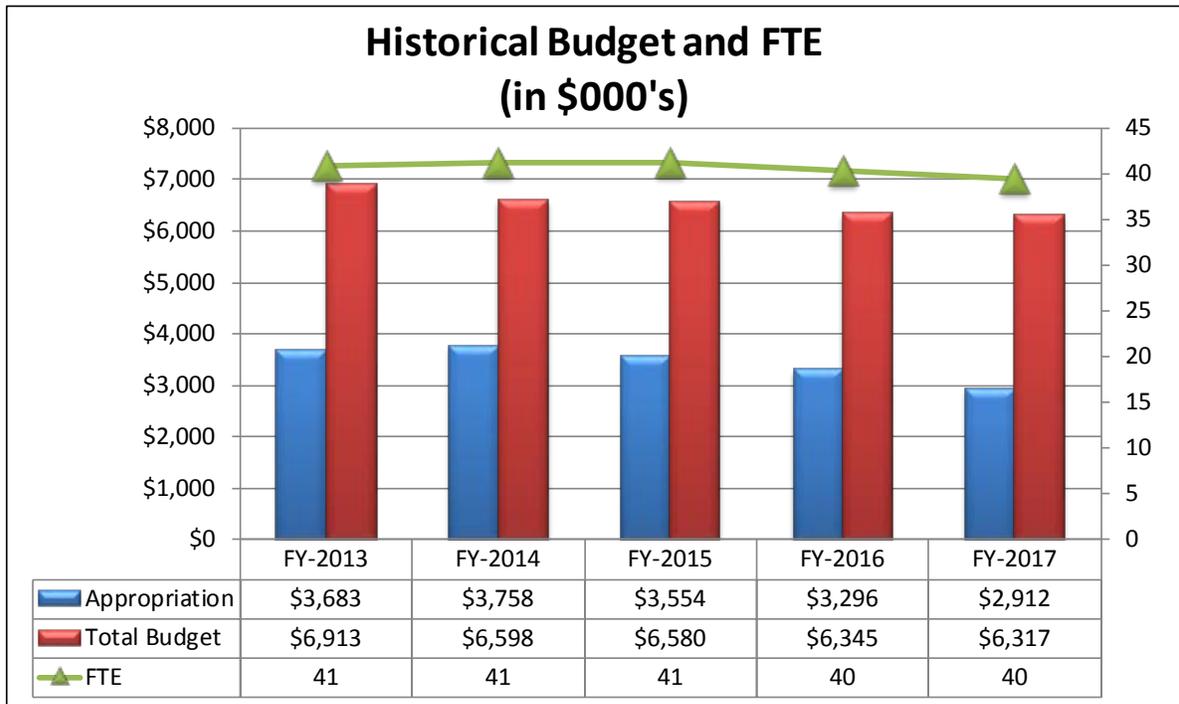
### **Agency Projects:**

- Credentialing process of juvenile forensic evaluators;
- Administration of the freestanding MDTs program;
- Implementation of Juvenile Competency laws through the Professional Committee; and
- Continuing participation in the Special Review Committee on Deaths/Near-Deaths of Children with Disabilities.

### **Savings, Efficiencies and Shared Services:**

- Served as the consumer for shared services of DRS, OJA, and DHS;
- Subleased part of the agency's office to the Office of Disability Concerns;
- Accomplished all MDT training through the Children's Justice Act Grant (\$103,347); and
- Received a private grant (\$50,000) from the Teligen Foundation for the implementation of the Child Abuse/Neglect Physician's Network.

# Law Enforcement Education & Training, Council on



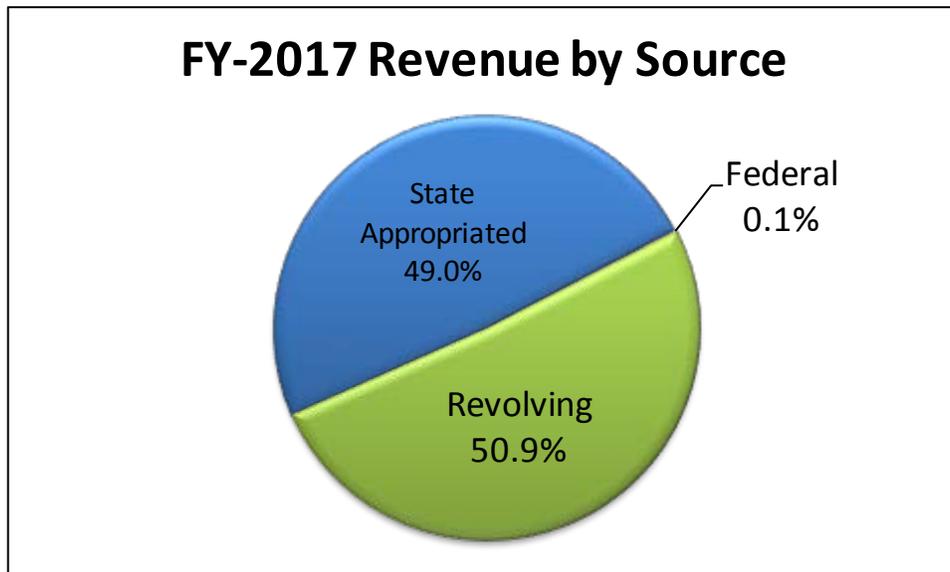
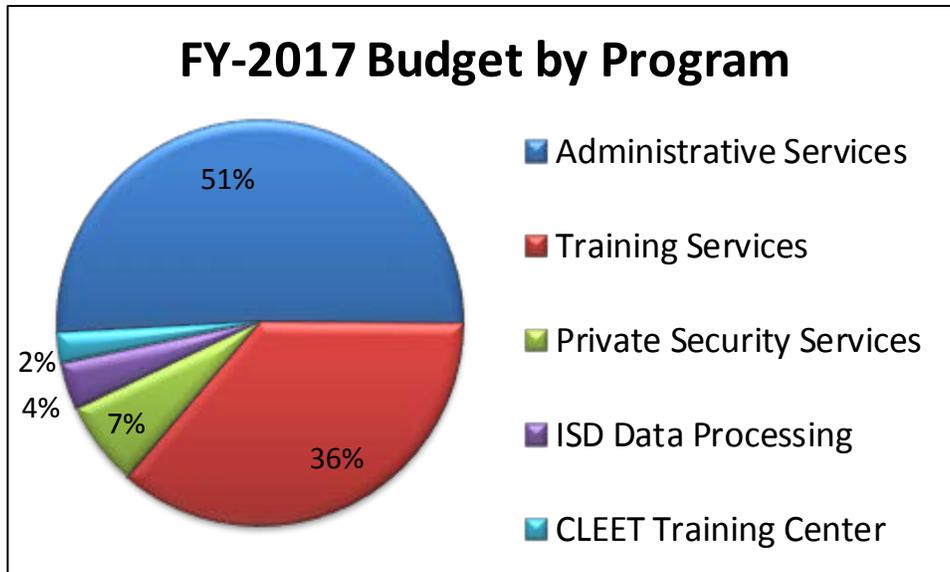
## Mission:

The Council on Law Enforcement Education and Training's (CLEET) mission is to provide the citizens of Oklahoma with peace officers who are trained to be professional, ethical, conscientious, sensitive to needs of the public, knowledgeable and competent in identified learning objectives; and to protect the public by regulating private security in the State of Oklahoma through education and licensing requirements and to ensure licensees practice within the provision of the law.

## Programs:

- Administration
- Training Services
- Private Security Services
- ISD Data Processing
- CLEET Training Center

## Law Enforcement Education & Training, Council on



### Accomplishments Over the Past Year:

- Participated in two studies examining consolidation of public safety agencies, laying the groundwork for future legislation.
- Held eight regional meetings across the state to provide updated information on the operations and legislative changes impacting CLEET.
- Conducted five training initiatives during FY-2016, training 1,351 officers.
- Oversaw an Oklahoma Highway Safety Office to reduce drunk and impaired driving.
- Continued distance education through the use of the GoToTraining format.
- Began working with the Oklahoma Department of Career and Technology Education to develop online courses.
- Conducted three off-site commuter academies in Nicoma Park, Muskogee, and Broken Arrow.
- Completed major repairs to the driving track used for Law Enforcement Driver Training (LEDT).

## Law Enforcement Education & Training, Council on

- Entered into an agreement with the Tulsa Technology Center in Broken Arrow to conduct basic academy and continuing education.
- Managed a Homeland Security grant for active shooter training, with approximately 3,000 Oklahoma peace officers having now been trained.
- Began negotiations with the Blue Courage training program, which provides officers training in community relations, cultural awareness, and police officer mental health.

### **Goals For The Upcoming Year:**

- Work with the Office of Management and Enterprise Services (OMES) to begin building a new information and records management system; and
- Find more efficient and effective methods for providing basic and continuing education and training, including continuing to explore distance education programs.

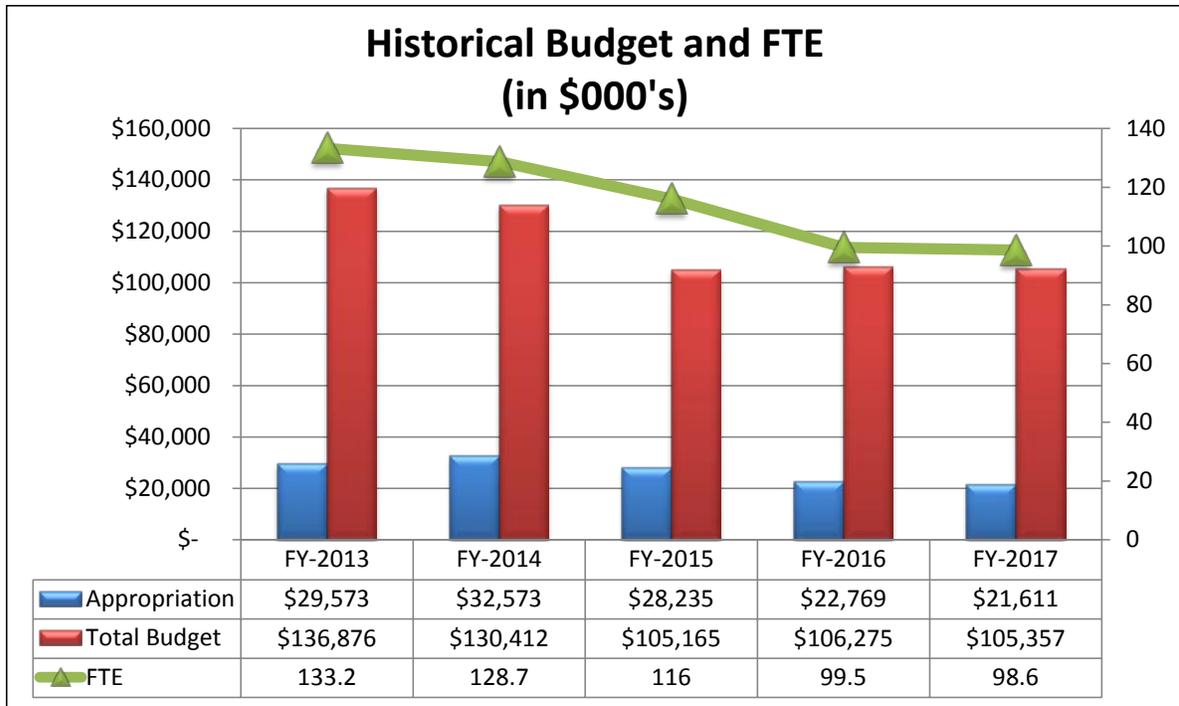
### **Major Agency Projects:**

- The most prominent project of CLEET is the continued repairs of the defensive driving track.

### **Savings, Efficiencies and Shared Services:**

- Continued to hold commuter academies at various locations across the state that are provided at minimal cost to CLEET and afford greater efficiencies to local law enforcement agencies that send officers to the academies; and
- Continued to utilize shared services with OMES providing functions associated with purchasing and financial management.

# Department of Commerce



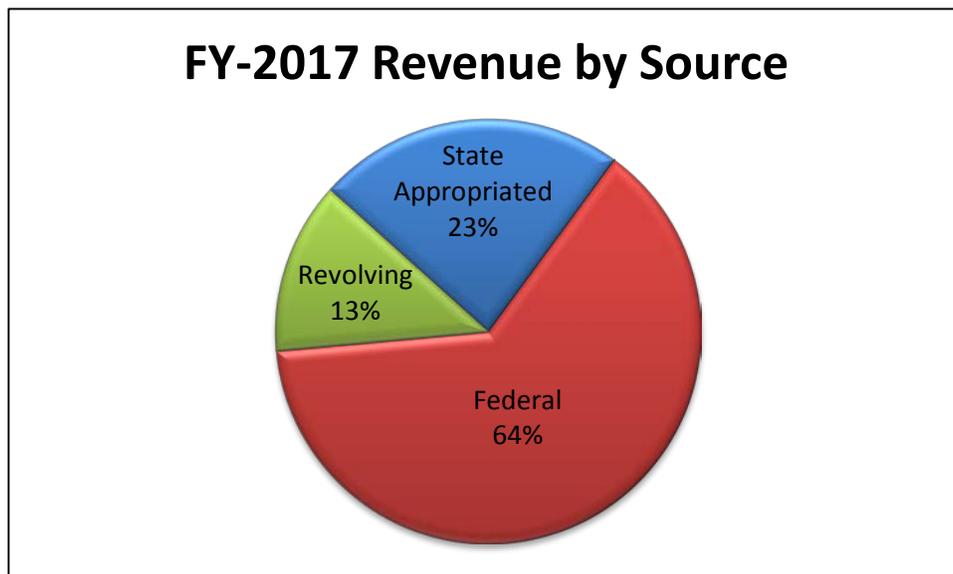
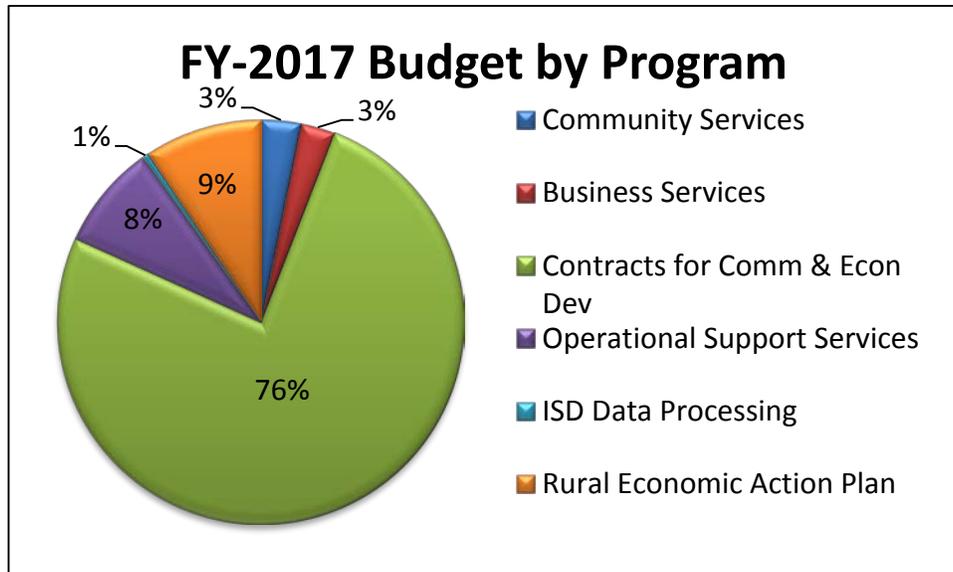
## Mission:

To create and deliver high impact solutions that contribute to job creation and lead to prosperous lives and communities for all Oklahomans

## Programs:

- Business Recruitment and Retention/Expansion
- Capital Improvement Planning
- Community Action Agency Programs
- Community Services Block Grant
- Foreign Direct Investment and Trade
- HUD Emergency Solutions
- Head Start
- Low Income Home Energy Assistance
- Minority Owned Business Assistance
- Neighborhood Stabilization
- OK Grants
- Oklahoma Main Street
- Partnership with Career Tech on STEM based achievement
- Quality Jobs Program
- Rx for Oklahoma
- Regional Economic Development Assistance
- Site Ready Certification
- Small Business Credit Initiative
- State Energy Office
- Weatherization/Energy Conservation Assistance
- Women Owned Business

## Department of Commerce



### Accomplishments Over The Past Year:

- Completed 44 business projects which created 4,539 direct new jobs within three years. These direct new jobs have a projected average salary of \$62,463, resulting in \$283,520,594 in projected new annual payroll.
- Generated \$2,413,186,000 in new total investment over three years; and
- Saw a 188% increase in substantive lead generation in Business Development with 88 Trade cases resolved for Oklahoma businesses.

### Goals For The Upcoming Year:

Grow and diversify the Oklahoma economy by working to attract new direct jobs that are high paying and create greater wealth for Oklahomans, recruiting new capital investment, and increasing community capacity by:

- Working with existing Oklahoma companies to assist with growing or retaining their current jobs and investment in the state;

# Department of Commerce

- Working with aspiring entrepreneurs to assist with starting or growing a business;
- Working to attract prospective out-of-state companies to relocate to Oklahoma;
- Working to improve the infrastructure in Oklahoma communities so communities are more business ready; and
- Pursuing a strategy of cross-divisional teams that will focus on Regional Areas to consider the regions' assets, demographics and investment opportunities.

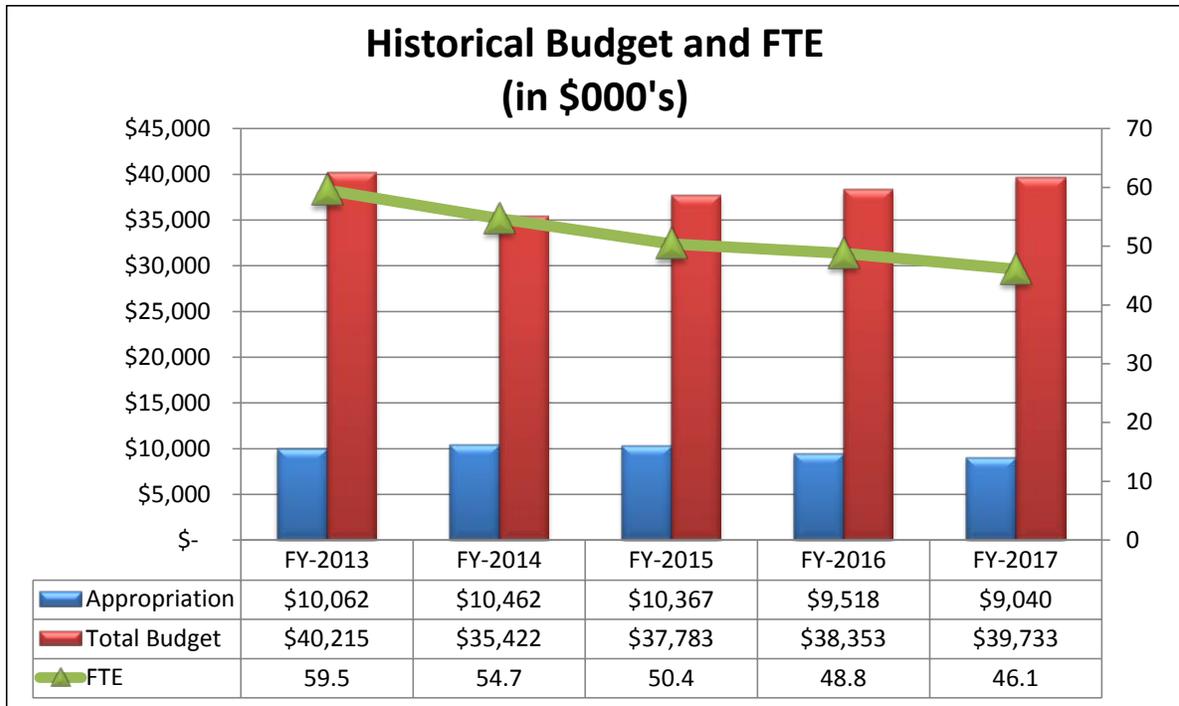
## **Major Agency Projects:**

- Working with our Tourism partners, Commerce will continue to develop and implement regional economic development strategies based on the Tourism Countries - a group of six tourism marketing regions made up of Chickasaw Country, Frontier Country, Great Plains Country, Green Country, Red Carpet Country and Choctaw Country;
- Conducting feasibility studies on site locations in need of repair and/or redevelopment and implementing plans for improvement so that each site location in the state is business ready;
- Recruitment of businesses from the Farnborough Air Show and organizing supply chain events for major aerospace manufacturers; and
- Ongoing collaboration with the Oklahoma Department of Tourism to maximize resources to achieve cost savings, more thoroughly market the state and continue to advance economic development throughout the state.

## **Savings, Efficiencies and Shared Services:**

- Maintaining a sharp focus on the agency mission and actively partnering with other agencies, private entities, communities and local leaders to enhance service delivery;
- Strengthening relationships with centers of influence, chambers of commerce, site selectors and economic developers;
- Controlling discretionary operating costs;
- Aligning activities and performance to the agency's strategic plan and the goals as outlined in OKStateStat;
- Greater utilization of the Customer Relations Management database;
- Eliminating duplicative functions and services;
- Actively participated in consolidation efforts with the Office of Management and Enterprise Services for all information technology services, continuing to make related improvements; and
- Partnering with Tourism, which now offices in the Commerce building, to share services and, to some extent, personnel.

# Conservation Commission



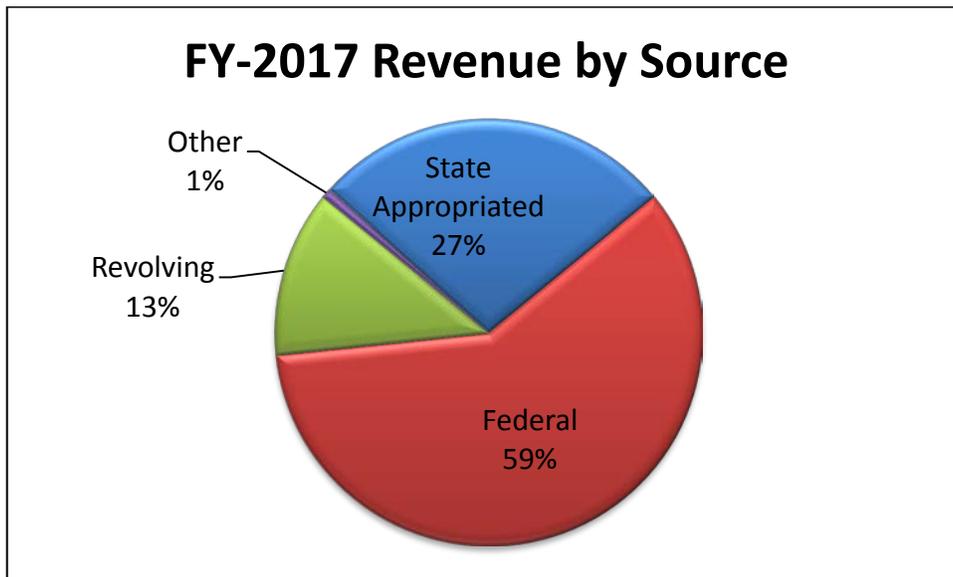
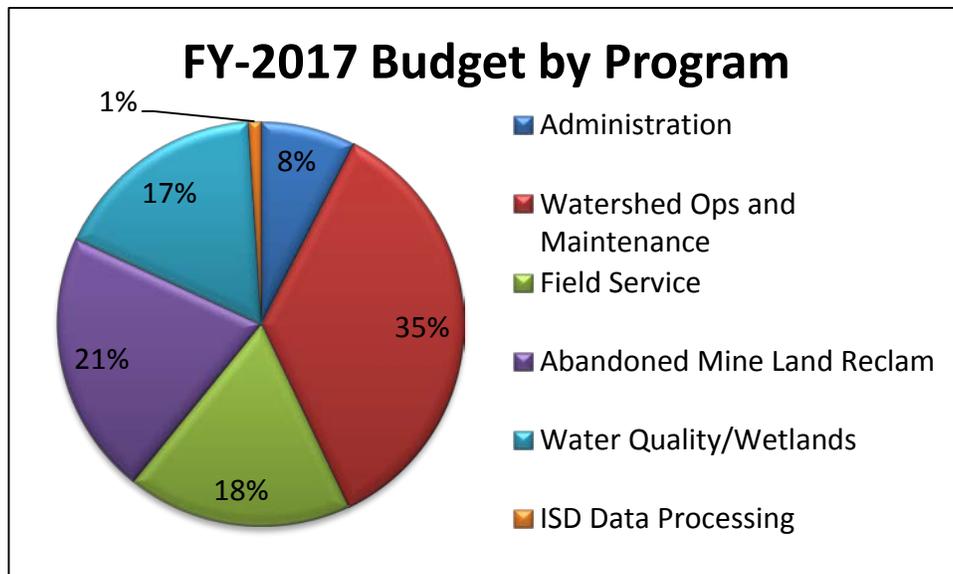
## Mission:

The Oklahoma Conservation Commission (OCC) seeks to conserve, protect and restore Oklahoma's natural resources, working in collaboration with the Conservation Districts and partners on behalf of all Oklahomans.

## Programs:

- Administration
- Watershed Ops and Maintenance
- Field Service
- Abandoned Mine Land Reclamation
- Water Quality/Wetlands
- ISD Data Processing

## Conservation Commission



### Accomplishments Over The Past Year:

#### Conservation Programs

- Completed the required dam safety inspections of 2,107 upstream flood control dams, performed operation and maintenance on 150, and completed the required dam safety modification of one high hazard upstream flood control dam;
- Responded to more than 20,000 Okie One-Call locate tickets;
- Completed flood damage repairs on 54 flood control dams;
- Produced ten breach inundation maps for high hazard flood control dams to identify potential damage locations and lives at risk;
- Completed the emergency drought assistance program providing \$226,425 in financial assistance to 64 land managers in five counties with land managers contributing \$149,950 in private funding to match the state's financial cost share; and
- Provided technical assistance services to 639 land managers with the Locally Led Cost Share

# Conservation Commission

Program leveraging \$1.01 million in state funds against \$2.2 million in private funds to apply Best Management Practices to improve soil health and water quality.

## Water Quality

- Ranked in the top five nationally among states for the reported load reductions of Phosphorus and Nitrogen contaminants in streams and rivers for the fifth year in a row;
- Continued to assess the health of Oklahoma streams and rivers by maintaining over 200 water quality monitoring sites around the state, collecting over 800 water samples and conducting 45 fish collections including aquatic habitat assessments and 189 invertebrate collections;
- Partnered with conservation districts and the Natural Resources Conservation Service to provide education at 17 education workshops about soil health and its importance to protecting water quality and natural resources;
- Continued water quality focused efforts in the Elk City Lake, Grand Lake, New Spiro Lake, and Little; and
- Abandoned Mine Lands Program has advanced reclamation construction on over 92 acres of AML, responded to 12 citizen requests for assistance, and surveyed 14 AML sites.

## District Services

- Delivered \$58 million dollars of federal financial conservation assistance over 6,000 contracts to Oklahoma landowners through Farm Bill programs in cooperation with the USDA Natural Resources Conservation Service and the state's 85 conservation districts.

## Office of Geographic Information

- Involved in providing GIS support to the State Emergency Operation Center (SEOC) and supported the SEOC operations during the various tornado outbreaks and flooding events in the spring and summer of 2015; and
- Increased the average number of visitors per month from FY-2015 to FY-2016 by 134% and the number of website hits by 137%.

## **Goals For The Upcoming Year:**

- Maintain the \$2 billion public infrastructure and sustain the \$90 million in annual benefits by continuing to perform the inspections, operation and maintenance of the state's 2,107 upstream flood control dams;
- Provide technical assistance and financial cost share to 700 land managers who implement best management practices to improve soil health and water quality;
- Provide technical and financial assistance to land managers along the I-35 corridor for Monarch Habitat Improvement through a USFWS grant;
- Begin the required dam safety modification of five high hazard upstream flood control dams;
- Complete 2015 flood damage repairs on 21 flood control dams;
- Rank in the top five states in the country in reducing Phosphorus and Nitrogen contaminants in Oklahoma's streams;
- Remove an additional five to ten stream segments from EPA's 303d list of impaired streams;
- Complete stream restoration in scenic rivers watersheds to reduce nutrient, sediment, and bacteria pollution;
- Develop locally-led watershed plans that meet EPA requirements to address water quality concerns in ten priority watersheds across the state;
- Complete reclamation construction on 58 acres of abandoned mine land (AML);
- Initiate reclamation designs for four AML projects, complete designs for two AML reclamation projects, and perform surveys on four AML sites;
- Advance the reauthorization of the Surface Mining Control and Reclamation Act of 1977 (SMCRA);
- Identify and support state agencies that could benefit from GIS technologies; and
- Work with the Office of Management and Enterprise Services and OneNet to provide technical

# Conservation Commission

services to maintain and support the state's Broadband Initiative and provide geospatial data services to local and state agencies.

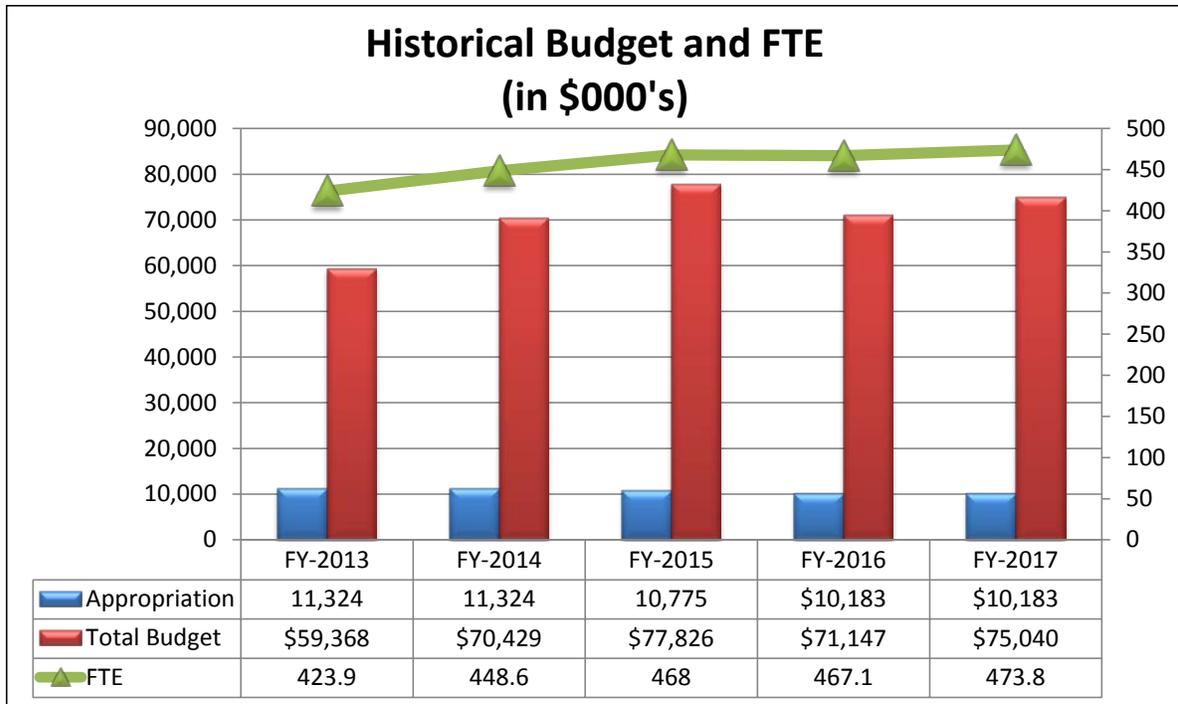
## Major Agency Projects:

- Maintaining a statewide water quality monitoring system to ensure water quality problems are identified and water quality improvement can be verified;
- Prioritize Watershed Projects that were funded through the U.S. Environmental Protection Agency and NRCS to use voluntary conservation programs to improve and protect water quality in the Elk City Lake, New Spiro Lake, Lake Waurika, Grand Lake, Illinois River, and Eucha-Spavinaw watersheds;
- Partnering with state and federal agencies and landowners to restore and protect eroding stream banks and wetlands that threaten public infrastructure, private property in addition to providing nutrients and sediment which harm downstream waterbodies;
- Maintaining volunteer monitoring and water quality education programs which help cities meet federal storm water permitting requirements, provides educators science and math curriculum, helps the state monitor waterbodies, and educates the public on efforts to protect natural resources;
- Providing training tools, through the Soil Health Education Program, for educating citizens about the value of soil health as a mechanism to improve agricultural productivity, resist impacts of harsh climatic conditions, reduce soil erosion, and to protect natural resources;
- encouraging the voluntary installation of land management practices that protect, conserve, and restore soil health and prevent erosion through the Oklahoma Carbon sequestration Certification Program ; and
- Reauthorization of the SMRCA.

## Savings, Efficiencies and Shared Services:

- Utilized a myriad of OMES services including construction contract management, mail, risk management for conservation districts, motor pool, state surplus property, office space leasing, and information technology management;
- Continued using Lidar photography to eliminate the need for on the ground surveying to prepare breach inundation maps for high hazard dams and for design work to rehabilitate dams and reclaim abandoned mine land;
- Continued the implementation of a Dam Watch program to allow conservation districts to be automatically notified when rainfall and seismic events threaten flood control dams and endanger public safety;
- Began consolidating office space with all divisions moving to the second floor of the Agriculture building by early 2017;
- Continued to upgrade the agency's website and use social media to find new audiences and make agency information more accessible to a larger number of people;
- Implemented the sharing of personnel resources between conservation districts in an effort to cover core conservation responsibilities in a downsizing environment including the creation of the watershed aide position to assist with the operation and maintenance of upstream flood control dams in multiple conservation districts and the shared administrative services occurring in 14 conservation districts;
- Working with state and federal partners to develop shared services agreements for jointly funded positions in conservation districts; and
- Partnered with other state agencies, to develop a statewide web-based clearinghouse for authoritative geospatial data to deliver this information to a wide spectrum of users in a diverse set of formats - <http://okmaps.org/ogi/search.aspx>.

# Corporation Commission



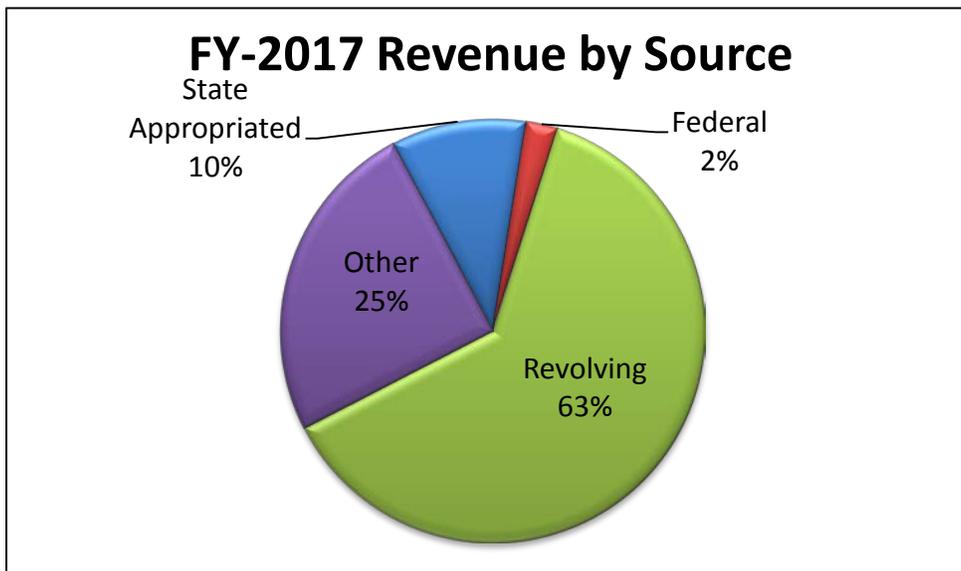
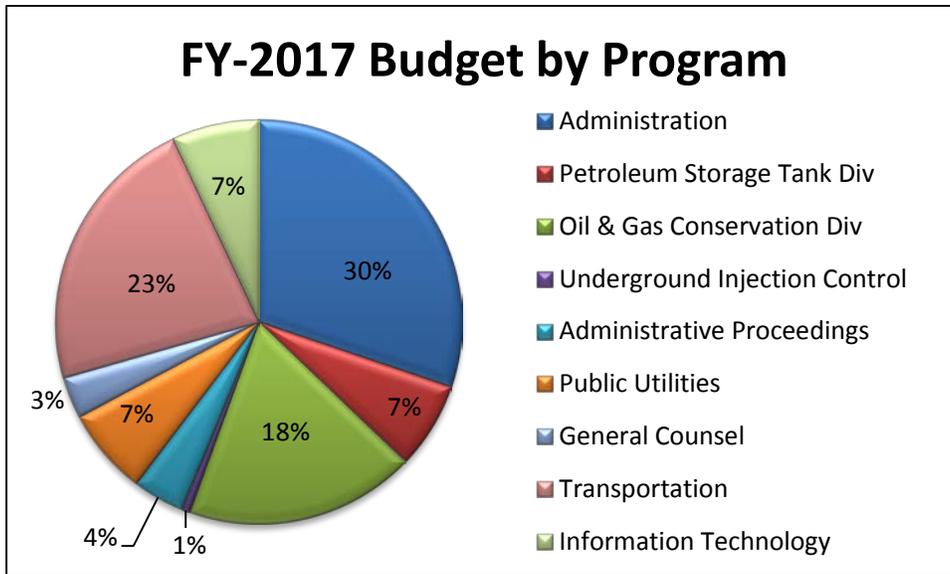
## Mission:

To empower Oklahoma by ensuring responsible development of oil and gas resources; reliable utility service at fair rates; safe and legal operation of motor carriers, pipelines, rail crossings, and fueling stations; and prevention and remediation of energy-related pollution of the environment, while balancing the rights and needs of the people with those of regulated entities through development and enforcement of regulations in an open, transparent, ethical, and just manner

## Programs:

- Administration
- Consumer Services
- Petroleum Storage Tank
- Oil and Gas Conservation Division
- Underground Injection Control
- Administrative Proceedings
- Public Utilities
- General Counsel
- Transportation
- Information Technology

# Corporation Commission



## Accomplishments Over The Past Year:

- Addressed growing public safety and business concerns regarding earthquakes by launching a pro-active, risk mitigation approach to seismicity, with staff directives covering more than 700 disposal wells, and increasing the size of the area covered to 15,000 square miles. Using agency funding and one-time emergency grants, the agency has formed a "Seismicity Team" composed partly of full-time and contract employees, and equipped them with more powerful computers and software.
- Broadened the Public Utility Division program to stop fraud and abuse within the federal Lifeline Program, conducting on-scene audits of "free phone" sites and filing successful enforcement actions against offending companies, and streamlined the process to allow schools and other eligible entities high-speed broadband access;
- Continued work on implementation of the STAR Case Management System which will affect all programs in the OCC and provide added efficiencies for both internal and external users; and

# Corporation Commission

- Diverted funding to build new Ports of Entry (POE) to enable the hiring of additional enforcement staff, and to continue to work toward full 24 hours/seven days a week operation of existing POEs, to deter overweight trucks which risk public safety and hinder the state's investment in roads and bridges. Additional enforcement officers will also be used to operate the new Love County Port of Entry on I-35.

## **Goals For The Upcoming Year:**

- Fully staff Ports of Entry as construction continues; this effort seeks to protect the driving public and the state's multi-billion dollar investment in transportation infrastructure.
- Complete and implement the STAR Case Management System which will be a huge accomplishment in taking our agency into a more electronic, paper-free environment, internally and externally; and
- Implement the International Fuel Tax Agreement (IFTA) system this fiscal year, which will allow registrants to apply and pay online, distributions to be made electronically, and streamline the current process.

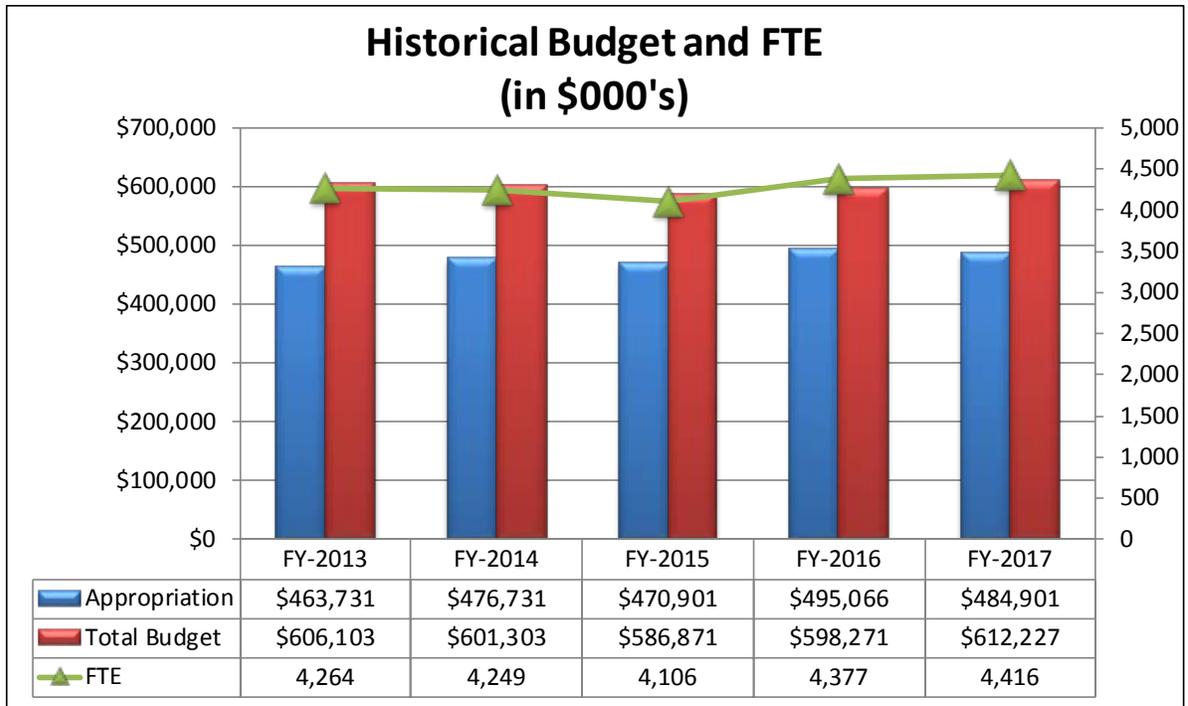
## **Major Agency Projects:**

- Mapping key geological formations in the state and gathering other data in an effort to mitigate the risk of induced seismicity and foster the continued safe development of Oklahoma's oil and gas resources;
- Implementation of the STAR Case Management System which will affect all programs and streamline many current processes, improve internal and external processes for the general public to access information and make electronic payments for case filings and fines, and provide consistency of information and financial data, increasing agency operational efficiency;
- Continuing work, in coordination with the Oklahoma Department of Transportation, on completion and operation of new POEs and weigh stations to aid in the protection and safety of Oklahoma roads and highways;
- Opening of the Love POE scheduled to open February 2017 and a new weigh station in Boise City in FY-2018; and
- Preparing a plan to address the concerns to renovate and meet capital needs of OCC facilities, including the Jim Thorpe Building, to ensure safe and adequate working conditions for employees and stakeholders.

## **Savings, Efficiencies and Shared Services:**

- Participated in state-wide meetings regarding early payment discounts and will implement processes necessary to obtain maximum savings;
- Utilizing OMES-ISD resources and existing state services as much as possible to improve agency efficiency and obtain cost sharing options by joining other agencies on state-wide initiatives; and
- Increased P/Card activity, which saves time and money associated with traditional claims processing.

# Corrections, Department of



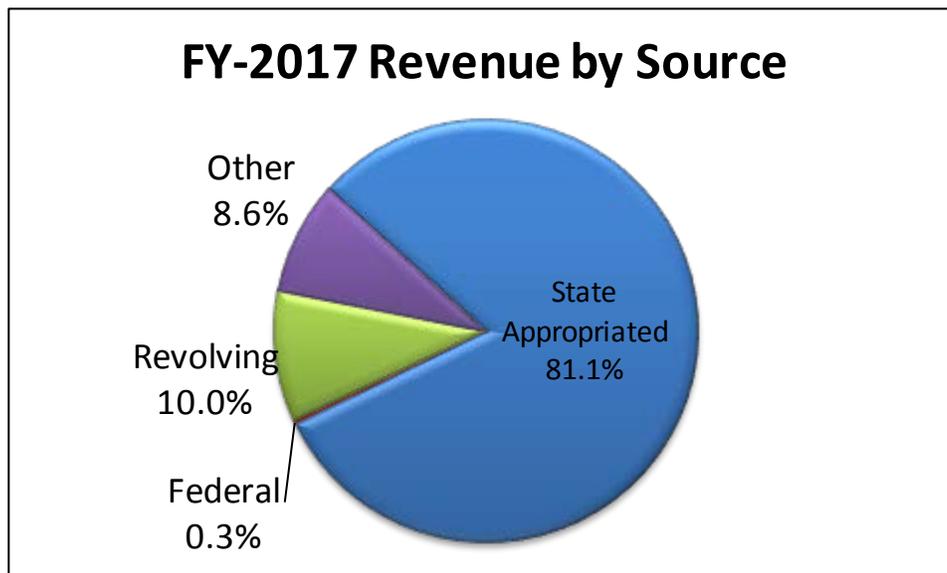
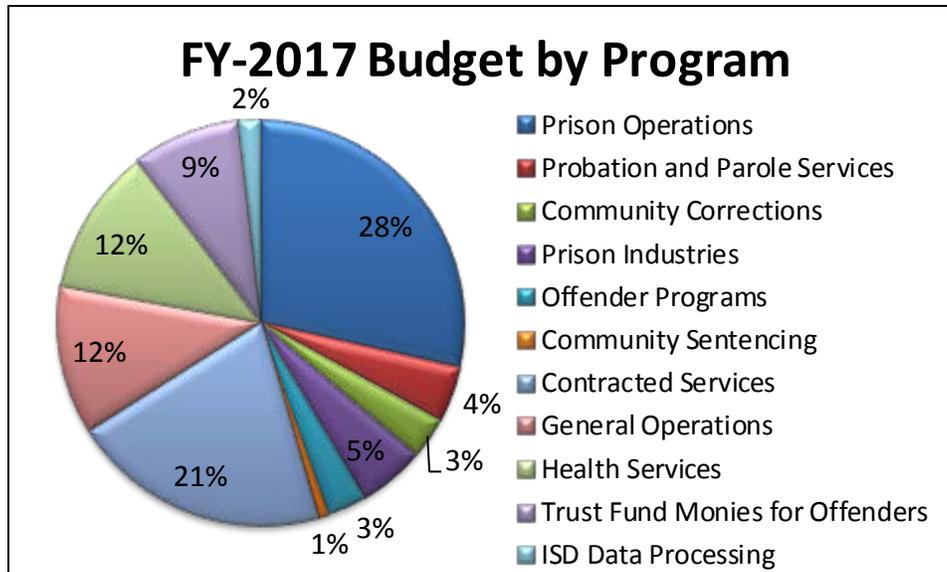
**Mission:**

The mission of the Oklahoma Department of Corrections (DOC) is to protect the public, protect employees, and protect offenders.

**Programs:**

- Prison Operations
- Probation and Parole Services
- Community Corrections
- Prison Industries
- Offender Programs
- Community Sentencing
- Contracted Services
- Health Services
- Trust Fund Monies for Offenders
- ISD Data Processing

## Corrections, Department of



### Accomplishments Over the Past Year:

- Physical Plant Security Enhancements – Dick Conner Correctional Center (DCCC) completed stun fence installation and facility-wide door, frame, and electronic lock replacement project; John H. Lilley Correctional Center (JLCC) installed a security fence within the perimeter to further control offender movement and prevent escapes and also remodeled the medication room and installed an additional door and wall to medical waiting room; Joseph Harp Correctional Center (JHCC) and Lexington Assessment & Reception Center (LARC) reconstructed their inner entrances to facility administration to control entry; LARC upgraded the perimeter fence. Union City Community Corrections Center (UCCCC) installed security camera upgrades; Probation and Parole installed security cameras in sub-offices in Bartlesville, Sapulpa, Okmulgee, Jay, Miami and Tahlequah; and Kate Barnard Community Corrections Center (KBCCC) installed security cameras.
- Capital Outlay Projects Completed – KBCCC replaced window/glass; LARC and Mabel Bassett Correctional Center (MBCC) repaired roofs; Mack Alford Correctional Center (MACC) upgraded

# Corrections, Department of

- perimeter road and parking lot; MBCC replaced copper pipe; and Oklahoma City Community Corrections Center (OKCCCC) replaced parking lot. William S. Key Correctional Center (WSKCC) installed fencing to deter escapes and the introduction of contraband.
- Physical Plant System Replacement – Oklahoma State Penitentiary (OSP) installed new heating, ventilation, and air conditioning systems in Units D and E; LARC refinished food services floor and replaced minimum unit security fence; and UCCCC replaced three HVAC units with more efficient units.
  - Repurposing of Physical Plant for Offender Housing – MBCC repurposed youthful offender housing unit.
  - MBCC completed new chapel at no expense to taxpayers;
  - Centralization of Operations – Centralization of Canine Unit, Safety Unit, and facility business operations was completed.
  - Centralization of Operations / Finance - The finance and accounting unit has successfully completed the first year of centralized utility payments and is considering moving more standard purchases to the administration building. Several Trust Fund units were also centralized.
  - Community Sentencing - During fiscal year 2015, the agency increased the number of offenders in the Community Sentencing program by 373.
  - The Evaluation and Analysis - Completed 402 requests from within and outside the agency and processed six research requests from outside organizations.
  - Employee Services - Moved office space at the Cameron Building to agency-owned space within the administration complex. Offices were moved from Redlands Community College in El Reno to regionalize training operations and established in Hobart in the southwest, Alva in the northwest, Tulsa in the northeast, McAlester in the southeast and Wayne in central Oklahoma. Underutilized agency-owned housing was repurposed to accommodate training participants in various locations.
  - Employee Rights and Relations - Provided a cultural diversity training session for the 2015 Oklahoma Correctional Association / National Association of Blacks in Criminal Justice Combined Conference.
  - Mental Health Services - Received a \$597,594 grant award for the Co-occurring Reentry Intensive Care Coordination Team (CRICCT) which will begin providing services in 2017. This grant will provide reentry services for individuals with co-occurring mental illness and substance abuse disorders who are discharging to the Tulsa or Oklahoma City areas.

## **Goals For The Upcoming Year:**

- Increase in Program Efficiency/Population Growth Management – Complete restructuring and redesign of Regimented Treatment Program at Charles E. “Bill” Johnson Correctional Center (BJCC) and Keys to Life Program at WSKCC to increase the number of offenders that can be treated over the course of one year. This will increase the number of discharged offenders who have sentences that are balance suspended upon program completion;
- Addition of Temporary Beds Via Repurposing of Physical Plant for Population Growth Management – Add 150 temporary male beds and 250 temporary female beds to existing facilities;
- Maximum Security Restrictive Housing Program – Full implementation of all phases of maximum security step-down phase program at OSP;
- Physical Plant Security Enhancements – Install security doors on all offender housing units at WSKCC; complete installation of security camera upgrade at James Crabtree Correctional Center (JCCC) and Jim E. Hamilton Correctional Center (JEHCC); and install security cameras as part of a Prison Rape Elimination effort at JCCC, JHCC, and MBCC;
- Complete Capital Outlay Projects – Window replacement at JBCC. Roof repair/replacement at JCCC, Jess Dunn Correctional Center (JDCC), JHCC, JLCC, KBCCC, OSP and Oklahoma State Reformatory (OSR); installation of Fire Alarm/Smoke Detection system at JLCC. Renovate four (4) bathrooms for ADA compliance at JLCC; Phase I of a two phase heating water/drain system replacement, administration parking lot renovations and facility-wide door, frame,

## Corrections, Department of

- and electronic lock replacement project at LARC; and gas, water, sewer line, phone system replacement at OSP;
- Restructure Operations to Increase Efficiencies – Realign community corrections centers and community work centers under the Divisions of East and West Institutions, separate from Probation and Parole; centralize offender housing contract negotiation and monitoring under the Division of West Institutions; and implement a Medical Security Unit that will provide supervision of offenders when hospitalized across the state and provide transportation to receiving facilities after discharge from the hospital;
  - Employee Services - Maintain staffing levels and reduce attrition in the Correctional Security Officer positions from 34% to 25%; enhance the partnership with the Oklahoma National Guard; continue the focus of regionalizing cadet academies and expand the Correctional Leadership Development series;
  - Community Sentencing - Currently has 29 active sentencing systems or planning councils encompassing 47 of the state's 77 counties. The goal for FY16 is to make quarterly contact with the inactive councils to explore the sentencing needs of the counties;
  - Analytics and Systems Quality Services - Focused on automated reporting functions for releases and transfers for field operations, data for Offender Operations Annual Report, data provided to foreign consulates, and data collection and preparation for the Agency Annual Report. Increase participation in collaborative studies with Department of Human Services and Department of Mental Health & Substance Abuse in identifying pathways to criminal justice for individuals and means of reducing recidivism. Study requirements and future needs for systems of data collection, integration, and enhancements with the aim of increased efficiency and throughput in critical agency operations. RFP development for consultation in acquisition of a new Offender Management System is in progress. Conduct detailed analysis of Database Systems in use from various departments of the agency. Incorporate agency data collection schemas into IT development projects to enhance COMIT & OMS systems with development of applications for process improvement across agency functions; and
  - Business Services – Implementation of direct deposit and reloadable debit cards for offenders at Community Corrections.

### **Major Agency Projects:**

- Implementing a new master menu to control food costs;
- Community corrections centers and community work centers will be realigned under the Divisions of East and West Institutions,
- Probation and Parole will be a separate unit from community corrections centers and community work centers;
- Centralizing offender housing contract negotiation and monitoring under the Division of West Institutions;
- Implementing a Medical Security Unit to provide supervision of hospitalized offenders and provide transportation to receiving facilities after discharge;
- Employee Services will convert internal job postings to the JobAps system no later than February 1, 2016, rather than posting announcements on bulletin boards and completing paper applications;
- Human Resources unit will train with HCM staff to review and/or revise internal procedures for vacant position hiring;
- Evaluation and Analysis Unit is participating in a collaborative study with Department of Human Services and Department of Mental Health & Substance Abuse in identifying pathways to criminal justice for individuals who have received services through various state agencies over the years;
- Business Services is implementing reloadable debit cards as well as direct deposit for offenders at Community Corrections;
- Community Sentencing has been awarded a two year, \$600,000 grant from the Bureau of Justice Assistance (BJA) to replicate the Swift Certain and Fair (SCF) sanctioning model originated from

## Corrections, Department of

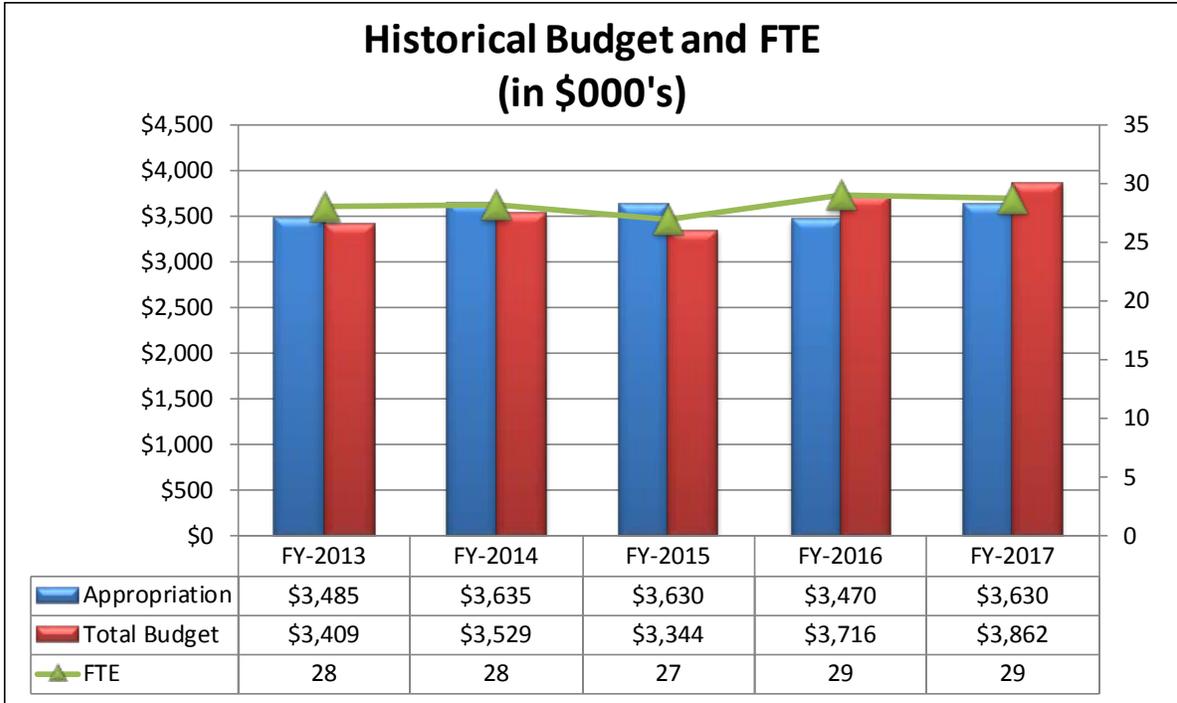
the Hawaii Opportunity Probation with Enforcement (HOPE) model. The objective for adopting the SCF model is to save state dollars by improving supervision strategies that will reduce revocations resulting in prison sentences;

- Medical Services will continue to explore opportunities with OU Health Science Center to expand telemedicine to increase access to specialty care, while reducing transport and security expenditures;
- Increase staffing levels to assure that access to care and quality of care are maintained;
- A triage training manual is being created to help better train medical staff to evaluate the need for emergency room visits;
- The number of offenders identified as having a serious mental illness continues to increase as the population grows, demonstrating the need for mental health services is at an all-time high so the agency is seeking additional grant opportunities to expand mental health programming and reentry efforts and increase out of cell treatment services for offenders housed in the OSP Mental Health Unit.

### **Savings, Efficiencies and Shared Services:**

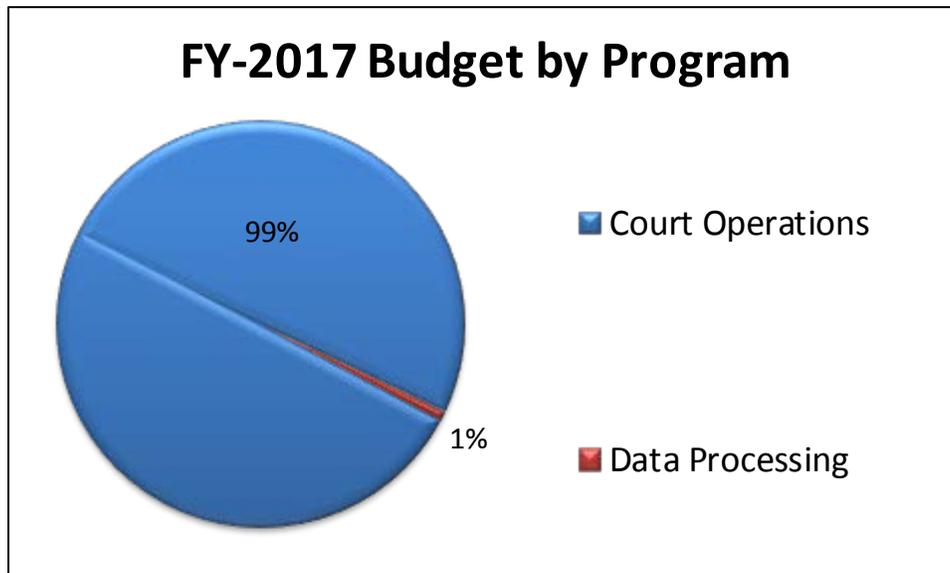
- Reduced Agri-Services use of appropriated dollars from \$1,000,000 to zero. Agri-services saved the agency \$2,754,800 in food costs when comparing Agri-Services pricing to the prime vendor;
- Reduced BJCC court transports through coordination with county court officials;
- Implemented electronic receipt of offender sentencing documents in partnership with Canadian, Cleveland, Garfield, Oklahoma and Tulsa counties;
- Community Sentencing continues to grow. During 2015, 1,287 offenders received a court-ordered sentence with community sentencing. The active count for 2015 of 3,413 offenders is a net growth of 373 from 2014.
- Health Services has streamlined the offender discharge process with Lindsay Municipal Hospital, reducing the length of stay. This creates an average savings of about \$950 per day for each offender who is moved back to a facility.
- Health Services renegotiated the contract with Lindsey Municipal Hospital, maintaining an administrative fee rate at 8% instead of 10%. This should generate an annual cost savings of approximately \$153,500.
- Beginning February 2015, Health Services negotiated all medical air flight transport claims and saved \$116,000 or 58% of billed charges.
- Medicaid reimbursements for eligible offenders have resulted in an FY-2015 savings of \$4,327,580.
- A monthly Utilization Review Committee consisting of the Chief Medical Officer and Regional Physicians teleconference is held with the pharmaceutical vendor to identify more cost effective drugs. Formulary changes are immediately implemented, and physicians promptly notified. These monthly changes have positively impacted the budget and reduced expenditures. A new pharmaceutical pricing structure is being researched. Current projections indicate that new pricing may generate a savings of \$20,000 per month.
- Centralized IT budgeting and funding has allowed for strategic implementation of various projects.
- Cancelled Redlands training academy contract in April 2015 and implemented regional academies to reduce overall training costs.

# Criminal Appeals, Oklahoma Court of



**Mission:**

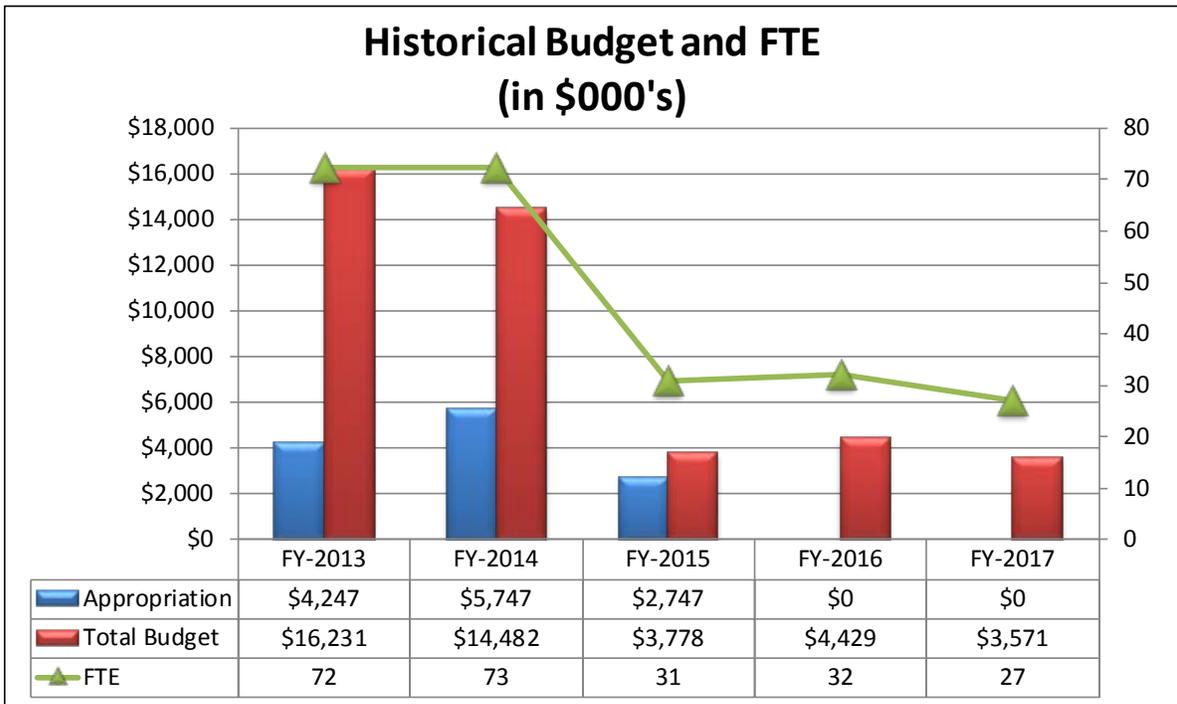
Established in 1908, the Oklahoma Court of Criminal Appeals (OCCA) has exclusive appellate jurisdiction in all criminal cases, and is the state court of last resort in matters ranging from municipal offenses to capital crimes. The Court’s mission is to ensure that all criminal cases appealed receive a fair and just hearing in a timely manner. In addition to appeals following a jury trial or guilty plea, the Court has jurisdiction to determine applications for writs arising in criminal cases, including mandamus, prohibition, and habeas corpus, as well as appeals by the State, juvenile appeals, appeals from the revocation or acceleration of suspended and deferred sentences, revocations of parole and post-conviction appeals. The Court, through its Presiding Judge, also reviews all requests for electronic surveillance.



**Goals For The Upcoming Year:**

- The Court’s goal is to remain current in caseload management.

# Workers' Compensation Court of Existing Claims

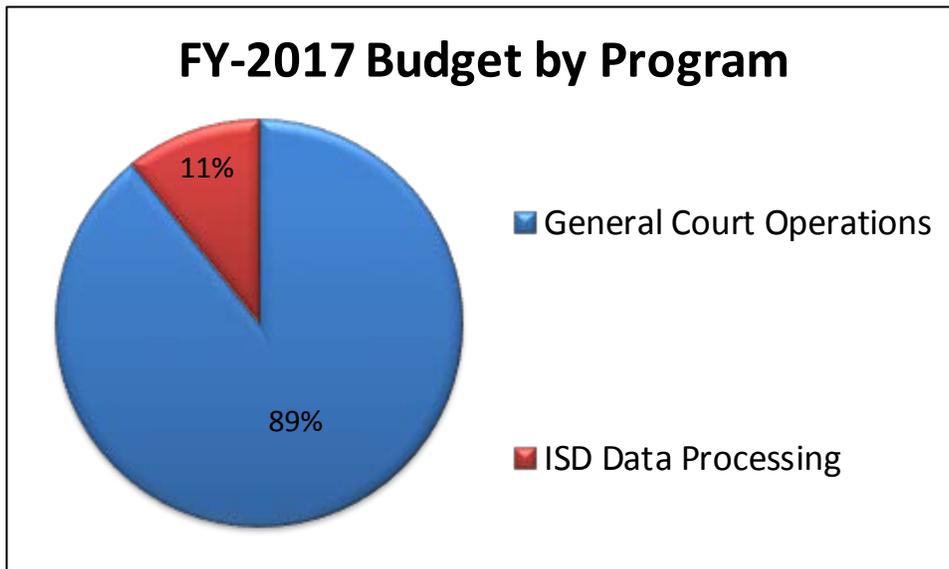


## Mission:

The Oklahoma Workers' Compensation Court of Existing Claim's (CEC) mission is to ensure fair and timely procedures for the informal and formal resolution of disputes and identification of issues involving work related injuries. The CEC is also helping to facilitate the transition from a Judicial system to an Administrative one.

## Programs:

- General Court Operations
- ISD Data Processing



## Workers' Compensation Court of Existing Claims



### **Accomplishments Over the Past Year:**

- The CEC has been able to continue adjudicating a large number of claims with a reduced staff.

### **Goals For The Upcoming Year:**

- While continuing to manage open files, the CEC plans to adjudicate all claims filed and to reduce costs when appropriate.

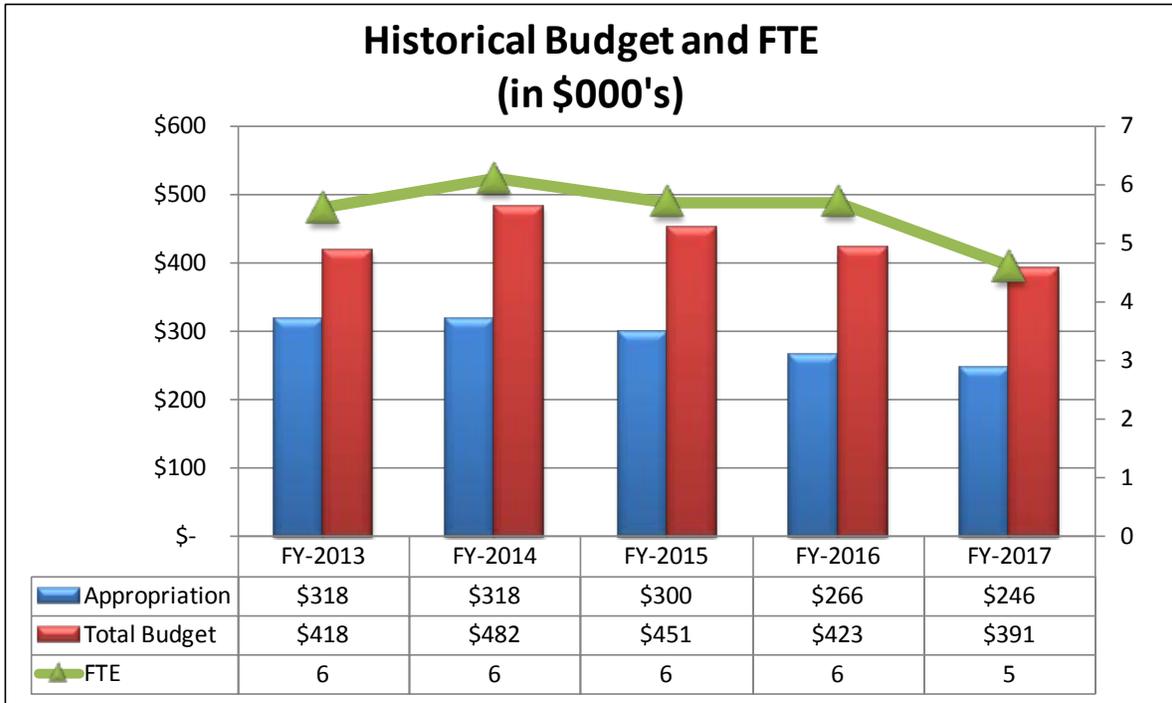
### **Major Agency Projects:**

- Prepare spaces for on-site storage of open files;
- Move all files currently stored with the Department of Libraries for a projected savings of \$30,000 per year; and
- Work to change how long hard copies of files are to be maintained to reduce needed space and cost.

### **Savings, Efficiencies and Shared Services:**

- Initiated a joint project with the Workers' Compensation Commission (WCC) to develop a program of electronic delivery of Court Orders for a projected savings to the CEC of \$35,000 per year in postage and paper; and
- Shared an equal cost with the WCC of all data processing and IT.

# Office of Disability Concerns



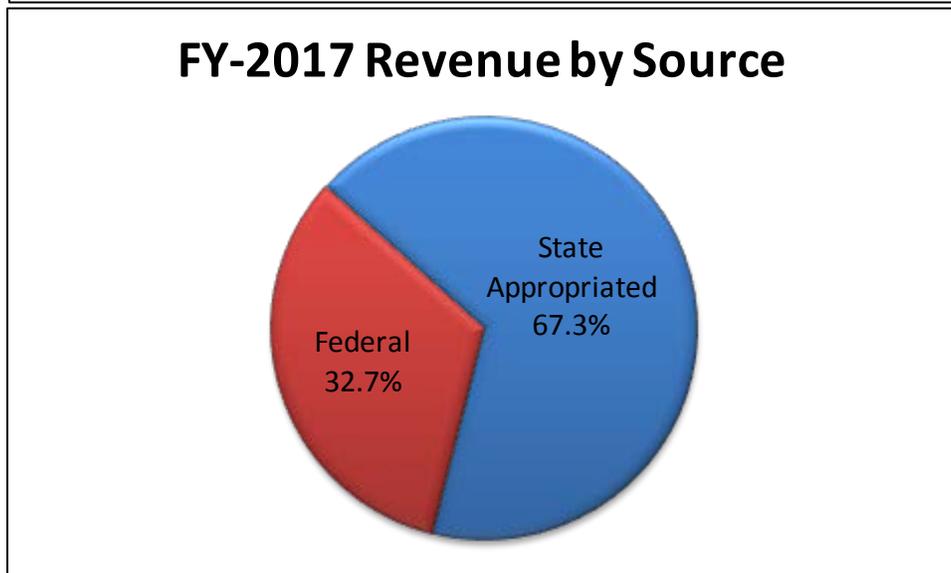
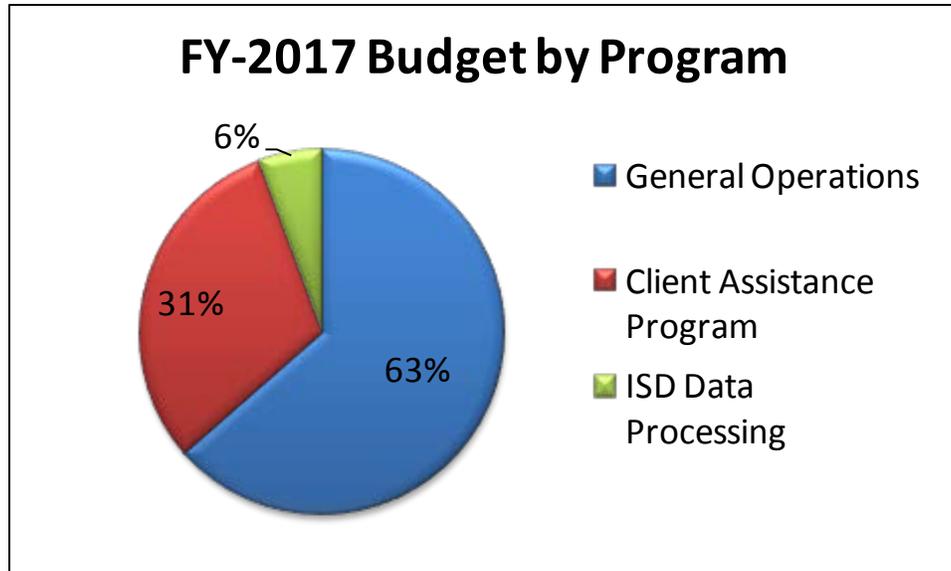
**Mission:**

The Office of Disability Concerns (ODC) provides information, referrals, and advocacy for persons with disabilities. ODC acts as an intermediary for those with disabilities and provides services for them. In addition, ODC helps develop policies and services that meet the needs of Oklahomans with disabilities, and is a resource for employment issues and Americans with Disabilities Act (ADA) compliance design and implementation.

**Programs:**

- Employment Assistance Program
- Client Assistance Program (CAP)
- Informational Services
- Technical Assistance
- Advocacy
- ADA Assistance
- HRDS Classes
- Disability Etiquette Training
- CLEET training “How Understanding A Disability will Lead to Better Police and Community”

## Office of Disability Concerns



### Accomplishments Over The Past Year:

- Helped over 2,500 Oklahomans with their disability concerns;
- Distributed over 200 letters to businesses and Title II entities about ADA concerns with suggested resources;
- Implemented an ADA resource page on the website containing information and resources;
- Client Assistance Program handled more than 130 cases with over 800 contacts;
- Expanded CAP outreach with display packets in every DRS office;
- Completed over 75 trainings and events on disability awareness;
- Participated in several groups including the Governor's Economic and Workforce Development Council, the Central Oklahoma Workforce Investment Board, United We Ride, Department of Rehabilitation Policy Committee, and ARDC;
- Hosted HRDS classes in Oklahoma City and Tulsa;
- Supported Sooner Success;
- Became a CLEET certified training provider;
- Worked in Police and Community Trust as a disability advocate; and

# Office of Disability Concerns

- Joined with or hosted multiple events including a state agency career fair, police and community training, and disability awareness training at Tinker Air Force Base.

## **Goals For The Upcoming Year:**

- Provide a readily available up-to-date resource for Oklahomans with disabilities to assist in identifying available services throughout the state;
- Provide CLEET accredited training to police and first responder groups on “How Understanding A Disability will Lead to Better Police and Community”;
- Continue to host “Life Skills” a community cooperative effort to interested groups;
- Provide assistance with informational booths at professional occupational meetings, educational trainings, press releases and other publications, website and telephone requests, and referrals from other entities that assist people with disabilities;
- Provide speakers statewide to discuss disability issues with businesses, governmental entities, and other interested parties;
- Offer disability related training and resource material, including a wide range of engaging awareness training for interested groups, employers, businesses, associations and agencies;
- Increase public awareness and understanding of the Office of Disability Concerns as an advocate and a guide to services for persons with disabilities;
- Increase contacts for information/advocacy and training by 5% year over year;
- Promote awareness and acceptance among the general public of the value and potential of persons with disabilities;
- Promote, coordinate and conduct a series of Ability Job Fairs throughout the state with the long-term goal of establishing a repeatable model for OK Works; and
- Continue awareness of accessibility issues throughout the state.

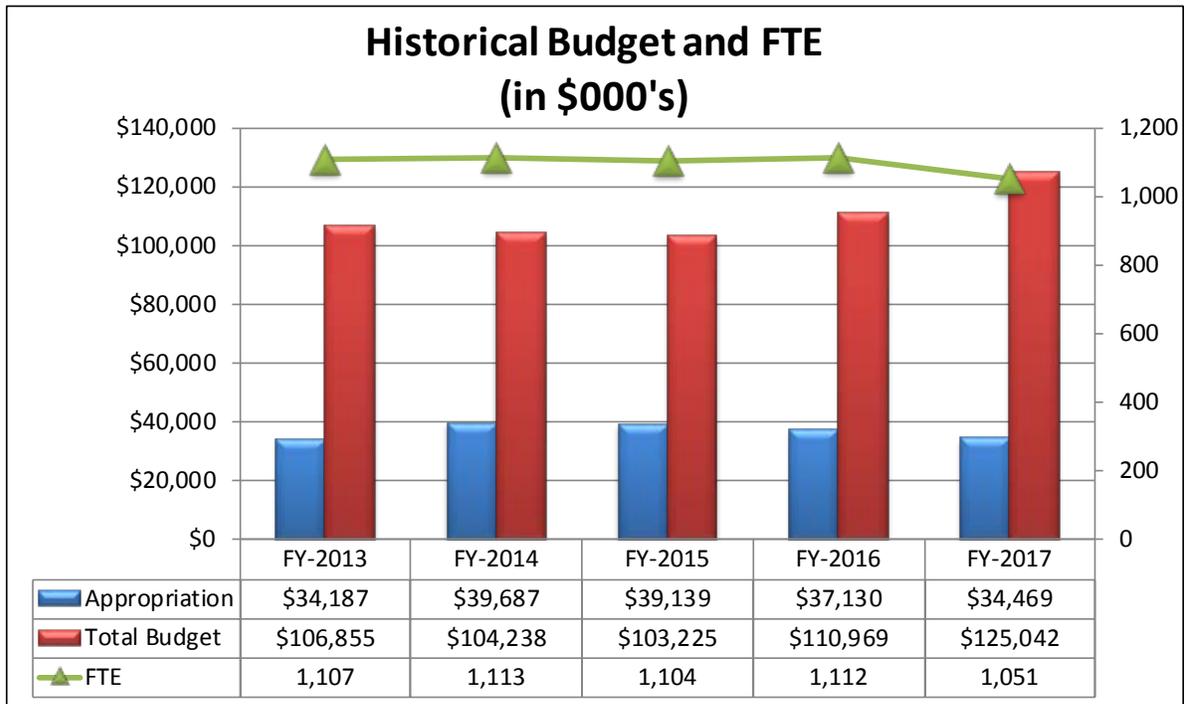
## **Major Agency Projects:**

- Organizing Ability Job Fairs in order for the disabled community to showcase their skills to both private and public employers;
- Working with several partners promoting positive employment outcomes by including an employment piece with Sooner Success events;
- Working with several groups to host Life Skills for individuals with disabilities;
- Hosting events addressing good physical, mental, and social health;
- Investigating reported violations of the ADA and taking appropriate action;
- Work with the Oklahoma Election Board to provide information at the next annual meeting concerning accessibility requirements for Oklahoma polling places; and
- Helping Oklahoma citizens that may be disabled to connect to resources and encourage empowerment so as to make a difference in their lives.

## **Savings, Efficiencies and Shared Services:**

- Created a resource database of available services with results that can be exported into an email for the client’s reference;
- Reduced printing costs by placing most information on CD;
- Moved the agency to shared space, reducing rent;
- Found creative ways to use the website and Facebook to provide information, resources and training; and
- Set up creative phone integration with a call “blast” replacing a possibly very costly automatic call distribution system.

# District Attorneys' Council



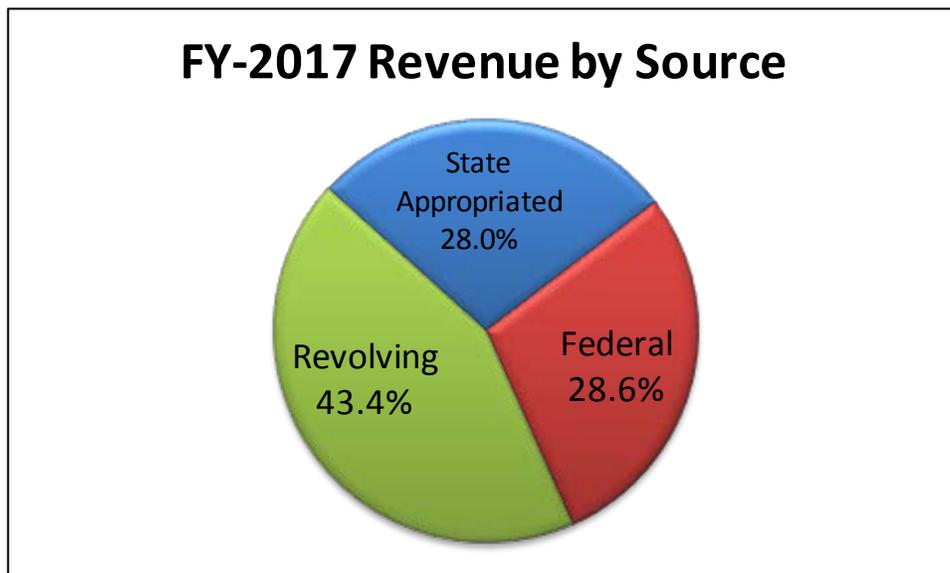
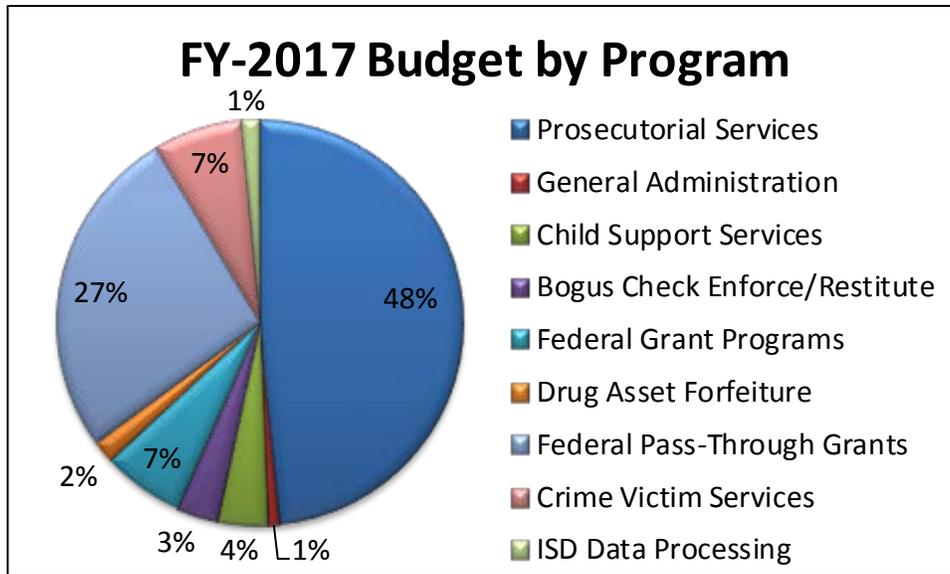
## Mission:

The mission of Oklahoma's District Attorneys is to protect the public through proactively advocating as Ministers of Justice for public safety and welfare, and through educating and collaborating with communities, law enforcement, and policy makers while supporting our staff through personal and professional development and peer support.

## Programs:

- Prosecutorial Services
- General Administration
- Child Support Services
- Bogus Check Enforcement/Restitution
- Federal Grant Programs
- Drug Asset Forfeiture
- Federal Pass-Through Grants
- Crime Victim Services
- ISD Data Processing

## District Attorneys' Council



### Accomplishments Over the Past Year:

- Provided training to more than 500 prosecutors, investigators, and victim-witness personnel within the D.A. system on topics including, but not limited to, asset forfeiture, search and seizure, communication techniques, human trafficking, prescription drug abuse, and prosecuting the impaired/drugged driver.
- Worked with the Legislature and the Governor's Office on enacting several bills during the 2016 Legislative Session.

### Goals For The Upcoming Year:

- Collaborate with Department of Public Safety, the Insurance Department and the Oklahoma Tax Commission on implementing the Uninsured Vehicle Enforcement Program;
- Continue to provide training to Oklahoma prosecutors; and
- Work with the Legislature to pass bills that will strengthen the criminal justice system in Oklahoma.

# District Attorneys' Council

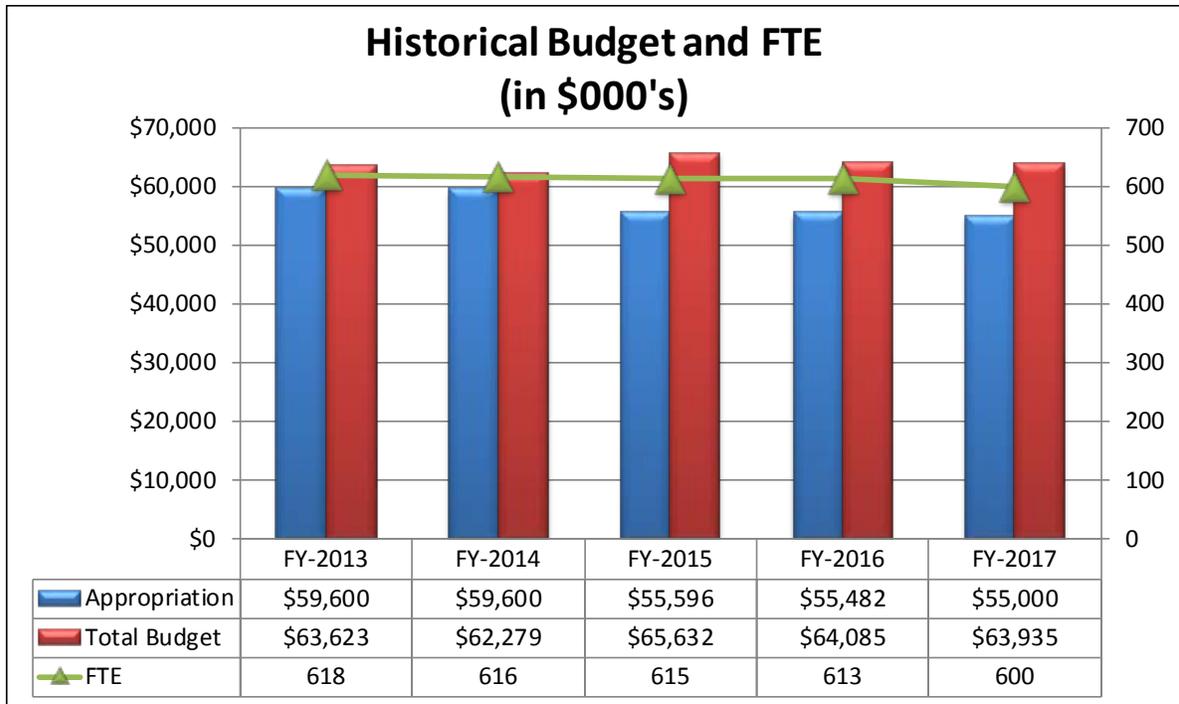
## **Major Agency Projects:**

- The biggest project of the DAC during FY-2018 will be the full implementation of the Uninsured Vehicle Enforcement Program.

## **Savings, Efficiencies and Shared Services:**

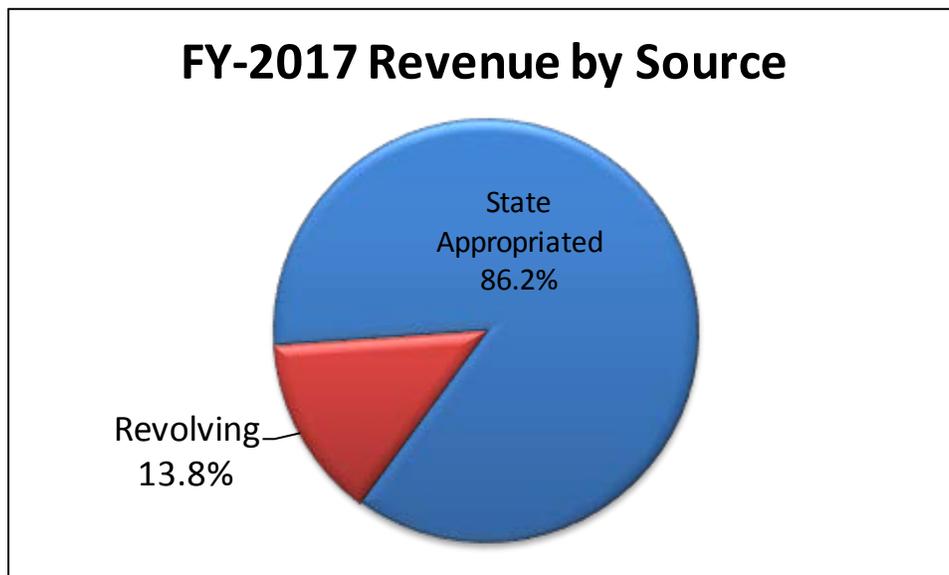
- When the DAC began implementation efforts of the Uninsured Vehicle Enforcement Program, the DAC began by using the PIPS process of the Office of Management and Enterprise Services (OMES). The DAC and OMES were able to collaborate and enter into a MOU to allow our personnel to lend his certification oversight to the process to move projects toward completion. We are very proud of this agreement with OMES and believe this is the type of agency collaboration that makes government more efficient and effective.

## District Courts



### Mission:

The mission of the District Courts is to provide a fair and impartial justice system.



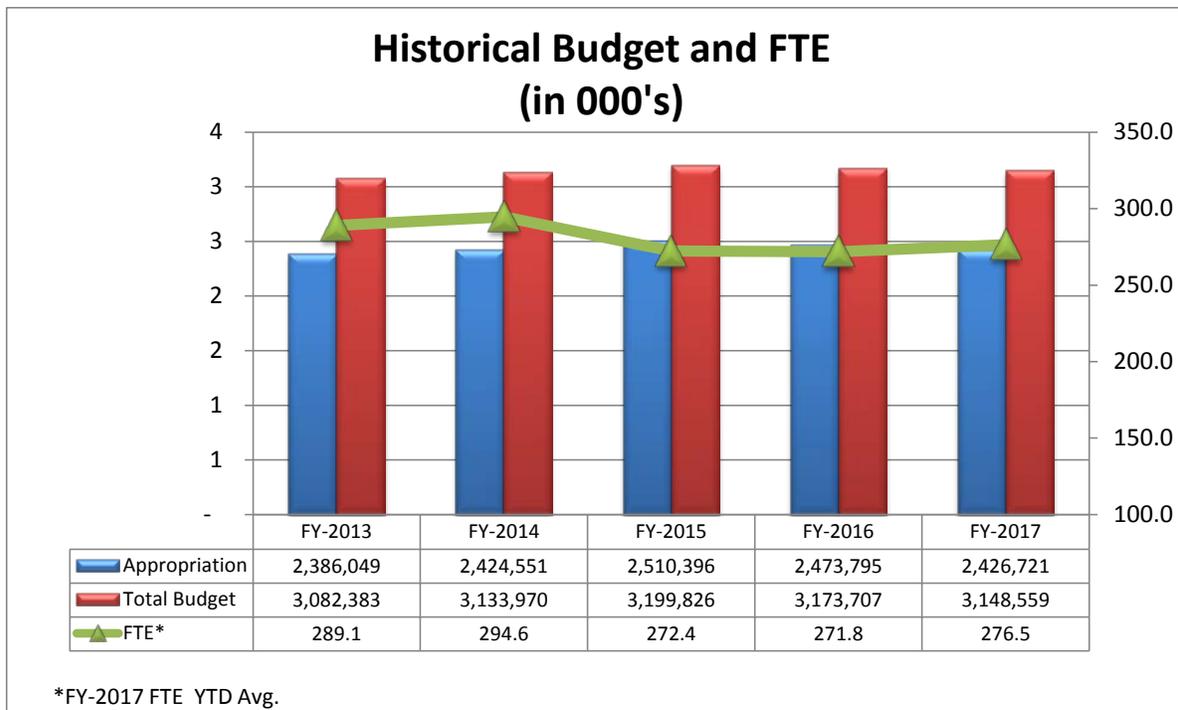
### Accomplishments Over the Past Year:

- By increasing the availability of alternative dispute resolutions, the Courts have decreased caseloads.

### Major Agency Projects:

- The Courts are implementing systems for electronic jury management and alternative dispute resolution.

# State Department of Education



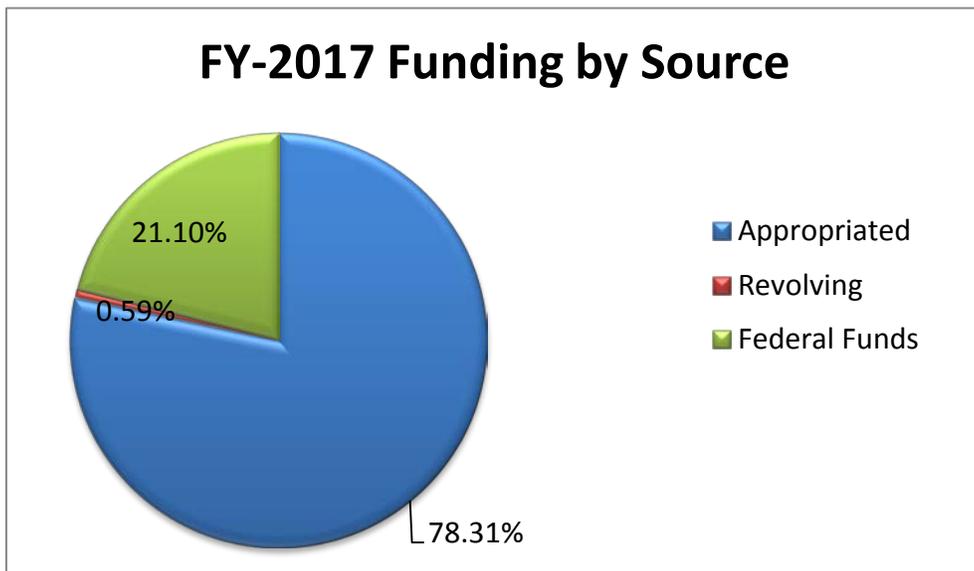
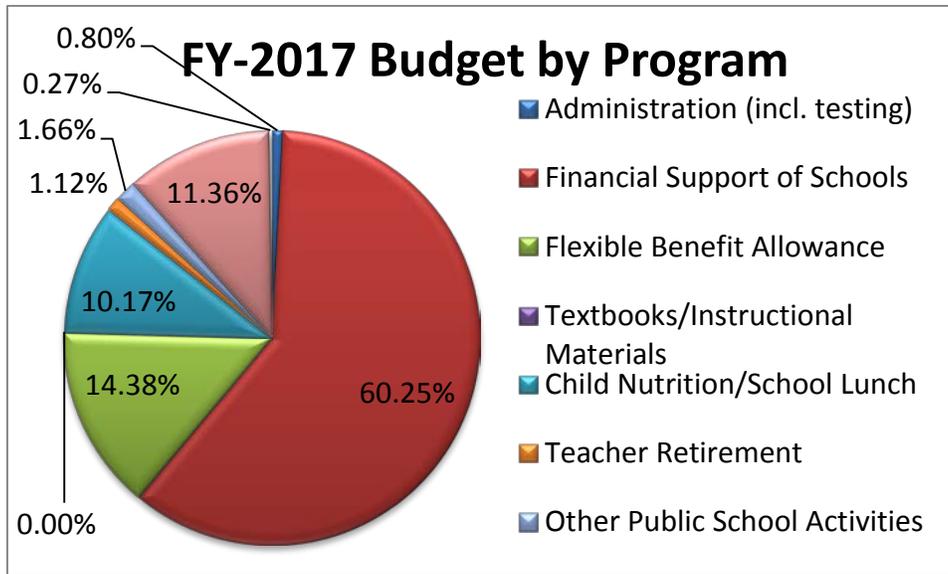
## Mission:

The Oklahoma State Department of Education (OSDE) champions excellence for all Oklahoma students through leadership, engagement, and service.

## Programs:

- Academic Affairs
- Curriculum & Instruction
- State & National Assessments
- School Support
- Parent & Community Engagement
- Quality Schools/School Improvement Planning
- Operations
- Special Education
- Federal Programs
- State Aid
- Accountability
- Educator Effectiveness
- Teacher Certification
- Teacher and Leader Effectiveness
- Accreditation
- Education Data Management

# State Department of Education



## Accomplishments Over The Past Year:

- Oklahoma Academic Standards: Adopted new standards for ELA and mathematics and began implementation immediately;
- Prioritized efforts to improve communication channels, develop useful tools and resources, and increase capacity for individuals and systems;
- Assessments/Accountability: Saw H.B. 3218 signed into law, repealing an ineffective system of assessments and directing the OSBE to make recommendations for new assessments, a revised accountability system that meets the requirements of the Every Student Succeeds Act (ESSA), and new graduation requirements; and
- Teacher and Leader Effectiveness (TLE): The OSDE has convened working groups statewide to develop individualized programs of professional development to be piloted in the 2017-2018 school year. The OSDE also has continued its focus on leadership by expanding the Lead to Succeed (L2S) principal development program and establishing a new development program for administrators titled Moving UP;

# State Department of Education

- **Teacher Shortage Task Force:** Issued a report on the work of the Teacher Shortage Task Force over the last year, summarizing the progress made, defining the challenges still ahead, and seeking continued commitment from task force members;
- **Reading Sufficiency Act (RSA):** Increased the percentage of third-grade students who met the criteria for the RSA from 83 percent in 2014 and 85 percent in 2015 to 88 percent in 2016;
- **Educational Attainment:** Saw gains in Oklahoma in five of six areas assessed by the National Assessment of Educational Progress (NAEP) in 2015. Oklahoma's fourth-grade black students demonstrated the second-biggest gain in science scores, trailing only Tennessee. Oklahoma's eighth-grade Hispanic students had the third-largest gain in science scores, behind Utah and South Carolina.
- **Saw increased attainment in ACT scores** with 2,010 more of the state's graduating seniors taking the test — a 6.5-percent increase over the prior year's cohort, leading to 82% of graduating seniors taking the ACT;
- **Greatly increased the number of juniors taking the ACT** as a result of a pilot program offering the test to all high school juniors with 2016 participation skyrocketing by at least 58 percent over 2015; and
- **Red Tape Task Force:** Saw three recommendations signed into law, eight others go before the OSBE for approval, and internal policies continuing to be evaluated and updated.

## **Goals For The Upcoming Year:**

- **Academic Assessments:** The OSBE will submit recommendations for new academic assessments to the Legislature in early 2017. New assessments in grades 3-8 will be vertically aligned and able to accurately measure student growth. Students will have the opportunity to take a college- and career-ready assessment (CCRA), an exam that ultimately will be recommended to replace the EOI exams;
- **A-F Grading:** Pending approval of recommendations for new indicators and calculations that meet the requirements of the ESSA (Every Student Succeeds Act), the OSDE will produce new A-F school grade cards and provide the public with a dashboard of additional information for added context;
- **Teacher and Leader Effectiveness (TLE):** Continue to focus on TLE by piloting individualized programs of professional development (professional learning focus) with all districts, implementing professional learning focus with all districts (2018-2019), incorporating a teacher leadership model, and creating a specific data-collection application for confirmation of LEA's dedicated Teacher Residency Program and dispensation of mentor stipends; and
- **Teacher Shortage:** Address both teacher compensation and morale in order to recruit, retain, and reward the best and brightest educators in our state.

## **Major Agency Projects:**

- **ESSA State Plan:** Resulting from the passage of the ESSA and the expiration of Oklahoma's ESEA Flexibility Waiver, the OSDE will be submitting a new consolidated state plan to the U.S. Department of Education outlining how it will utilize federal dollars to meet the needs of all students;
- **Advisory Councils:** Continuing to build OSDE's advisory council network, bringing together representatives from a wide spectrum of fields and arenas to provide feedback on major issues facing public education in the state;
- **Education Strategic Plan:** Implementing OSDE's Strategic Plan, which helps the agency work to guarantee that every Oklahoma student has access to a high-quality, equitable education, foster a positive working environment both internally and externally, and ensure a system that supports recruiting and retaining highly qualified teachers and leaders;
- **Implementation of Oklahoma Academic Standards (OAS):** Working to ensure teachers are well equipped to teach the newly adopted OAS;
- **College and Career Ready Task Force:** Providing connections between and among students, families, teachers, career technology centers, higher education institutions, businesses, and communities through programs such as Redefining the Senior Year, Individual Career Academic Plans (ICAP),

# State Department of Education

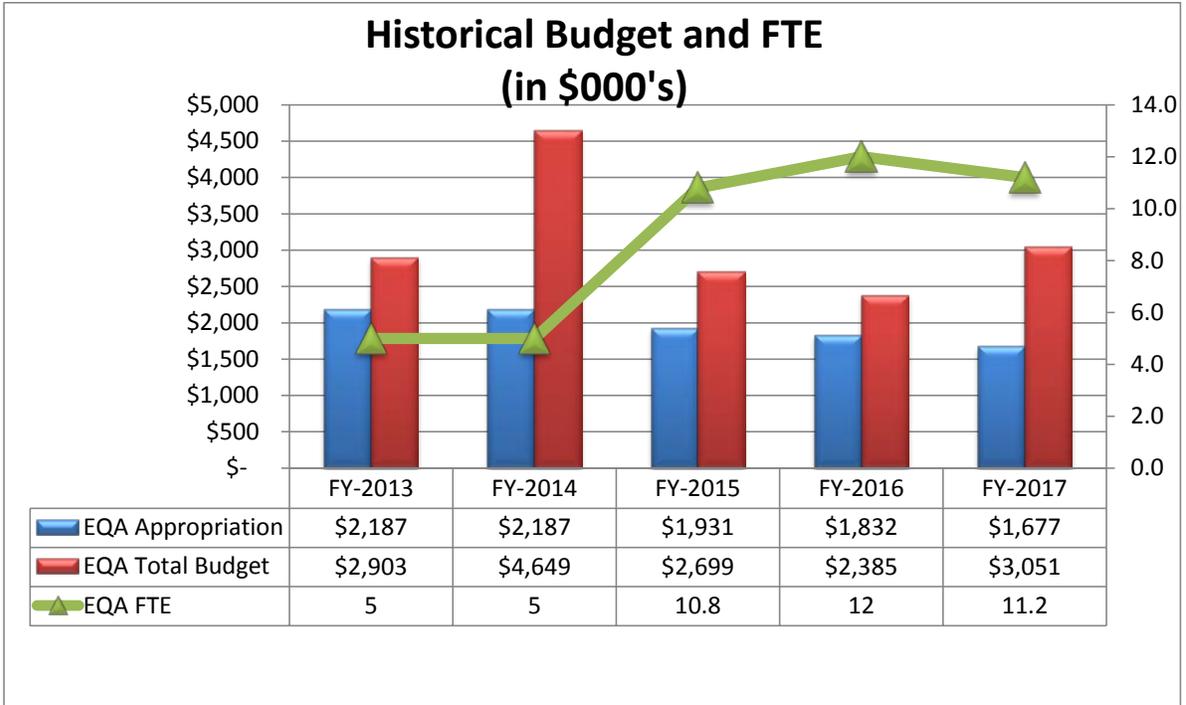
work-based learning opportunities, a Math-Ready Transition Course for high school seniors, and a Ready4 website with the goal to dramatically increase the number of students Ready4 college and career;

- Individual Career Academic Plan (ICAP): Implementing ICAP, a multi-year process that guides students as they explore career, academic, and postsecondary opportunities which is especially relevant since jobs in Oklahoma now and in the future require training or education beyond high school;
- Early Learning Inventory: Bringing together early childhood stakeholder focus groups to research best practices for an appropriate Early Learning Inventory with Oklahoma school districts piloting the inventory in 2017;
- Teacher Equity: Oklahoma in 2015 submitted its Teacher Equity Plan, which the USDE later recognized as exemplary in leadership development and collaboration with teacher preparation. In 2016, the OSDE will pursue strategies that spur meaningful professional development for teachers and leaders, focusing work with select priority schools to study their unique equity issues;.
- Building Capacity: Continuing the Lead to Succeed (L2S) program, an intensive leadership development program providing scholarships for principals to become empowered to implement change at their respective schools through research-based and proven training including strategic planning, digital literacy, content area best practices, and community engagement; and
- Continuing to work toward increased teaching capacity by adding new Teacher Residency Program resources on the agency website. Moving UP is a newly launched program for new and aspiring administrators. This 15-month professional learning experience emphasizes turnaround leadership competencies.

## **Savings, Efficiencies and Shared Services:**

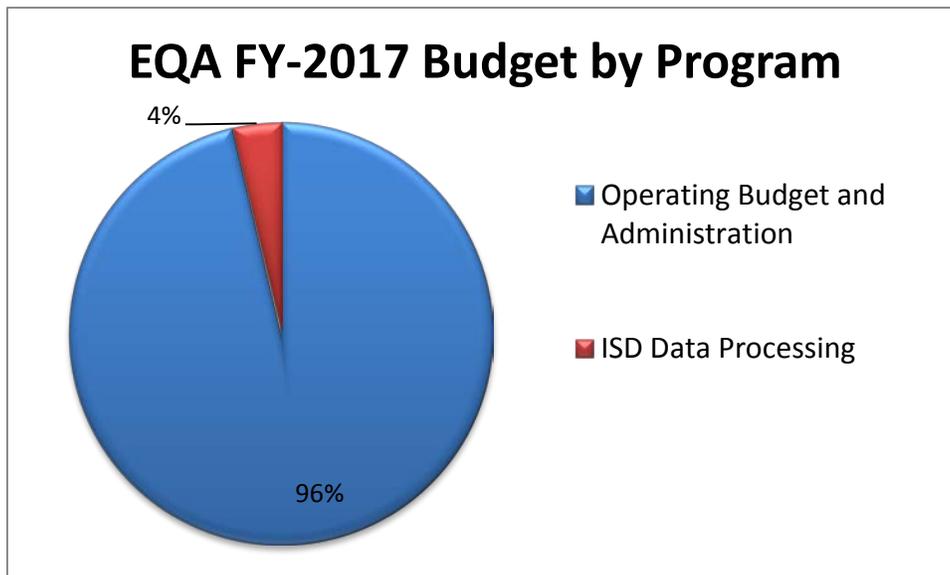
- Purchasing: Continued use of e-pro for acquisition of goods and services has created efficiencies in the purchasing process and established an audit trail;
- Interagency Cooperation: Reached agreements with the Department of Mental Health and Substance Abuse Services and the Department of Career and Technology Education to share FTEs for related services, resulting in savings of approximately \$70,000;
- IT Consolidation and Data Management: Continuing partnership with OMES ISD has led to standardization of IT systems, better data security standards and technology solutions. The OSDE is also better managing its data through the use of a data governance process and the Education Data Management Office (EDMO). These efforts will reduce the reporting burden on districts and increase data quality and transparency of the OSDE while maintaining student privacy;
- Building Capacity: Selected a training platform as a cost-effective way to improve job performance and offer career development;
- Building Capacity: Increasing efforts for electronic record-keeping has resulted in reduction of paper consumption and storage costs while providing faster access to critical information; and
- Professional Development (PD): Reduced travel costs for both OSDE and school districts by utilizing webinars and video conferencing to provide technical assistance and PD for schools. Using in-house printing, video, and audio resources for agency-sponsored PD events have also proven to be cost effective.

# Office of Educational Quality & Accountability

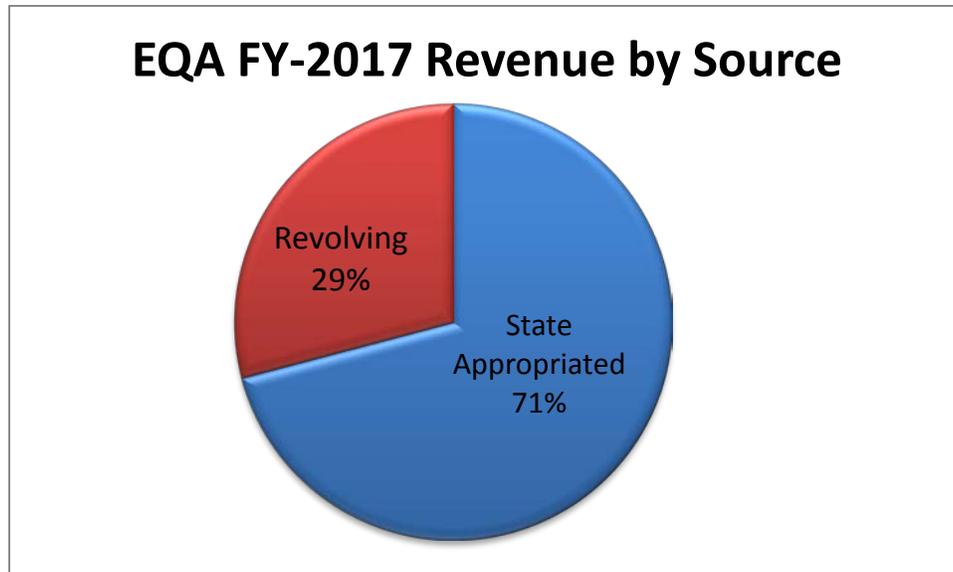


## Mission:

To lead quality, evidence-based, educator preparation, improve P-20 school efficiency and effectiveness, and deliver comprehensive statistical information for all stakeholders in the pursuit of optimum student performance.



## Office of Educational Quality & Accountability



### Accomplishments Over Past Year:

- Implemented Data Literacy Toolkit for P-12 Instructional Leaders;
- Conducted in-house school performance reviews for districts of 300 students or less;
- Conducted in-house school performance review for EPIC Virtual Charter School;
- Worked with universities to implement clinical alliance model;
- Provided all teacher licensure exams on-line;
- Redeveloped subject area tests for teacher licensure exams;
- Developed Academy for alternative certified teachers (pilot/Lawton Schools);
- Developed Oklahoma Educational Indicators for the Key Economic Network (KENS) regions as related to Governor's Oklahoma Works initiative; and
- Partnered with Oklahoma State Department of Education on Federal Equity Study for the United States Department of Education.

### Goals for Upcoming Year:

- Continuation of the subject area redevelopment of tests for teacher licensure;
- Phase-in, over the next three years, school performance reviews for all Oklahoma Virtual Charter Schools;
- Continuation of academy for alternative certified teachers and offer to at least three school districts;
- Lead universities of education in implementation of new National CAEP Accreditation Standards for Oklahoma teacher education preparation programs;
- Continue to search for ways to present and use the Oklahoma Educational Indicators data; and
- Increase the number of National Board Certified Teachers in Oklahoma (through scholarships).

### Major Agency Projects:

- Redevelopment of licensure exams;

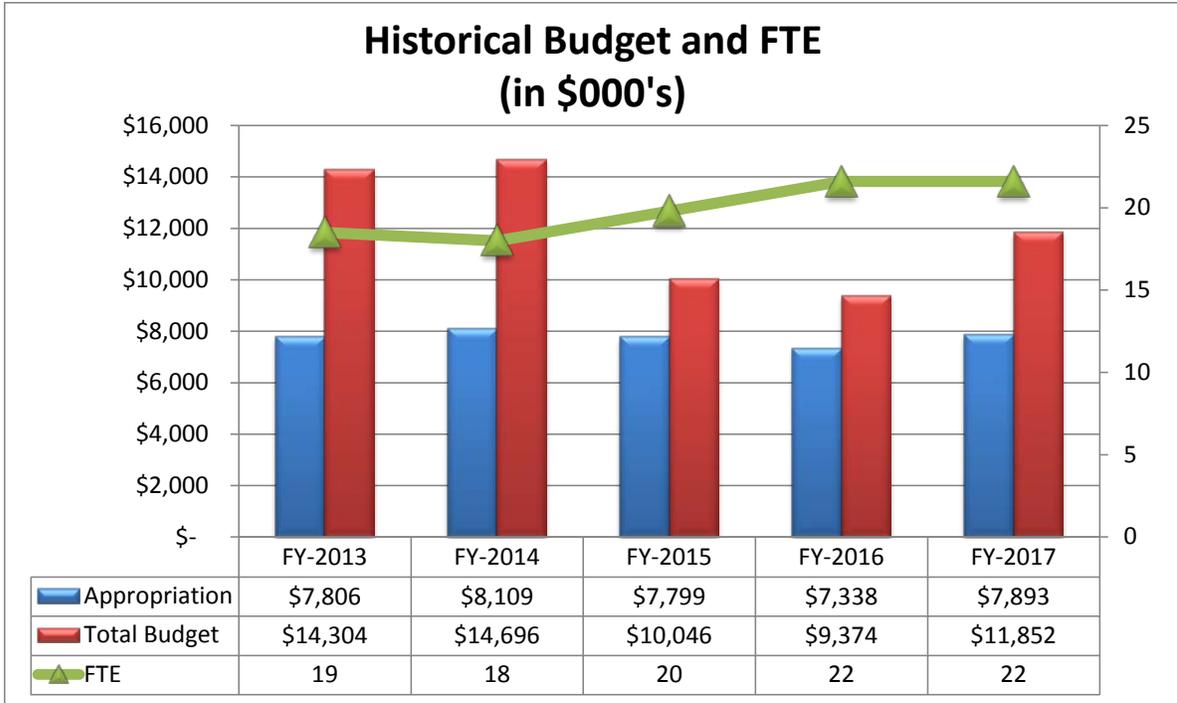
## Office of Educational Quality & Accountability

- Address issues and collaborate with stakeholders on the Oklahoma teacher shortage;
- Work with P-12 schools on data literacy implementation; and
- Conduct performance reviews for all Oklahoma Virtual Charter Schools.

### **Savings, Efficiencies and Shared Services:**

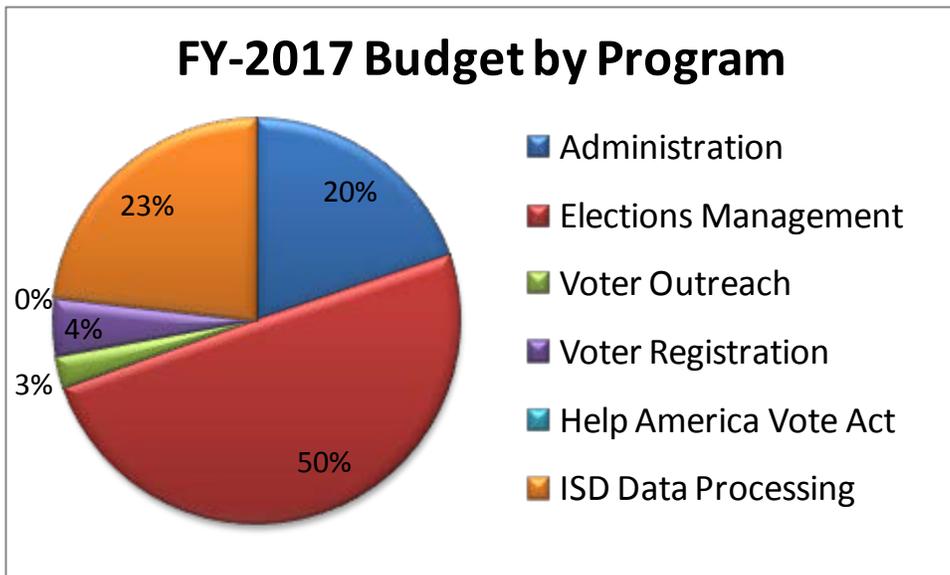
- Conducting in-house school performance reviews;
- Limiting out-of-state travel; and
- Reducing subscriptions and membership fees/dues.

# State Election Board

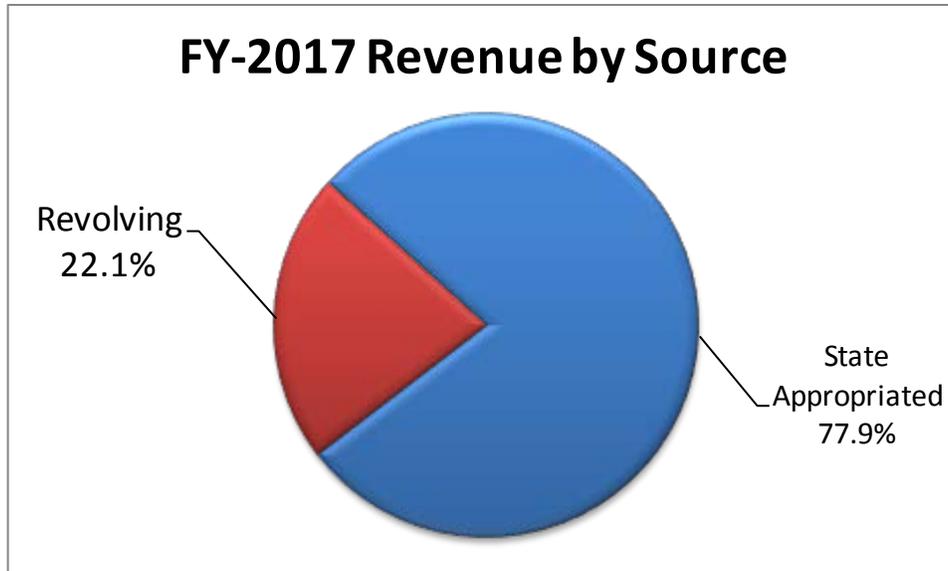


**Mission:**

The mission of the Oklahoma State Election Board is to achieve and maintain uniformity in the application, operation and interpretation of the state and federal election laws with a maximum degree of correctness, impartiality and efficiency.



## State Election Board



### Accomplishments Over The Past Year:

- In FY-2016, the State Election Board conducted the 2016 Presidential Primary Election and the 2016 Statewide Primary as well as a Special Elections State Representative Districts 73 and 85 and State Senate District 34. The board processed approximately 340,400 voter registration applications with approximately 191,200 being new registrations. In February 2016, the State Election Board launched an online absentee application wizard which submits an absentee application electronically for any registered voter from our website.

### Goals For The Upcoming Year:

- Conduct a statewide candidate filing period and a statewide Primary Election;
- Continue to work with the Department of Public Safety to develop and launch an online voter registration application system if technologically and financially feasible; and
- Support and supervise County Election Boards throughout the year.

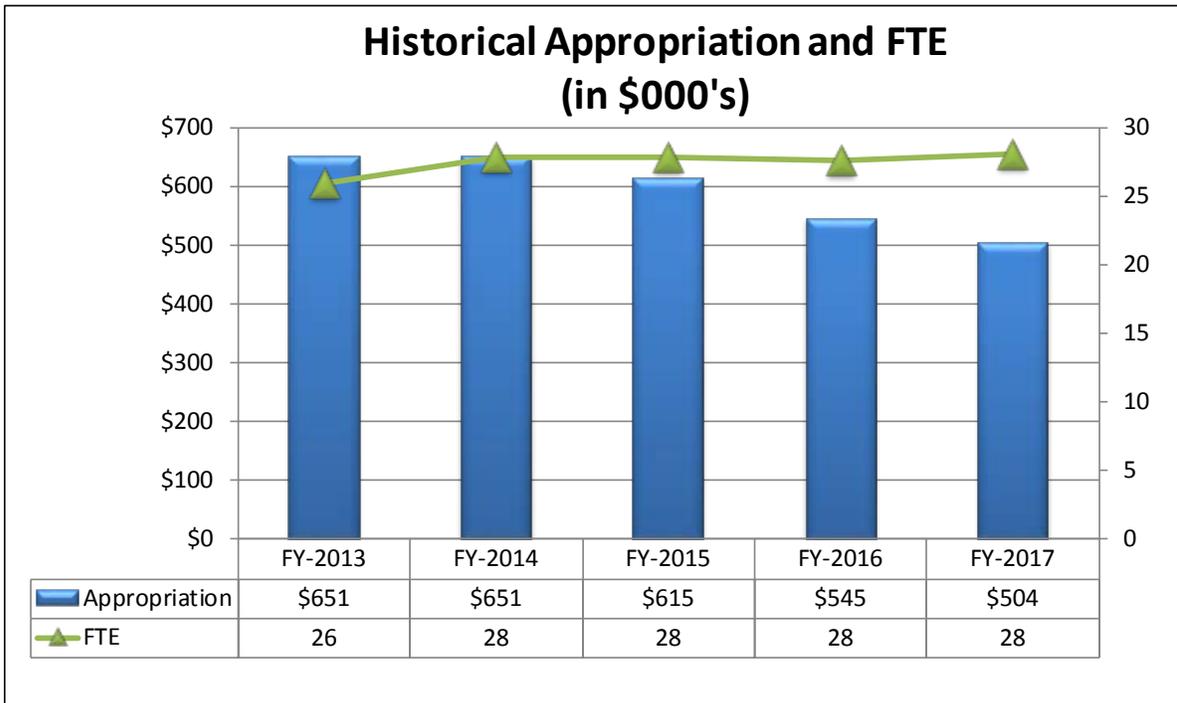
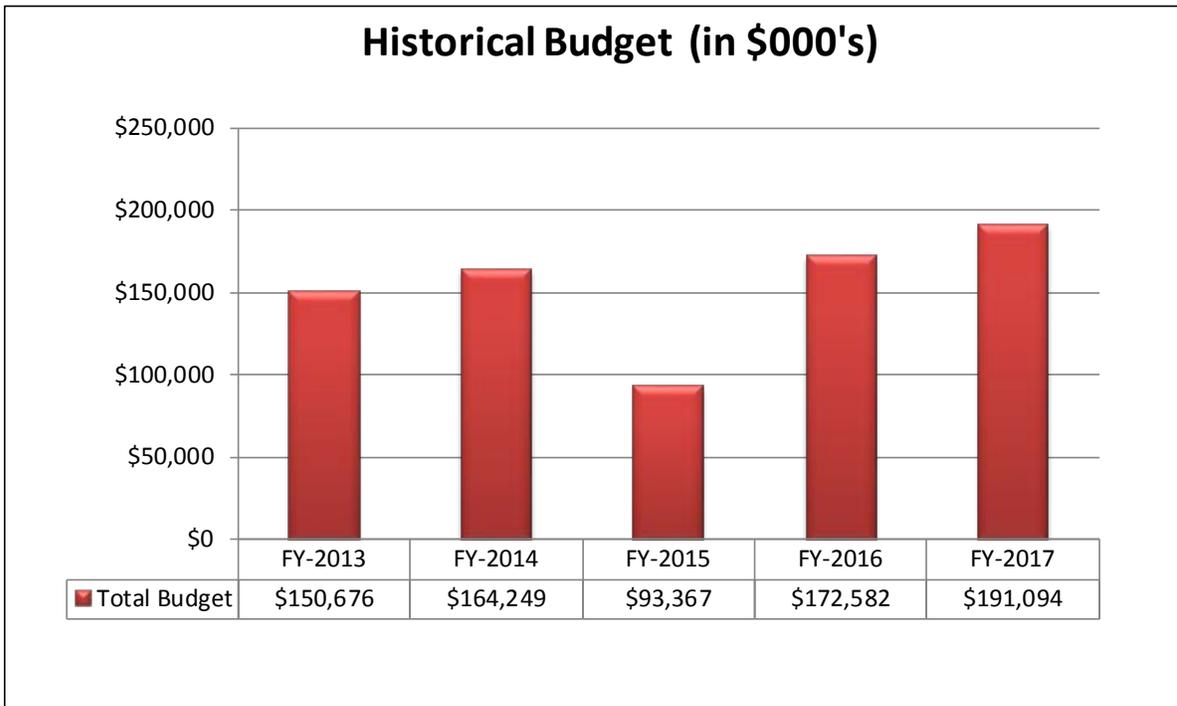
### Major Agency Projects:

The State Election Board will work with the Department of Public Safety to develop and launch an online voter registration application system if technologically and financially feasible.

### Savings, Efficiencies and Shared Services:

- The State Election Board utilizes many shared services through OMES that includes telecommunication services such as email and telephone;
- Contracted with OMES for financial services, including budget preparation and accounts payable; and
- Contracted with the Attorney General's office for half-time legal services.

# Emergency Management, Oklahoma Department of



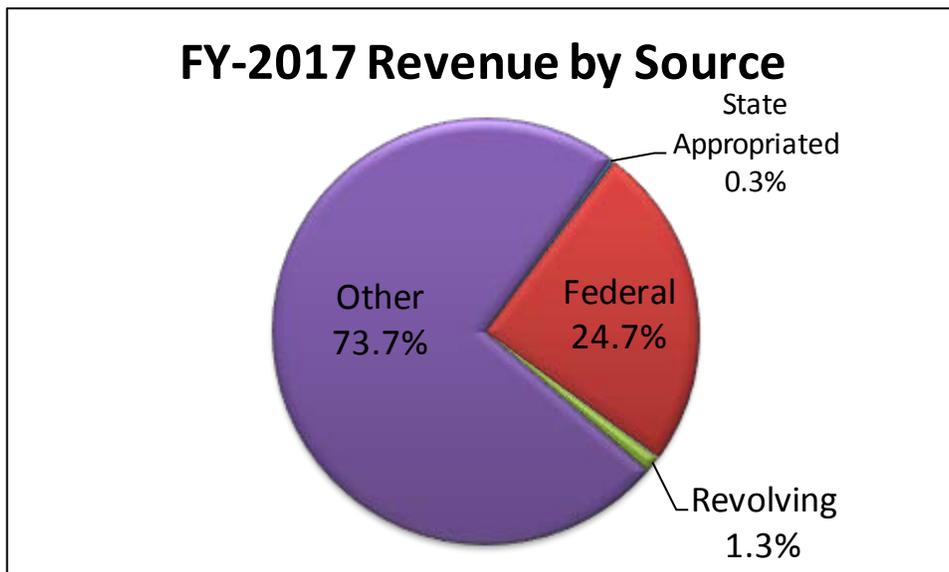
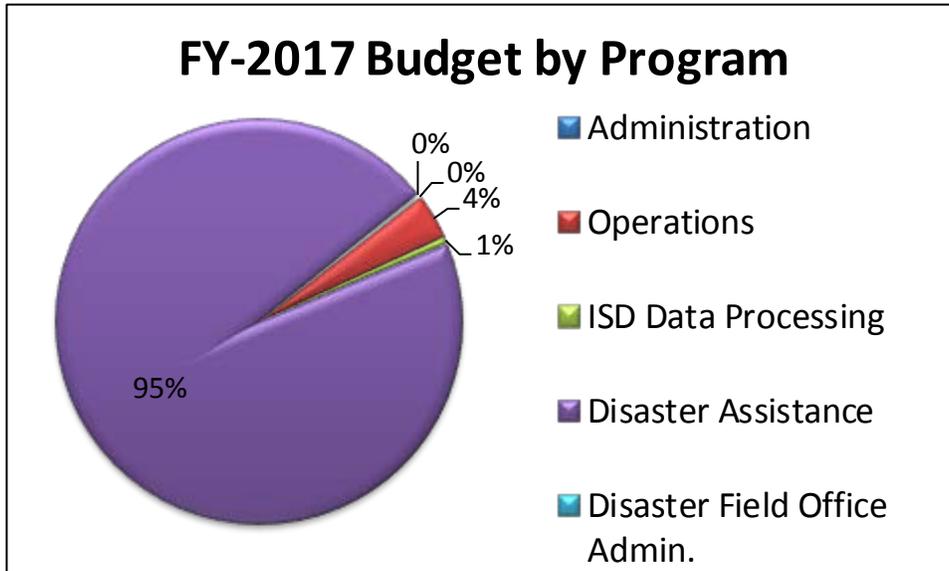
## Mission:

The Oklahoma Department of Emergency Management (OEM) is required by law to prepare for, respond to, recover from, and mitigate against any natural or manmade disaster which can affect the citizens of Oklahoma.

# Emergency Management, Oklahoma Department of

## Programs:

- Administration
- Operations
- State Disaster Relief
- Disaster Assistance
- ISD Data Processing



# Emergency Management, Oklahoma Department of

## **Accomplishments Over the Past Year:**

- Last year, OEM delivered more than \$76 million in federal disaster assistance and \$4 million in state disaster assistance through the State Emergency Fund. This disaster assistance benefitted individuals and business owners, as well as municipalities, counties, school districts, rural water districts, tribal nations, and electric cooperatives impacted by Oklahoma disasters and emergencies including tornadoes, wildfires, floods and ice storms.
- A total of 88 local jurisdictions were approved to receive \$1.9 million to fund local emergency management programs through the Emergency Management Performance Grant (EMPG), funded by the Federal Emergency Management Agency (FEMA). The EMPG program has a minimum 50% local cost-share requirement.
- The SoonerSafe Safe Room Rebate Program allowed Oklahomans to further benefit from the nationally acclaimed initiative first born here following the May 1999 tornado outbreak. The program provides a 75% rebate, up to \$2,000, to eligible Oklahomans who install safe rooms. More than 50,000 people have registered for the program since its launch in 2011, with more than \$5 million in safe room rebates delivered to Oklahoma homeowners.
- OEM will surpass the goal of six closeouts again in FY-2016. It is projected that up to five Public Assistance Grants and five Hazard Mitigation grants will be closed by June 30, 2017.

## **Goals For The Upcoming Year:**

- Close out a minimum of three Hazard Mitigation Grants and three Public Assistance Grants;
- Continue to support local emergency management programs through the EMPG program;
- Continue to implement the SoonerSafe Safe Room Rebate Program; and
- Continue to promote, implement, and enhance the new mobile app, OK Emergency.

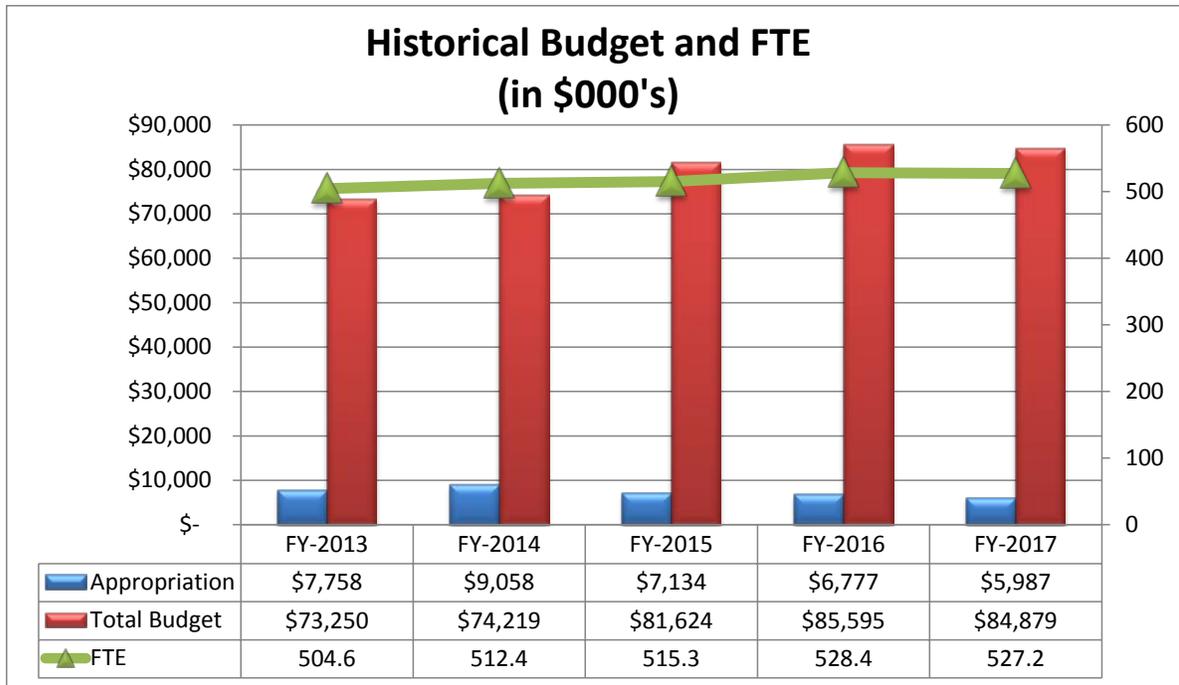
## **Major Agency Projects:**

- Safe Schools 101 trains architects, engineers, emergency managers, and other local officials to assess school buildings for safe refuge areas already existing in schools as well as options for new safe rooms. Classes feature lecture, hands-on exercises and onsite assessments for local schools.
- OK Emergency mobile app, completed in 2015, provides severe weather preparedness information for Oklahomans before a disaster and the latest updates from emergency management partners when a disaster occurs. The Department can also collect photos and description of damage from residents or others after a disaster.
- OEM distributes an average of \$70 million in Public Assistance and Hazard Mitigation grants to sub-recipients annually.
- Working with the Oklahoma 9-1-1 Authority to support 9-1-1 services in Oklahoma; and
- Continue to develop the Earthquake Addendum to the State Emergency Operations Plan.

## **Savings, Efficiencies and Shared Services:**

- Utilized the State Attorney General's Office for legal services;
- Worked on converting disaster and program grant payments to electronic payments for counties and cities;
- Used the Human Capital Management division of the Office of Management and Enterprise Services (OMES) to provide human resource services and payroll tax assistance;
- Worked with the Capital Assets Management division of OMES for motor pool services; and
- Used the State Auditor and Inspector for auditing services.

# Department of Environmental Quality



## Mission:

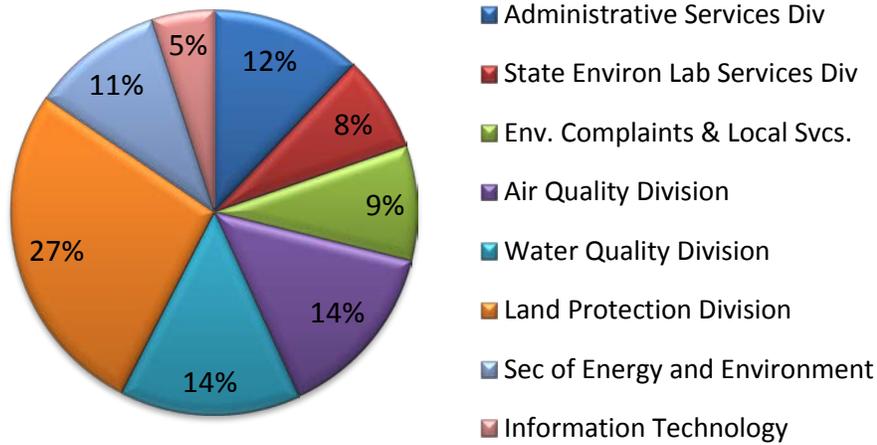
The mission of the Oklahoma Department of Environmental Quality (DEQ) is to enhance the quality of life in Oklahoma and protect the health of its citizens by protecting, preserving and restoring the water, land and air of the state, thus fostering a clean, attractive, healthy, prosperous and sustainable environment.

## Programs:

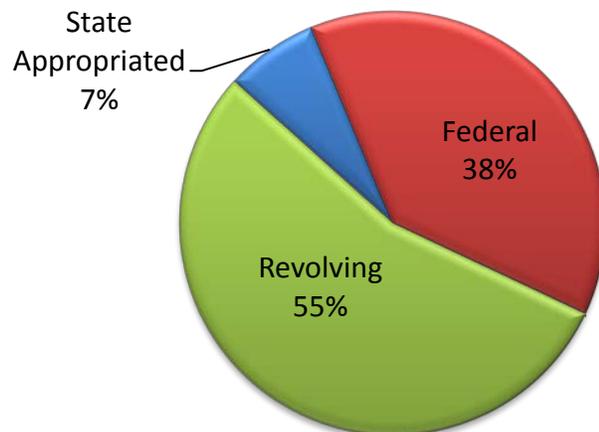
- Administrative Services Division
- State Environmental Lab Services Division
- Environmental Complaints & Local Services
- Air Quality Division
- Water Quality Division
- Land Protection Division
- Secretary of Energy and Environment
- Information Technology

# Department of Environmental Quality

## FY-2017 Budget by Program



## FY-2017 Revenue by Source



### Accomplishments Over The Past Year:

- Offered solid waste grants for which communities can apply and produce notable results through DEQ's partnerships with communities;
- Identified dozens of illegal dumps with three criminal cases referred to the District Attorney's office within 30 days of the program's inception and multiple illegal dumping tickets written;
- Conducted a county-wide trash-off day that resulted in the collection of approximately 2,000 waste tires and 148 tons of trash, including more than 1,500 bags of trash picked up from roadsides and parks;
- Enlisted the help of the Department of Commerce to conduct an in-depth study of DEQ's Brownfields Program which provides a means for private parties and government entities to voluntarily investigate and, if warranted, clean up properties that may be contaminated with hazardous wastes; sites that have been cleaned up have seen multiple benefits, including increased retail sales of \$85 million, a 4,300% growth, or \$260 million in increased sales when including

# Department of Environmental Quality

- bordering properties, \$11.5 million in state sales tax, and \$11.7 million in local sales tax; and
- Implemented a multi-year program to provide cross-training to all divisions on technical subject matter which, now in its sixteenth month, has been extremely well received by employees and has significantly enhanced interdivisional communication and understanding.

## **Goals For The Upcoming Year:**

- Collaborate with the Oklahoma Department of Corrections (DOC) to determine if there are ways to reduce the public water supply regulatory burden on correctional institutions without compromising drinking water safety with a plan to aggressively pursue these discussions with the goal of identifying options and potential solutions during FY-2017; and
- Redesign and update the agency website with easier navigability, enhanced features, and new information to be unveiled and implemented during FY-2017.

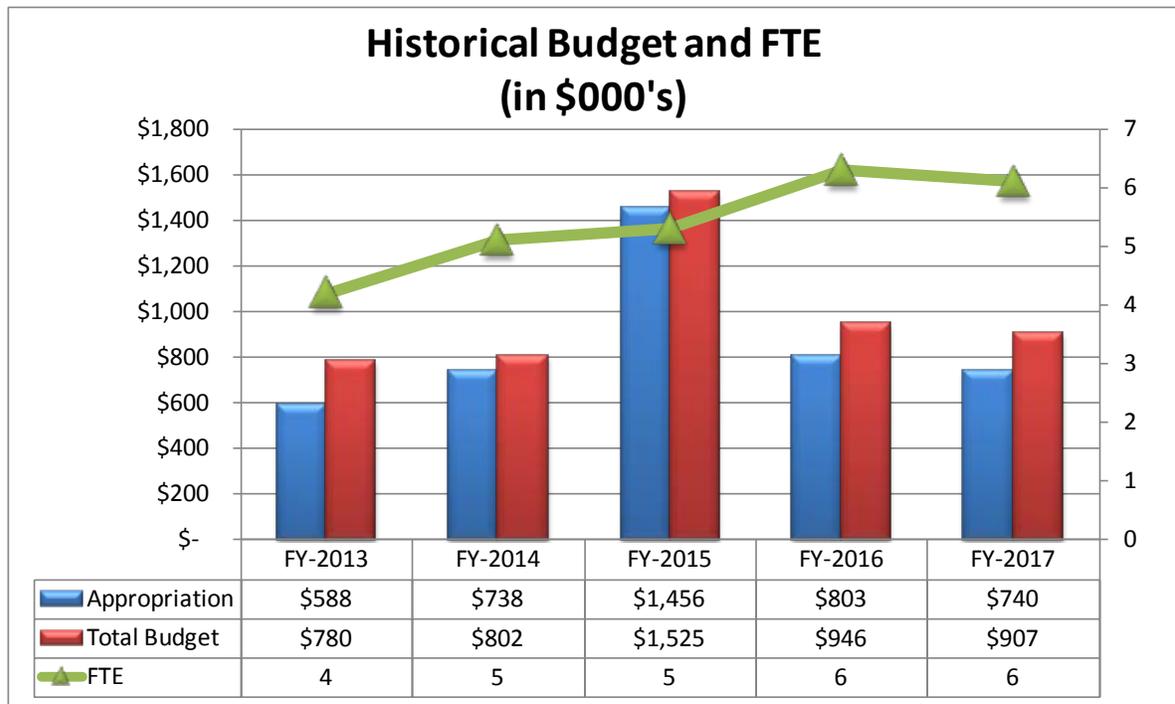
## **Major Agency Projects:**

- Achieving, since October of 2015, environmental remediation of six former National Guard armories, and asbestos and lead paint removal from three municipally owned buildings to allow for their safe reuse;
- Working with the City of Stillwater through an agreement with the city's Parks and Recreation Department for the past few years to clean up the current Sanborn Softball Fields which had average lead concentrations at twice the safe levels for residential areas as a result of former use of part of the land as an outdoor firing range;
- Reviewing monthly operating reports from public water supply systems and providing technical assistance to the small percentage where lead levels represent a potential concern if unaddressed with DEQ engineers working closely with Oklahoma cities that experience lead exceedances in their drinking water to establish a plan to return the water to compliance; and
- Administering the Oklahoma Green Schools Program, this program offers environmental service-learning and hands-on, inquiry-based investigations in areas such as energy, environmental quality, waste and recycling, and water - as well as offering tips, funding sources, educational resources, and sample curricula.

## **Savings, Efficiencies and Shared Services:**

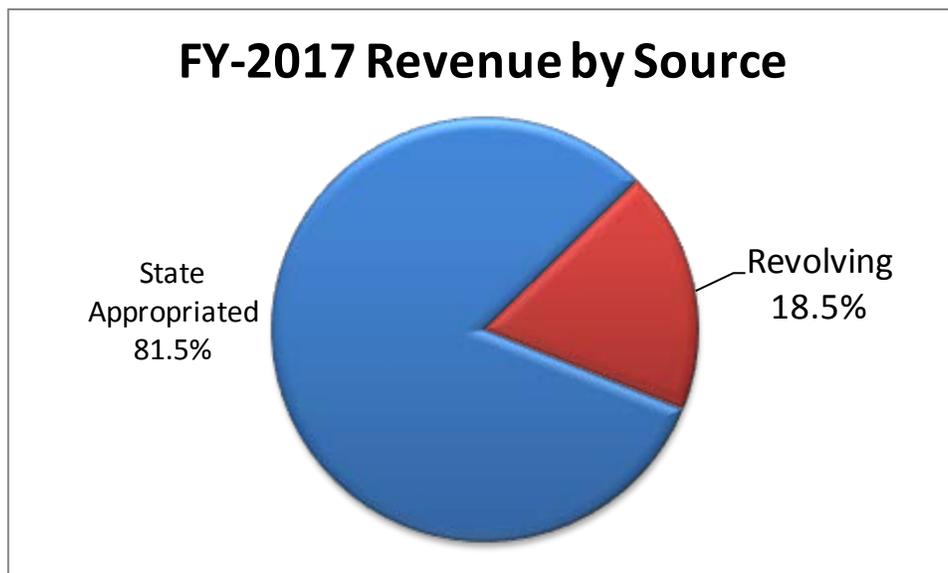
- Surpassed the goal the Governor set for the State of Oklahoma of reducing electrical energy use 20% by 2020 with DEQ working toward achieving a new goal of a 30% reduction in energy use and formulating a plan to help other state agencies achieve energy efficiency goals; and
- Nearing completion of a web-based e-permit management system to support four key air quality permitting processes: construction and operating permits for minor sources, oil and gas general permits, area source general permits, and operating permits for Title V facilities.

# Ethics Commission



## Mission:

The Oklahoma Ethics Commission is created by Article 29 of the Oklahoma Constitution. It has the constitutional mission to promulgate rules of ethical conduct for state officers, employees, campaigns for elective state office, initiatives and referenda, including civil penalties for violations. An additional part of its constitutional mission is to investigate and, when appropriate, prosecute alleged violations of those rules in district court.



## Accomplishments Over The Past Year:

- Engaged an in-depth review of the Financial Disclosure Rules for State Officers, Employees and Candidates. After public hearings, the ethics rules related to financial disclosure were repealed

# Ethics Commission

and replaced. The changes removed time-consuming requirements for every state agency, board, and commission;

- Began routinely reviewing reports filed with the Commission to increase compliance with proper reporting and disclosure rules;
- Implemented an administrative hearing process for compliance orders issued to gain compliance with the rules for issues like filing reports late, failing to file reports, or other issues that do not rise to the level of needing investigations and district court involvement;
- Filed a lawsuit in the District Court of Oklahoma County concerning the misuse of campaign funds- the first lawsuit filed by the Commission in approximately 20 years; and
- Successfully transitioned all committees formed prior to January 1, 2015 to a new reporting system.

## **Goals For The Upcoming Year:**

- Review the application of the new campaign finance rules to the 2016 election cycle and engage in rulemaking to clarify rules, correct rules, and implement new rules where needed. The Commission must engage and complete rulemaking of campaign finance law to ensure any rule changes are in place prior to the 2018 election cycle;
- Begin systematic review of campaign finance reports of candidates in the current election cycle and broaden the review to include all candidate committees regardless of election cycle, political action committees, and political party committees;
- Replace ad hoc continuing education programs with routine programs held throughout the year; and
- The Commission will work to ensure the new financial disclosure process is a smooth transition.

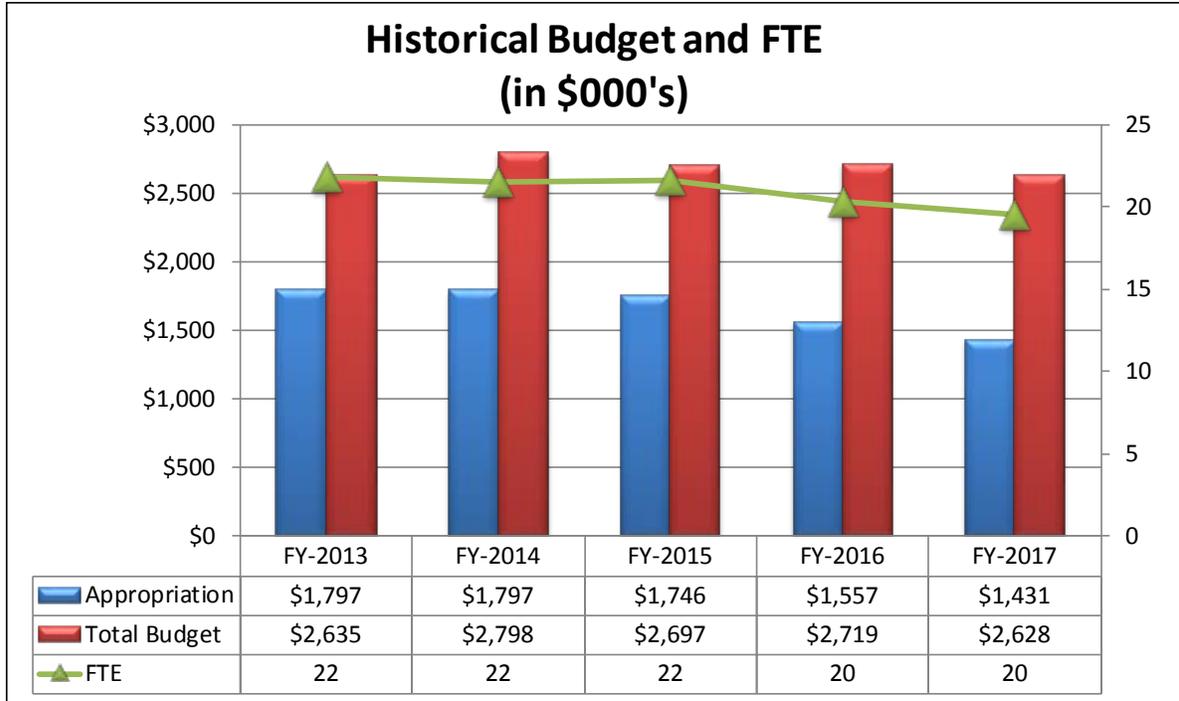
## **Major Agency Projects:**

- Modify the online filing and disclosure system to accommodate the new financial disclosure rules and ensure a smooth transition for the filers;
- Engage in a review of the application of the new campaign finance rules and revise rules as needed to ensure any rule changes impacting campaign finance law are in place prior to the 2018 election cycle; and
- Implement compliance review processes of political action committees, candidate committees, political party committees, and lobbyists/liaisons that file with the Commission.

## **Savings, Efficiencies and Shared Services:**

- The Commission continues to contract with OMES/ABS, OMES/HR, and OMES/ISD for services to allow Commission personnel to focus on core commission responsibilities.

# Fire Marshal, Oklahoma State

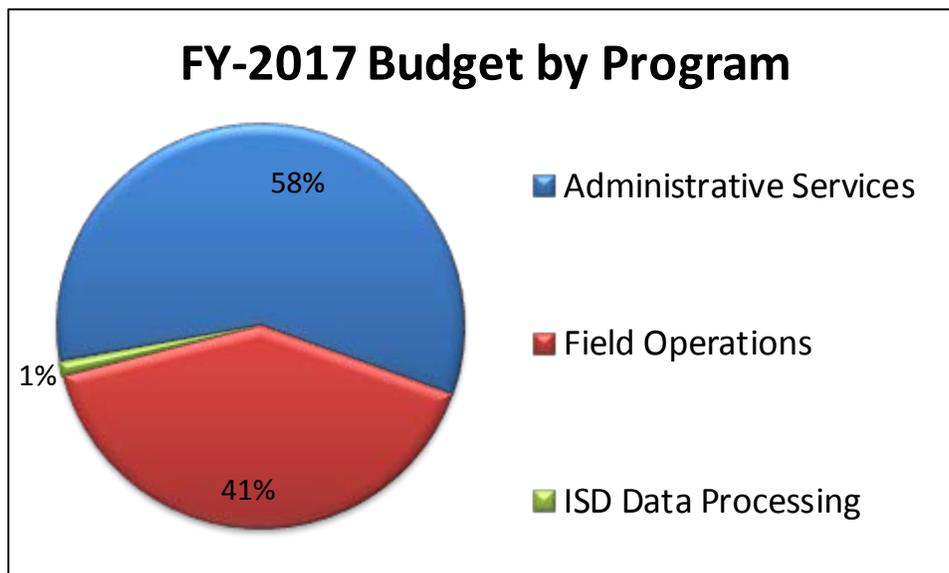


## Mission:

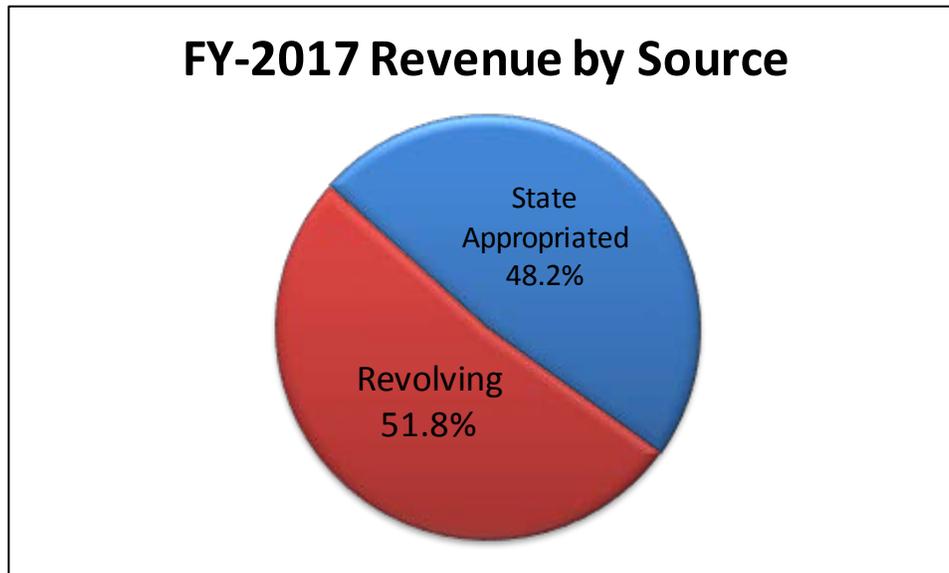
The Oklahoma State Fire Marshal's (OSFM) mission is to promote safety and awareness and reduce the loss of lives and property to the citizens and businesses of Oklahoma through public education, investigations, inspections, building plan reviews, code assistance/enforcement, and statistical data collection.

## Programs:

- Administrative Services
- Field Operations
- ISD Data Processing



## Fire Marshal, Oklahoma State



### **Accomplishments Over the Past Year:**

- Introduced iPads for field personnel to promote wireless communications, reduced paper use, and quicker report preparation and submittal.
- Increased annual fire department mandatory reporting up to 87% statewide;
- Leased CNG vehicles from the Office of Management and Enterprise Services (OMES) for several field personnel to promote the Governor's Natural Gas Vehicle Initiative; and
- Implemented licensing programs for Fireworks Display Operators (Shooters) and the Fire Extinguisher Industry.

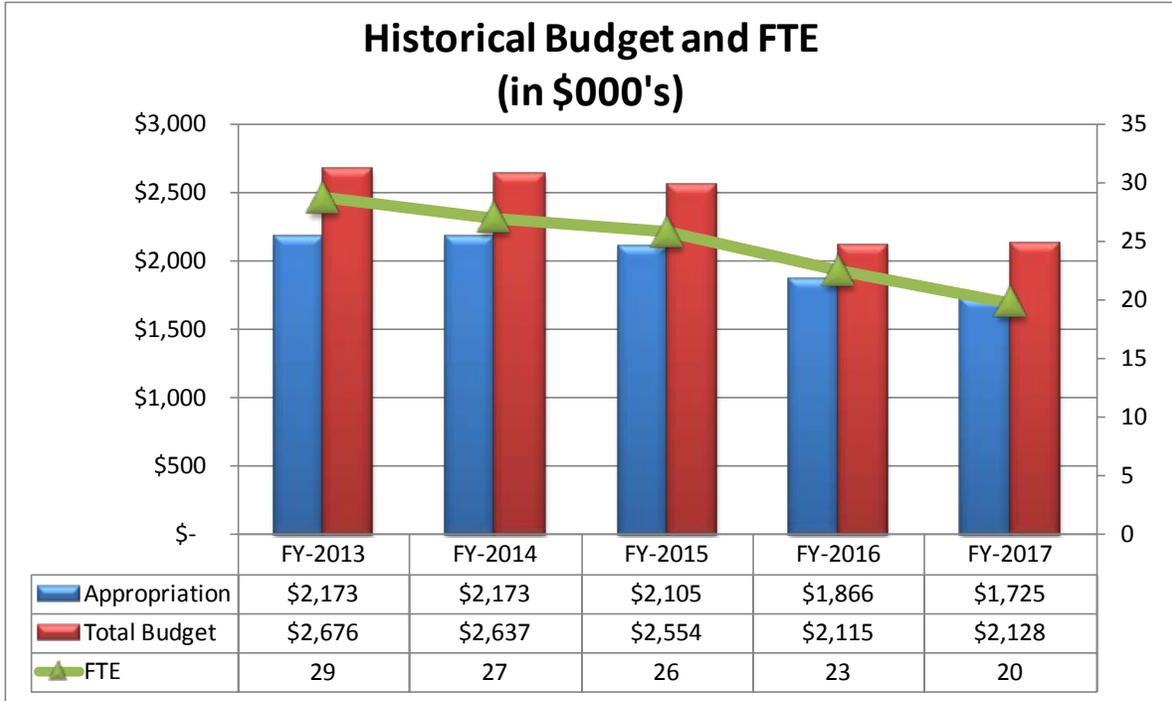
### **Goals For The Upcoming Year:**

- Obtain a pole camera search system to assist with fire investigations and life safety code inspections;
- Decrease the required number of pages submitted with building plans to reduce paper and simplify the plan review process;
- Provide training for agency personnel for fire extinguisher industry licensing and suppression system inspections; and
- Develop curricula for an 80-hour fire investigation course and an eight to sixteen hour introduction to fire investigation course for statewide fire departments and law enforcement entities.

### **Major Agency Projects:**

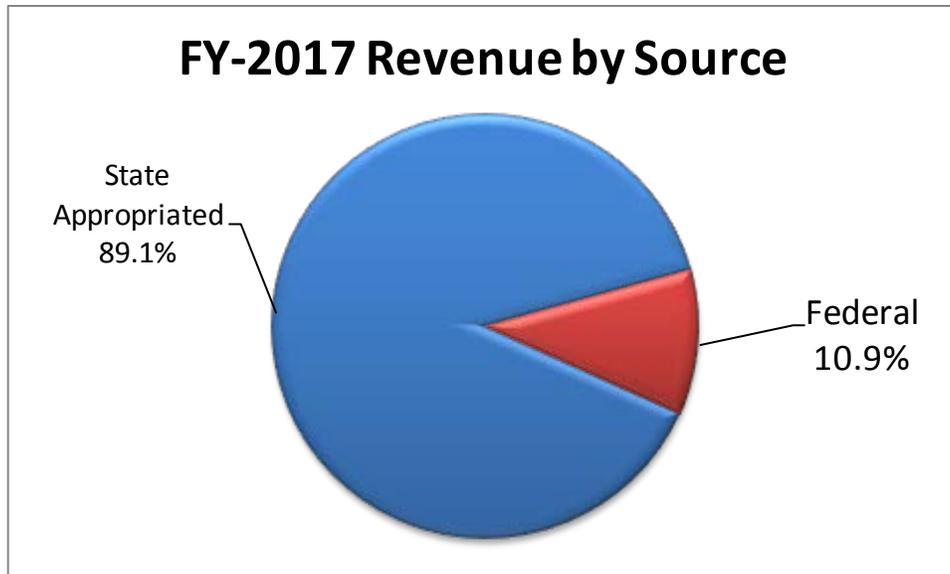
- Implementation of statewide VHF radio communication network; and
- Upgrading the mobile communications trailer.

# Governor



## Mission:

As the Commander-in-Chief of the militia of the State, and the Supreme Executive power of the State, the Governor is vested with the authority to cause the laws of the State to be faithfully executed.



As Chief Magistrate of the State, the Governor is vested with “the Supreme Executive Power” by the Oklahoma Constitution.

At the beginning of each Legislative Session, the Governor presents budget recommendations and reports on the condition of the State of Oklahoma. Throughout the Legislative Session, every bill passed by the Legislature is sent to the Governor for review. At that time, the Governor signs the bill to approve it as law, or vetoes the bill sending it back to the Legislature, which can override a gubernatorial veto by a two-thirds vote.

# Governor

When any state office becomes vacant, the Governor, unless otherwise provided by law, appoints a person to the vacancy, in certain instances by consent of the Senate. Furthermore, the Governor serves as Commander in Chief of the state militia.

## **Additional duties of the Governor include:**

- Being available as an interface to the public to help access state government;
- Conducting the business of Oklahoma with other states;
- Granting commutations, pardons and paroles, and processing extraditions;
- Approving agency rules;
- Negotiating tribal compacts;
- Conserving the peace throughout the state; and
- Issuing executive orders on various matters including emergency declarations.

## **The Governor presides over, or is a member of, the following state boards and commissions:**

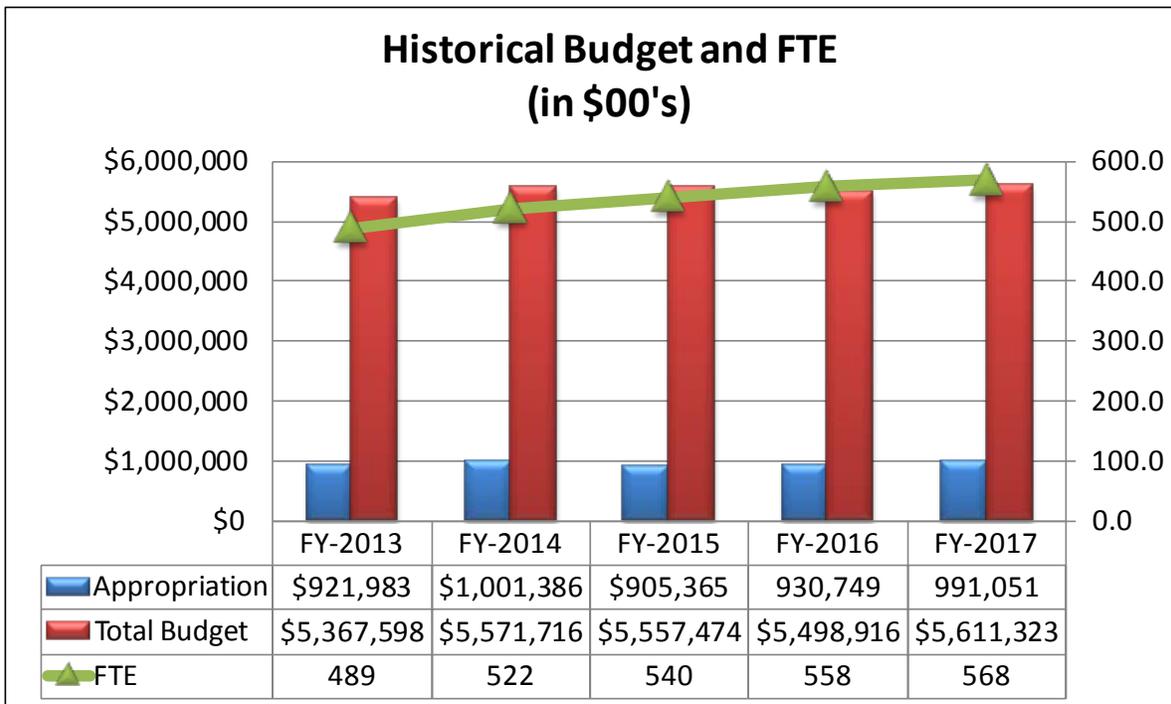
- Capital Improvement Authority (73 O.S. 152)
- Commissioners of the Land Office (70 O.S. 611)
- Contingency Review Board (74 O.S. 3605)
- Education Commission of the States (70 O.S. 506.1)
- Interstate Oil and Gas Compact Commission (52 O.S. 201)
- Oklahoma Capitol Complex Centennial Commission (73 O.S. 98.2)
- Oklahoma Historical Society (53 O.S. 1.6)
- Oklahoma Turnpike Authority (69 O.S. 1703)
- Southern Regional Educational Compact (70 O.S. 2127)
- Southern States Energy Board (74 O.S. 1052)
- State Board of Equalization (Article 10, Section 21)
- Transportation Commission (69 O.S. 302)

For more information, visit the [Governor's website](#).

## **Savings, Efficiencies and Shared Services:**

- Continued to drastically reduce paper usage by increasing electronic record keeping, submitting digital-only versions of record requests, streamlining invoice payments through electronic processing, and exclusive use of the state purchase card for every transaction that allows electronic payment;
- Eliminated all non-essential travel;
- Consolidated large-scale projects to one central printer/scanner/copier, reducing operations expenses;
- Combined multiple open FTEs into current positions instead of filling vacancies to reduce payroll expenses;
- Leased a CNG vehicle for daily travel, drastically reducing fuel costs; and
- Utilized shared services through the Office of Management and Enterprise Services (OMES) for all accounting, human resources, IT and purchasing.

# Health Care Authority



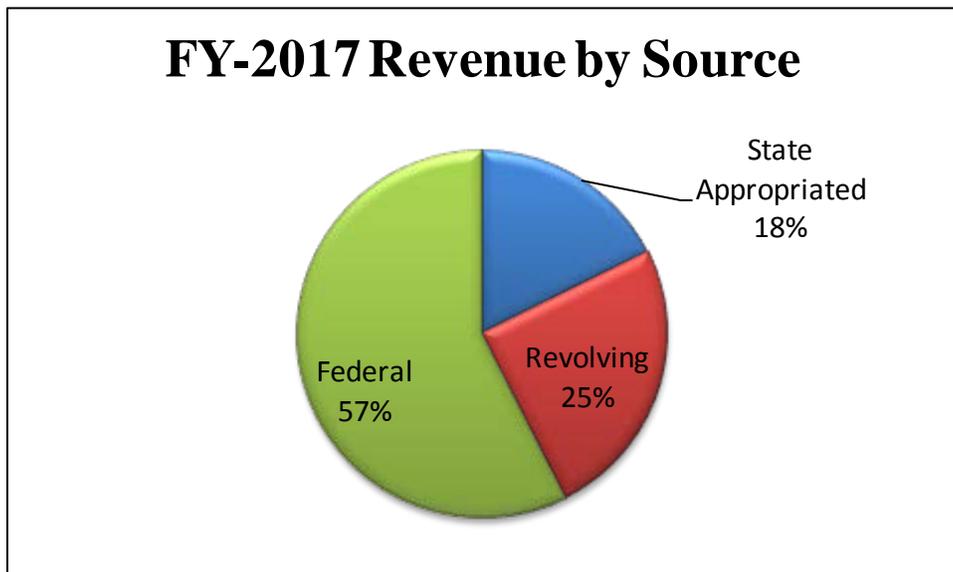
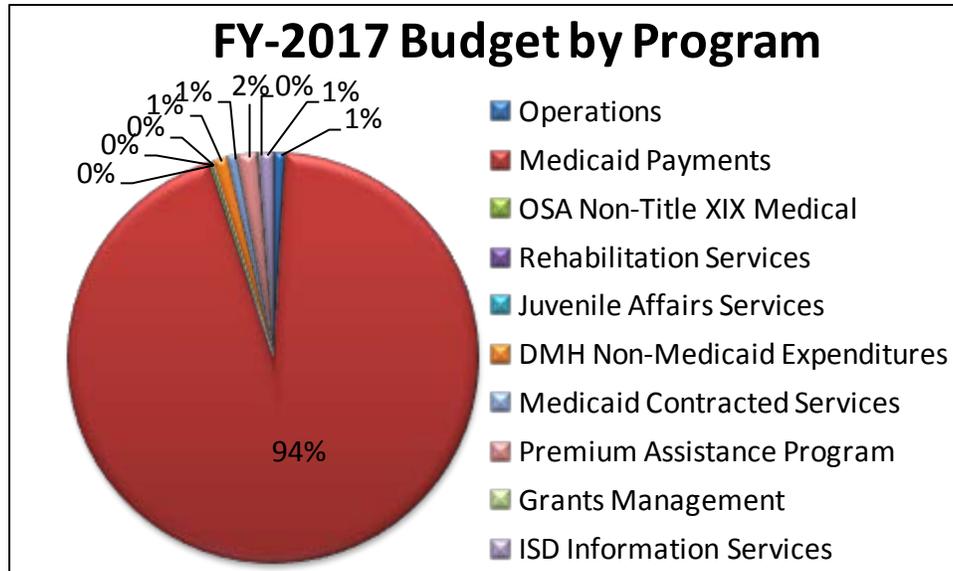
## Mission:

The mission of the OHCA is to responsibly purchase state and federally funded health care in the most efficient and comprehensive manner possible; to analyze and recommend strategies for optimizing the accessibility and quality of health care; and to cultivate relationships to improve the health outcomes of Oklahomans.

## Programs:

- SoonerCare Choice
- SoonerCare Traditional
- SoonerCare Supplemental
- SoonerPlan
- Oklahoma Cares
- Soon-to-be-Sooners
- Insure Oklahoma Employer-Sponsored Insurance (ESI)
- Insure Oklahoma Individual Plan (IP)

# Health Care Authority



## Accomplishments Over The Past Year:

- Services provided to 1,052,826 unduplicated members enrolled in SoonerCare (including Insure Oklahoma);
- Saw 32,574 enrollees participate in the Insure Oklahoma program after increased outreach efforts and expansion of the employer size to 250;
- Increased case management services to High-Risk and At-Risk OB members by 75% and 178% respectively;
- Served 77,347 members through the SoonerPlan Program with 260,520 served since the inception of the program in 2005;
- Provided services through Oklahoma Cares, OHCA's Breast and Cervical Cancer treatment program, to 847 members during FY-2016, serving 29,990 since January 2005 when the program was implemented;
- Grew total enrollment in the Health Management Program by more than 5% and the number of members receiving case management services from the Chronic Care Unit grew by 353;

# Health Care Authority

- Increased the number of online enrollment applications from 210,571 in FY-2015 to 383,914 in FY-2016, an 82% increase;
- Saw a 9% increase in home online enrollment applications from 61% in FY-2015 to 70% in FY-2016;
- Completed online enrollment for the Insure Oklahoma Program with over 1,200 members enrolled utilizing this electronic application;
- Experienced a 6% increase in the number of members utilizing Tobacco Cessation Benefits with 28,464 members participating;
- Decreased the number of Emergency Department visits by 2,654 from FY-2014 to FY-2015; and
- Implemented Connect4Health text messaging program.

## **Goals For The Upcoming Year:**

- Continue the Money Follows the Person program for tribal partners including working with eligible tribes and tribal organization partners to design an effective and culturally sensitive package of Medicaid community-based long-term services and supports that will eliminate barriers which prevent the use of Medicaid funds to support tribal members with long-term needs and strengthen the ability of state Medicaid programs to respond to the unique needs of tribal communities;
- Continue to collaborate with other state agencies to achieve the goals outlined in the SIM grant;
- Update the SoonerCare Choice Patient Centered Medical Home program payment structure in order to meet the requirements of the Comprehensive Primary Care Plus Initiative, an initiative which, in an earlier phase, resulted in 34 SoonerCare Choice locations receiving a payment due to Medicare shared savings; and
- Redesign the agency communication infrastructure to allow for the support of digital communication efforts, better coordination, assist with outreach and external customer service, and increase efficiency and cost savings from consolidating multiple systems into one.

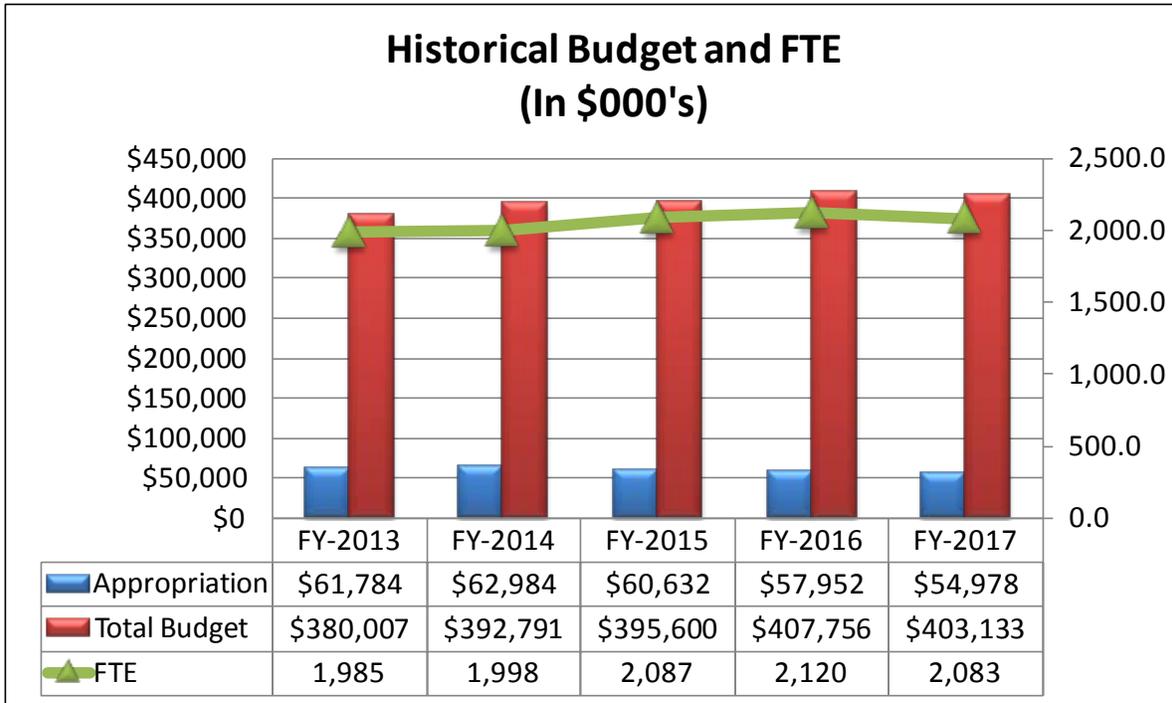
## **Major Agency Projects:**

- Implementing House Bill 1566, Aged, Blind and Disabled Care Coordination;
- Compiling the report required under HB2962 in regard to applied behavior analysis treatment of autism spectrum disorders;
- Overseeing the automation of prior authorizations;
- Continuing the Opioid and Drug Initiative; and
- Collaborating with the Oklahoma State Department of Health on quality improvement workgroups focusing on prescription drug abuse, tobacco cessation, childhood obesity, diabetes/hypertension, and child immunizations.

## **Savings, Efficiencies and Shared Services:**

- Saved more than \$111 million through the State Maximum Allowable Cost program by limiting the price of generic drugs in FY-2016;
- Achieved net savings of \$2.7 million during the initial 24 months of operation of the SoonerCare Chronic Care Unit;
- Avoided \$41.2 million in medical costs through the Health Management Program as of the end of FY-2015; and
- Continued enhancements to the Online Enrollment system have helped keep administrative costs down while making the enrollment and renewal processes easier for members and partner agencies.

# Oklahoma State Department of Health



**Mission:**

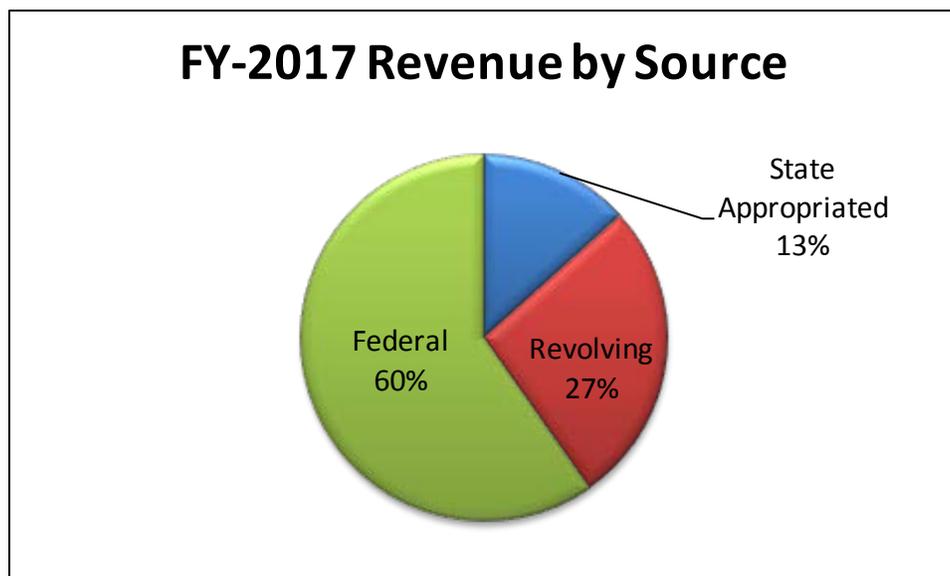
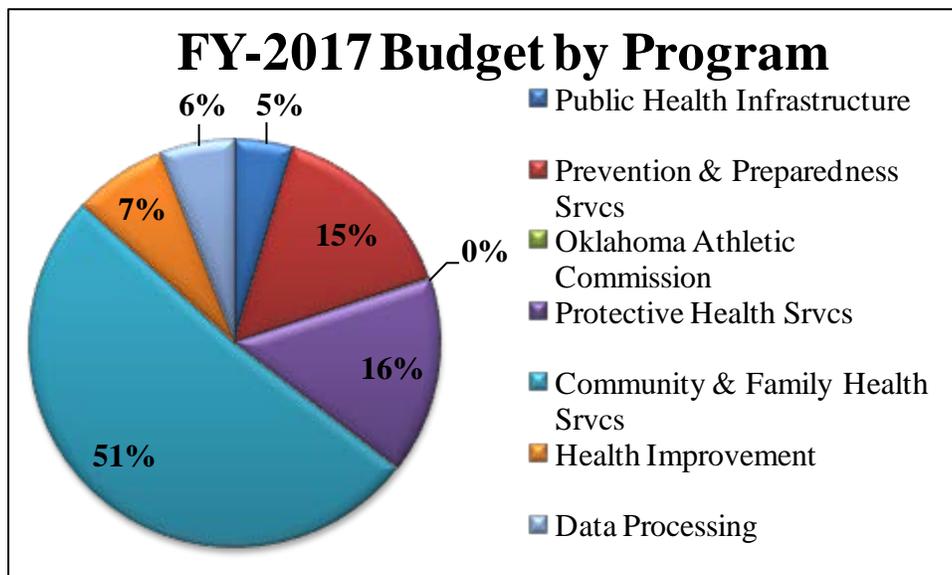
To protect and promote health, to prevent disease and injury, and to cultivate conditions by which Oklahomans can be healthy.

**Programs:**

- Community and Family Health Services:
  - Child Guidance Services
  - County Health Departments
  - Dental Health Services
  - Family Support & Prevention Services
  - Maternal and Child Health Services
  - Nursing Services
  - Records Evaluation and Support
  - Sooner Start Services
  - Women, Infants and Children (WIC)
  - Screening and Special Services
- Health Improvement:
  - Center for the Advancement of Wellness
  - Center for Health Innovation and Effectiveness
  - Center of Health Statistics
  - Partnerships for Health Improvement
- Office of State Epidemiologist:
  - Acute Disease Services (Infectious Disease Control)
  - Emergency Preparedness and Response Services
  - HIV/STD Services (Surveillance and Prevention)
  - Immunization Services
  - Public Health Laboratory

# Oklahoma State Department of Health

- Protective Health Services:
  - Consumer Health (Restaurant and Motel Inspections Sanitarians)
  - Health Resources Development Services
  - Long Term Care Services
  - Medical Facilities
  - Quality Improvement Evaluation Services
  - Injury Prevention Services
- Public Health Infrastructure:
  - Office of the Chief Operating Officer
  - Human Resources
  - Building Management
  - Financial Management Services
  - Vital Records
  - Communications



# Oklahoma State Department of Health

## **Accomplishments Over The Past Year:**

- Decreased birth rates for adolescents age 15-17 from 20.2 in 2013 to 16.2 according to 2015 provisional data, surpassing the target goal of 19.2 set for 2020;
- Reduced maternal deaths per 100,000 from 25.0 in 2013 to 16.2 according to 2015 provisional data, surpassing the target goal of 23.1 for 2020; and
- Continued to work with birthing hospitals to reduce non-medically necessary births prior to 39 weeks with noted success during the beginning four-year period of this project, with early elective deliveries prior to 39 weeks reduced by 96% among participating hospitals.

## **Goals For The Upcoming Year:**

- Reduce adult smoking prevalence from 22.2% in 2015 to 18% by 2020;
- Decrease high-school aged smoking rates from 14.06% in 2015 to 10% by 2020;
- Shrink middle-school aged smoking rates from 4.1% in 2015 to 2% by 2020;
- Cut adolescent obesity from 11.56% in 2015 to 10.6% by 2020;
- Decrease adult obesity from 34% in 2015 to 29.5% by 2020;
- Reduce infant mortality from 7.4 per 1,000 live births in 2015 to 6.9 per 1,000 live births by 2020;
- Bring maternal mortality down from 24.7 per 100,000 live births to 23.1 per 100,000 live births by 2020;
- Decrease the percentage of untreated mental illness from 86% to 76% by 2020;
- Reduce the prevalence of addiction disorders from 8.8% to 7.8% by 2020;
- Limit suicide deaths from 23.64 per 100,000 in 2015 to 19.4 per 100,000 by 2020;
- Reduce unintentional poisoning deaths from 19.26 per 100,000 in 2015 to 17.7 per 100,000 in 2020;
- Decrease cardiovascular deaths from 289.8 in 2014 to 236.9 by 2020;
- Reduce potentially preventable hospitalizations, per 100,000, from 1,836.2 to 1,468.96 in 2020; and
- Limit annual state-purchased healthcare cost growth to 2% less than the projected national health expenditures average annual percentage growth rate as set by CMS by 2020.

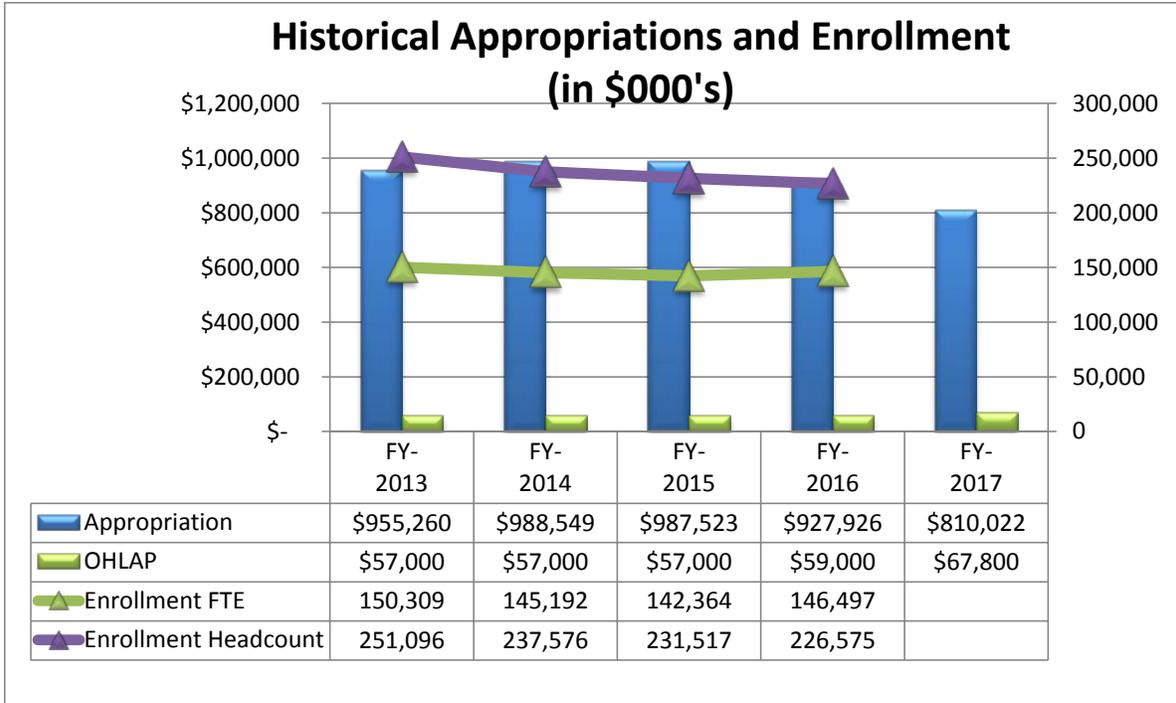
## **Major Agency Projects:**

- Continuing the national Collaborative Improvement and Innovation Networks (COIN) to reduce infant mortality by focusing on preconception/interconception care, prematurity, safe sleep, and social determinants of health;
- Launching the Health In All Policies (HiAP) project that is integrated with Governor Fallin's Oklahoma Works program;
- Completing a 16 month National Governors Association (NGA) Workforce Policy Academy in which an action plan for health workforce was developed with implementation continuing in FY-2017; and
- Implementing Fitness Gram in schools across Oklahoma in 2015 and 2016 leading to 326 school sites signing memorandums of understanding, 276 schools trained, and 208 individual students assessed.

## **Savings, Efficiencies and Shared Services:**

- Saved almost 17,000 work hours annually across the Department Electronic Vital Records;
- Increased the percentage of electronic death records to 75% in 2014, up from 10% in 2011; and
- Decreased the median number of days from death to registration from 11 in 2014 to 10 in 2016.

# State Regents for Higher Education

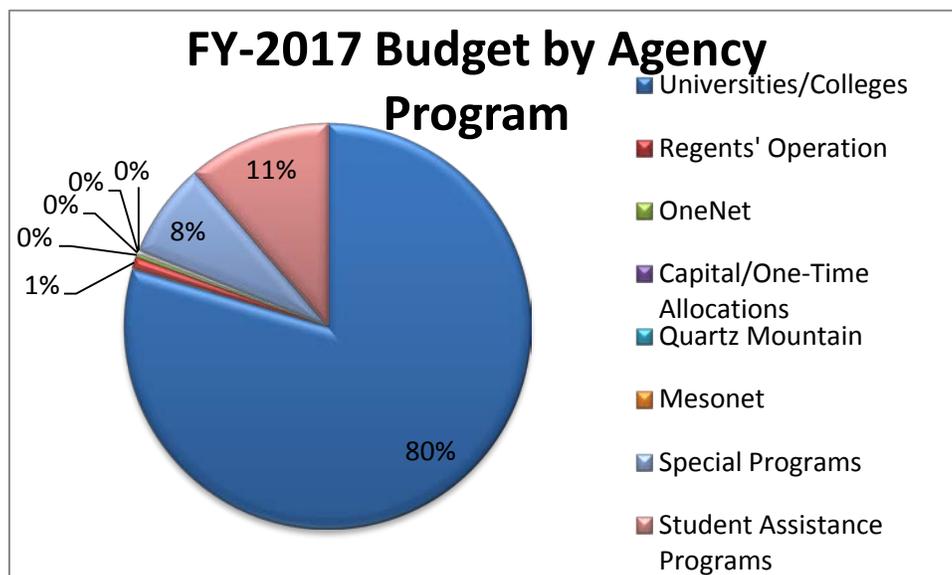


## Mission:

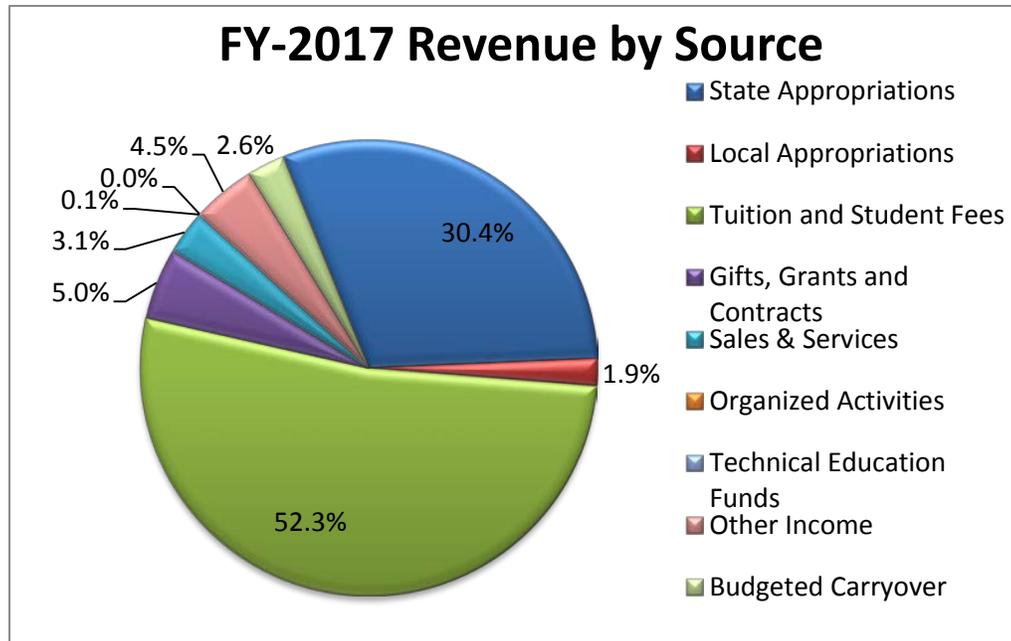
The mission of the Oklahoma State Regents for Higher Education (OSRHE) is to build a nationally competitive system of higher education that will provide education programs and services universally recognized for excellence, expand frontiers of knowledge, and enhance quality of life.

## Programs:

The OSRHE system is comprised of 25 colleges and universities, including two research universities, 11 regional universities, and 12 community colleges.



## State Regents for Higher Education



### Accomplishments Over The Past Year:

- Exceeded the Oklahoma's higher education Complete College America system degree completion goal for a third consecutive year. Oklahoma higher education institutions had a degree completion increase of 1,842, exceeding the 1,700 goal set by Complete College America Initiative.
- According to "Enterprising States," a project of the US Chamber of Commerce and the National Chamber Foundation, Oklahoma is ranked 5th lowest in college affordability and 17th in STEM job growth.
- The US Department of Education and the National Center for Education Statistics ranked Oklahoma 3rd (\$13,005) in the country for average student cost of public four-year institutions.
- Institute for College Access and Success reports that Oklahoma is ranked 5th in the nation with the lowest amount of student debt - average student debt at state system schools being 33% below the national average.
- Forbes Magazine ranks Oklahoma as 2nd in the nation for the best state for recent graduates to locate and secure employment since 2008.
- Utilization of Performance Funding Formula that emphasizes outcome measures for Oklahoma higher education institutions to receive additional funding. Oklahoma's Performance Funding Formula has been recognized by several national groups, including the U.S. Business Roundtable as "lead(ing) the nation in developing and implementing a performance funding for higher education."

### Goals For The Upcoming Year:

- Build on the increase in number of degrees and certificates earned by at least 1,700 each year under the Complete College America initiative;
- Continue to ensure a seamless transfer of credit among institutions in our state system through the Course Equivalency Project with a special emphasis on on-line courses;
- Provide additional resources to continue support for growth in concurrent enrollment program; and
- Provide additional Summer Academies throughout the higher education system with an emphasis on the Governor's STEM education initiative.

# State Regents for Higher Education

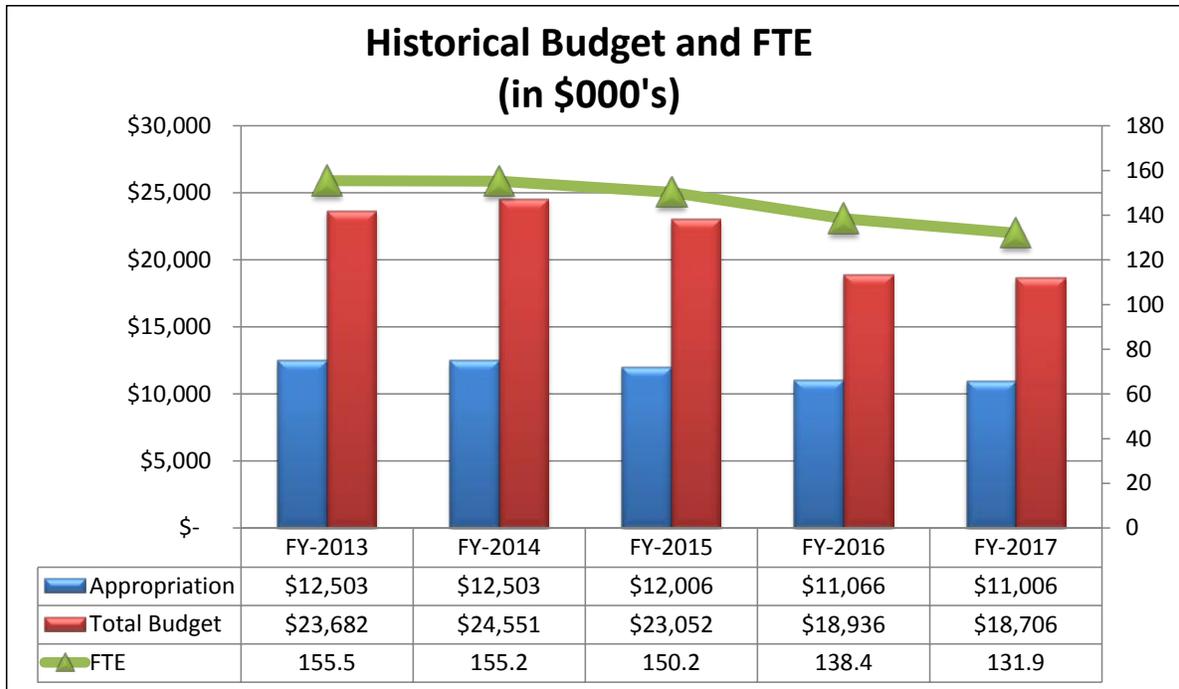
## **Major Agency Projects:**

- The highest agency priority continues to be the Complete College America Initiative. Complete College America is the most comprehensive and ambitious higher education initiative ever undertaken by the state of Oklahoma. The goal is to increase the number of degrees and certifications earned in Oklahoma by 1,700 per year for 12 years, resulting in a 67% increase by 2023. The Complete College America (CCA) initiative is part of a unified economic policy that involves the Governor, postsecondary education, career-tech, and business and industry. Working through the CCA leadership team and key Cabinet officials, the call has come from the Governor for these priorities to be central to job creation and workforce development in the present and future. The CCA and the National Governors Association's Complete to Compete action plan is an acceleration of efforts to make significant improvements to two critical segments of the educational pipeline in Oklahoma: restructuring remedial and developmental education and developing accelerated degree and certificate completion options. Supporting all of these efforts is Oklahoma's revised Higher Education Performance Funding Formula that utilizes appropriate components of the state and campus level CCA and NGA metrics that reflect these new priorities by measuring and rewarding improvement in completion, retention, and graduation measures.
- The Oklahoma State Regents for Higher Education is a participant in the Governor's Oklahoma Works Initiative. As part of the Oklahoma Works CORE Team, State Regent representatives have worked with Governor Fallin's administration to help define strategies, establish statewide goals, and determine measureable objectives.

## **Savings, Efficiencies and Shared Services:**

- The Statewide-OneNet Network Partnership was established in 2013 to create a cooperative framework to address information technology projects across the state. The collaboration brings together the Oklahoma State Regents for Higher Education, the Office of Management and Enterprise Services, and the Oklahoma Department of Transportation in a cohesive approach to achieve cost savings for the state. The Statewide-OneNet Network Partnership helps achieve \$4.2 million in annual savings for state agencies.

# Historical Society



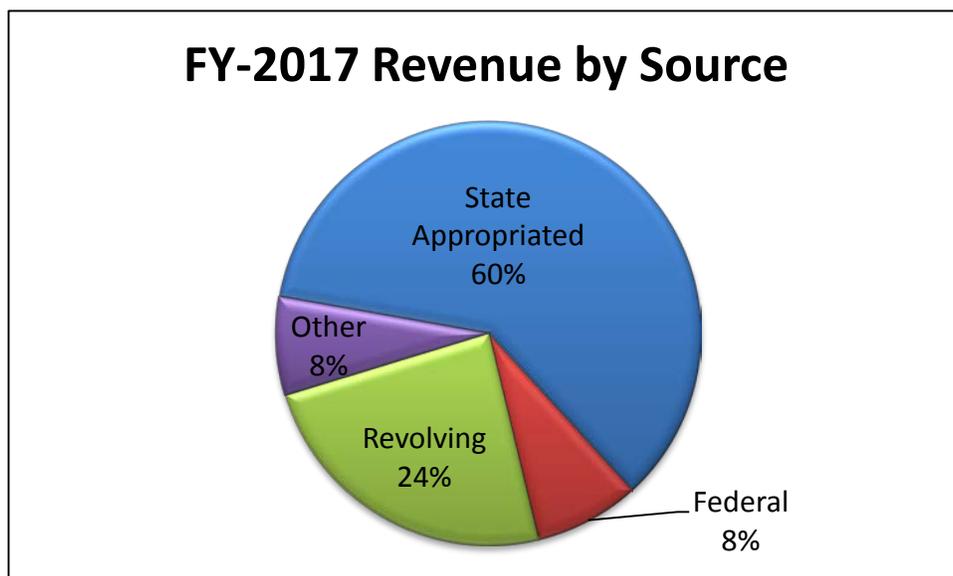
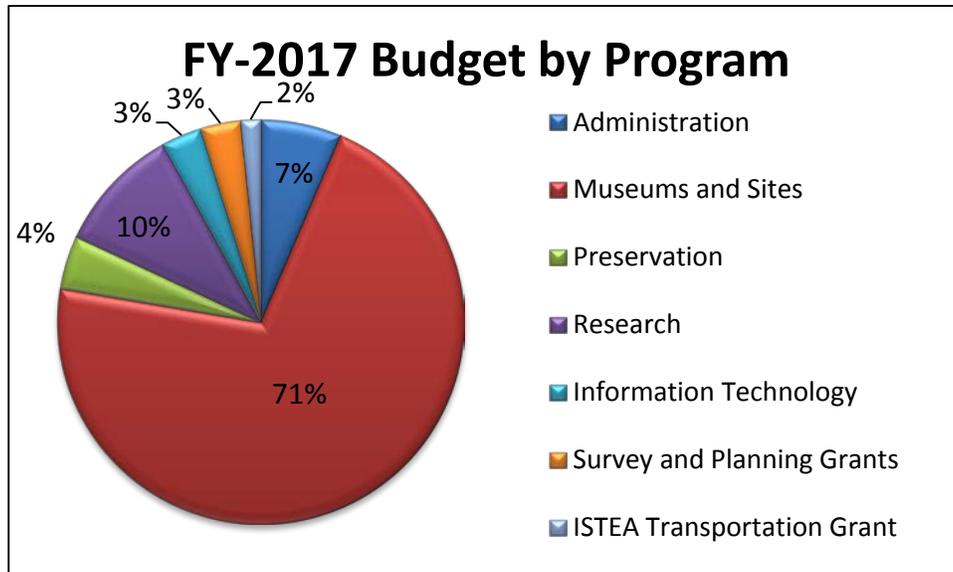
## Mission:

The Oklahoma Historical Society (OHS) is a state agency/private membership organization dedicated to collecting, preserving and sharing the history and culture of Oklahoma and its people.

## Programs:

- Administration
- Museum and Sites
- Preservation
- Research
- Information Technology
- Survey and Planning Grants
- ISTEA Transportation Grant

# Historical Society



## Accomplishments Over The Past Year:

- Restored the 1824-era stockade at Historic Fort Gibson and reopened to the public at a cost of \$1.5 million;
- Saw more than 400 collections donated to the Oklahoma Historical Society last year, representing hundreds of thousands of artifacts, documents, and recordings preserving the broad sweep of Oklahoma history; and
- Found a site for the Oklahoma Museum of Popular Culture, to be located in Tulsa, across the street from the historic Cain's Ballroom, thanks to a generous donation of land valued at \$1.1 million.

## Goals For The Upcoming Year:

- Expand the collections on Oklahoma musicians, writers, actors, and illustrators needed for exhibits in the upcoming Oklahoma Museum of Popular Culture; and

# Historical Society

- Create an irrevocable endowment to support the acquisition, conservation, and use of collections.

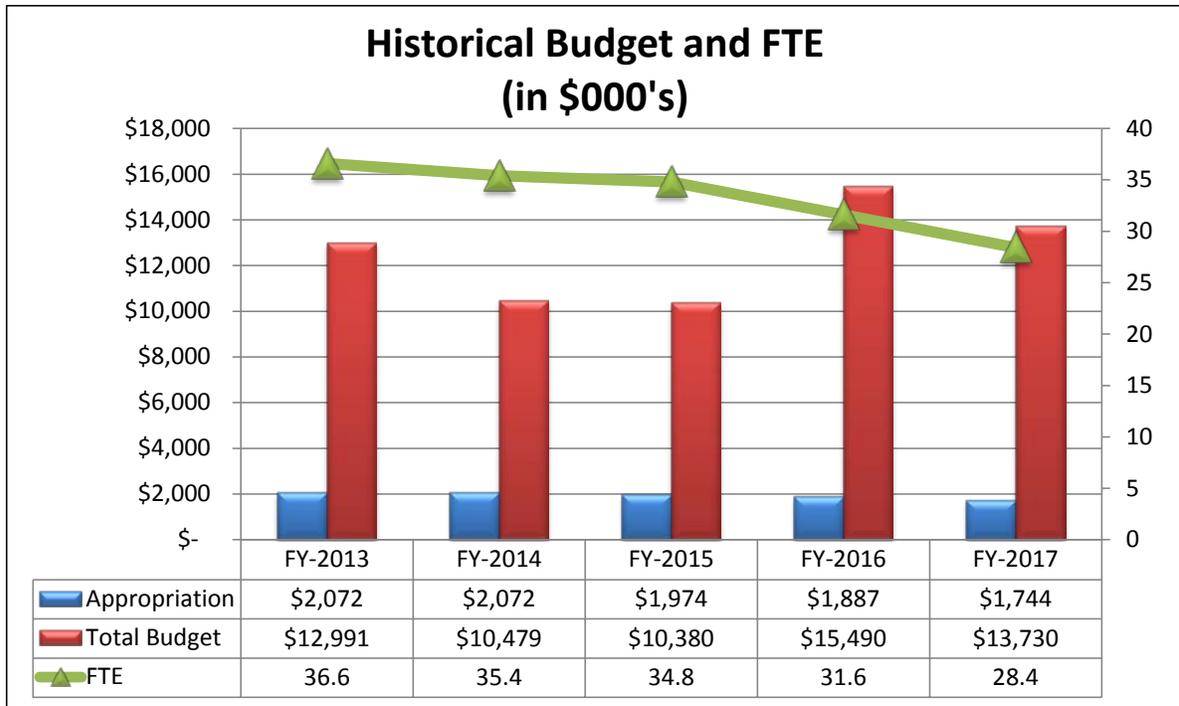
## **Major Agency Projects:**

- Creating new exhibits, upgrading trail markers, and opening a research center to the public at the recently completed Honey Springs Civil War Battlefield Park visitor's center;
- Completing the architectural design of the Oklahoma Museum of Popular Culture which will include a business plan for sustainability, exhibits, and programs;
- Completing a plan and fundraising campaign for a new museum exhibit called "Welcome Home: The Shared Experiences of Oklahomans in Vietnam," to be opened to the public in November of 2017 when a new documentary series on the war in Vietnam by Ken Burns airs on PBS stations; and
- Completing a plan and fundraising campaign for a major exhibit called "Will Rogers and the Image of American Indians in Popular Culture," to be installed in the Will Rogers Memorial Museum in 2018.

## **Savings, Efficiencies, and Shared Services**

- Secured special legislative authorization for two significant historic sites. These sites were transferred to Indian tribes through a combination of cash transactions, in-kind contributions, and ongoing partnerships. The transfers provided cash infusions for one-time historic projects and will save operational expenses at Fort Washita, now managed by the Chickasaw Nation, and at Sequoyah's Cabin, now managed by the Cherokee Nation.
- After raising funds for special equipment and cultivating state-of-the-art software development skills in the work force, the Research Division has signed contracts to digitize and make searchable historic documents at state agencies and universities. Each project protects collections and generates a stream of revenue to underwrite general operations.
- The Oklahoma Historical Society staff has secured matching federal and state historic preservation tax credits and has provided valuable assistance to investors in more than 25 communities from Guymon to Idabel and Bartlesville to Chickasha. Each project created jobs, returned properties to the tax rolls, and preserved a building important for a sense of community.

# Horse Racing Commission



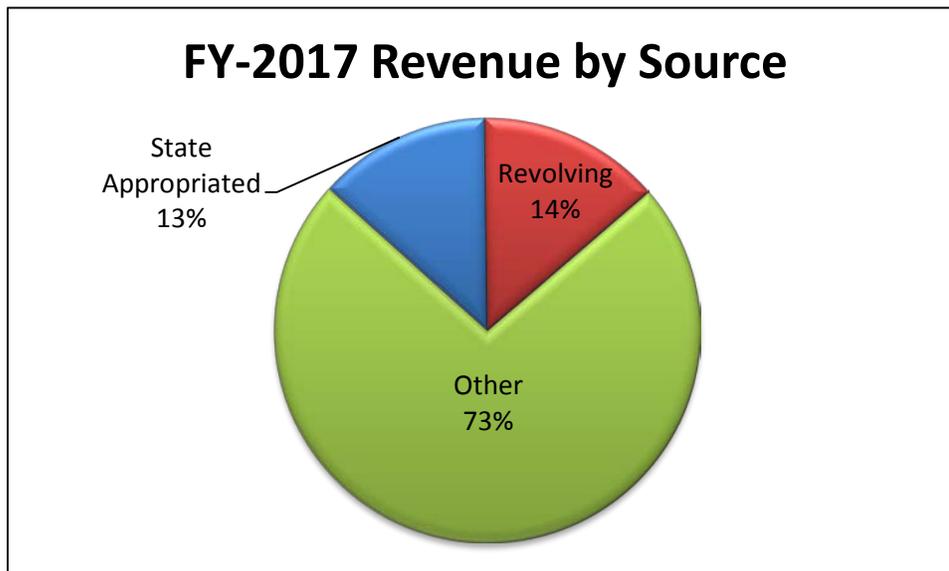
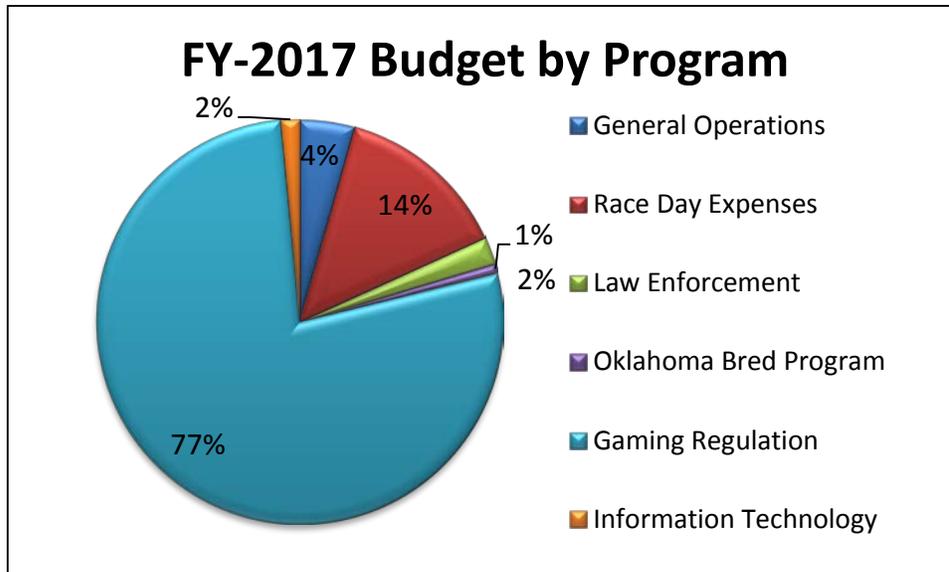
**Mission:**

The Oklahoma Horse Racing Commission encourages agriculture, the breeding of horses, the growth, sustenance and development of live racing, and generates public revenue through the forceful control, regulation, implementation and enforcement of Commission-licensed racing and gaming.

**Programs:**

- General Operations
- Race Day Expenses
- Law Enforcement Division
- Oklahoma-Bred Program
- Gaming Regulation
- IT Consolidation (OMES)

# Horse Racing Commission



## Accomplishments Over The Past Year:

- Marked the thirty-second year of pari-mutuel racing and the eleventh year of gaming at the racetrack in Oklahoma as of December 31, 2016 with agency contributions through August, 2016, totaling:
  - \$98.4 million in pari-mutuel taxes to the General Revenue Fund;
  - \$47.3 million in license fees and reimbursements to the General Revenue;
  - \$171.7 million in gaming taxes to Education; and
  - \$70.5 million from the Participating Tribe Fund to purses, advertising, benevolence and administration of horse racing.

## Major Agency Projects:

- Implementing credit card use for purchase of license and registration fees (awaiting contract award);
- Implementing digital fingerprint processing (awaiting contract award);
- IT Modernization and Consolidation; and

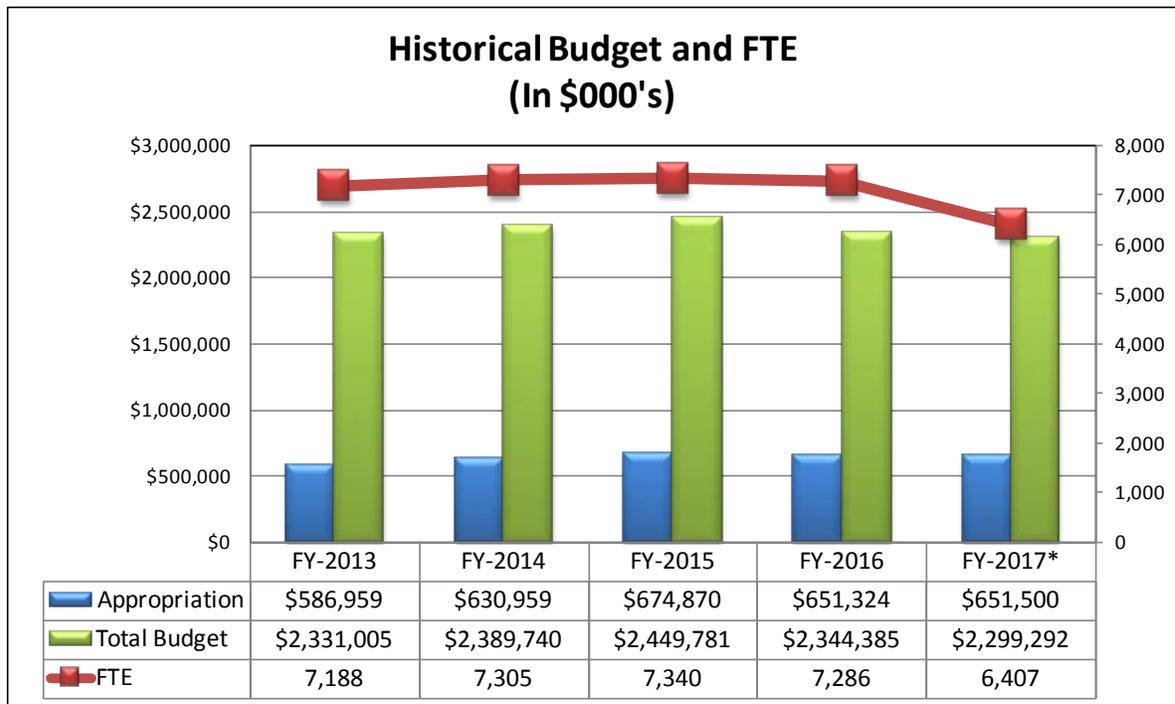
# Horse Racing Commission

- Relocation of agency to Department of Agriculture building.

## **Savings, Efficiencies and Shared Services:**

- Reduced costs by delaying equipment replacement, reducing travel, reducing the number of employee overtime hours by 52% at racetrack locations, and reducing the overall number of employees at all locations;
- Entered into a memorandum of understanding with the Oklahoma Department of Agriculture, Food, and Forestry to fulfill our Legal, Human Resources, Payroll and Budget needs in lieu of filling vacant positions;
- Combined remaining job duties with remaining staff to try and maintain agency needs; and
- Reduced rental costs by leasing space from the Oklahoma Department of Agriculture, Food, and Forestry beginning in 2017.

# Department of Human Services



\*Total FY-2017 budget provided by DHS on September 13, 2016.

## Mission:

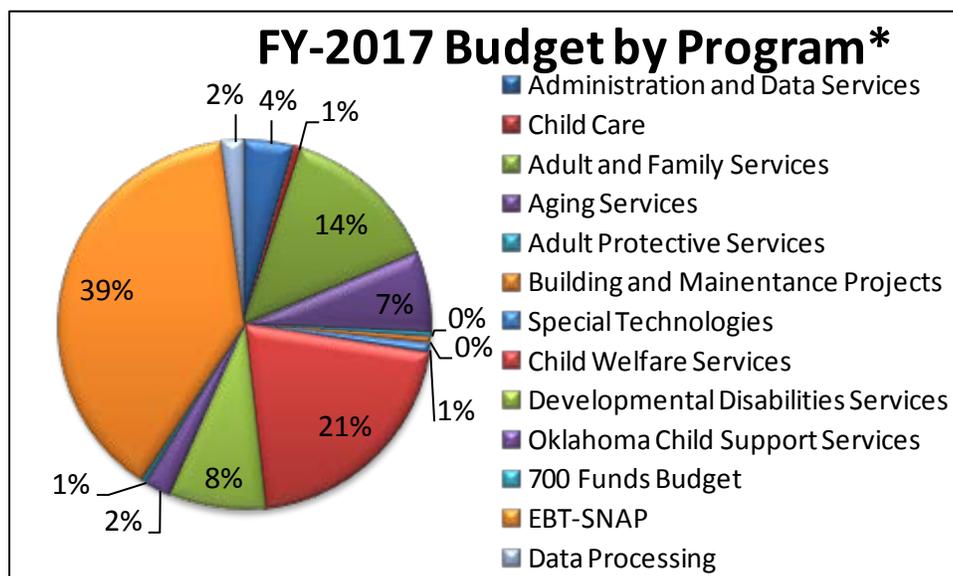
Oklahoma Department of Human Services (DHS) improves the quality of life of vulnerable Oklahomans by increasing people's ability to lead safer, healthier, more independent and productive lives.

## Programs:

- Adult Protective Services (APS):
  - Community Adult Protection Services (CAPS)
  - Long-Term Care Investigations (LTCI)
  - AIDS Coordination & Information Services (ACIS)
  - Homeless Services
- Aging Services (ASD):
  - Medicaid Home and Community-based Waiver program (ADvantage Waiver)
  - State Plan Personal Care
  - Older Americans Act
    - Senior Nutrition (Congregate & Home Delivered)
    - Senior Community Service Employment Program (SCSEP)
    - Legal Services
    - National Family Caregiver Support Program
  - Long-term Care Ombudsman Program
  - FTA 5310 Transportation Program
  - Adult Day Services
- Child Welfare Services (CWS):
  - Child Protective Services
  - Foster Care
  - Adoption Services
- Child Support Services (CSS):
  - Parent Locate

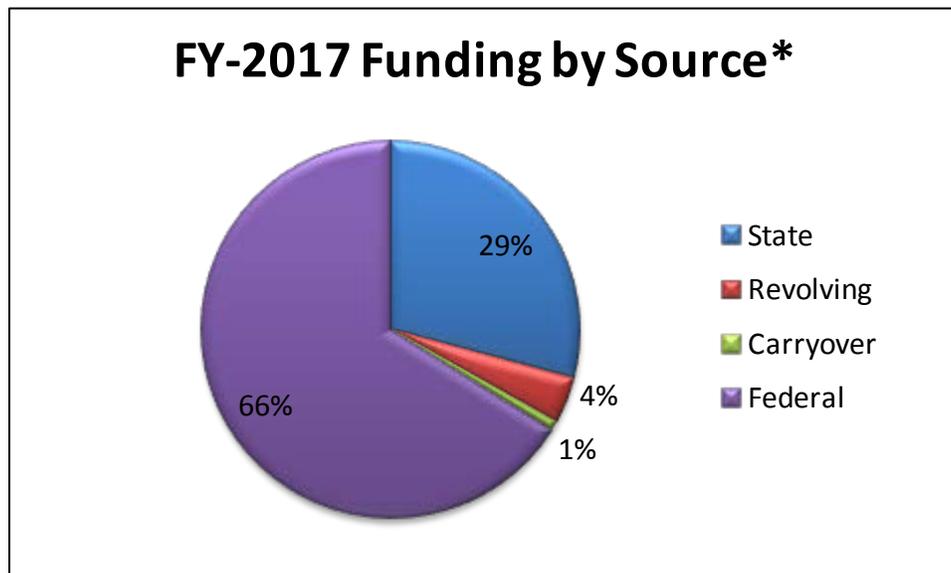
# Department of Human Services

- Paternity Establishment
- Child Support Order Establishment and Modification
- Medical Support Order Establishment and Modification
- Income Withholding Orders
- Child Support Enforcement
- Developmental Disabilities Services (DDS):
  - Medicaid Home and Community-based Waiver programs
  - Sheltered Workshop and Community Integrated Employment Program
  - Group Home Program
  - Adult Day Program
  - Respite Voucher Program
  - Family Support Assistance Program
- Adult and Family Services (AFS):
  - Temporary Assistance for Needy Families (TANF)
  - Supplemental Nutrition Assistance Program “SNAP” (formerly Food Stamps)
  - Low-Income Home Energy Assistance Program (LIHEAP)
  - Refugee Assistance
  - Child Care Subsidy
  - Title V, Children with Special Health Care Needs
  - State Supplemental Payment for persons who are blind, disabled, or 65 years of age or older
  - SoonerCare (Medicaid) eligibility for persons who are blind, disabled, or 65 years of age or older
- Child Care Services (CCS):
  - Child Care Facility Licensing and Monitoring
  - Residential and Child Placing Agency Licensing
- Office of Client Advocacy
  - Children’s Investigations
  - Vulnerable Adult Investigations
  - Specialized Investigations
  - Advocacy Services
  - Foster Care Ombudsman
  - Grievance Programs



\*Program breakdown of FY-2017 budget provided by DHS on September 13, 2016.

## Department of Human Services



\*Statewide program breakdown of FY-2017 budget provided by DHS on September 13, 2016.

### Accomplishments Over The Past Year:

- Achieved significant improvement in Child Welfare caseloads and progress on worker turnover which is vitally important in achieving safety, permanency, and well-being for children;
- Successfully closed one state operated children's shelter and progressing toward closing the other;
- Successfully certified over a 1000 new foster family homes for children in out-of-home care;
- Collaborated with OMES/Office of Business Quality to create a new federal reporting tracking system for the FTA 5310 Transportation Program;
- Engaged key aging stakeholders through the *Oklahoma Sixty-Plus Legal Aid Services Helpline (OK-SPLASH)* grant in order to build a cost-effective legal delivery system by assessing Oklahoma seniors' legal needs and the state's capacity to meet these needs, developing the infrastructure for a statewide 1-855 legal "hotline" number for seniors, and implementing a web-presence with a "live chat" function with attorneys and paralegals.
- Expanded OKDHS Live!, the online system to apply for and renew certain assistance services;
- Revised child care subsidy rules to promote healthy child development and school success by encouraging continuity of care and stability in child care placement;
- Increased professional development opportunities for child care providers in the areas of physical activity, homelessness, and working with children with challenging behaviors;
- Developed a self-assessment tool for child care programs to set and evaluate goals;
- Streamlined the DDS service authorization process resulting in providers receiving authorizations four days quicker;
- Improved the design of the existing DDS incident management system to ensure identification of all critical incidents and follow up, resulting in an increase in timely follow up and better outcomes;
- Centralized distribution of all benefit cards (issuance and replacement) with the Electronic Payment System Unit, freeing up Adult and Family Services staff at local offices; and
- Established a single agency vacancy pool, allowing the agency to centrally monitor, plan and coordinate filling of positions based upon need and availability of funding.

### Goals For The Upcoming Year:

- Continue building a better Child Welfare system to serve Oklahoma families and children through diligent efforts to implement the Oklahoma Pinnacle Plan with the goal of seeing sustained positive trending in all areas, including foster family home recruitment, reduction in incidents of maltreatment of children in care, timely permanency, placement stability, and reduction of shelter

# Department of Human Services

- placements for older youth;
- Continue work as a national leader in the employment of individuals with intellectual disabilities;
- Complete the Waiver Management Information System (WMIS) redesign to assure greater efficiency, effectiveness and accountability in the Aging Services ADvantage Program;
- Implement a system to improve access to services, including the FTA 5310 Transportation program, for Limited English Proficient (LEP) aging populations;
- Increase the number of high quality child care programs by assisting Head Starts and Early Head Starts to participate in QRIS;
- Expand Child Care Locator to include aggregate data related to serious incidents, confirmed child abuse or child deaths and launch a Residential Child Care Locator;
- Continuing review of TANF contracts to improve performance measures;
- Expand AFS efforts to improve knowledge transfer (e.g., further development of Quest and AFS Eligibility Workbook, redesign TANF trainings, etc.);
- AFS will expand Bridges out of Poverty efforts to support community Getting Ahead classes designed to help individuals and families move from poverty to self-sufficiency;
- Develop new TANF work strategies to improve employment outcomes for TANF families;
- Broaden community collaboration to increase the agency's ability to provide for those served; and
- Incorporate Quality Standards into employee Performance Management Process reviews.

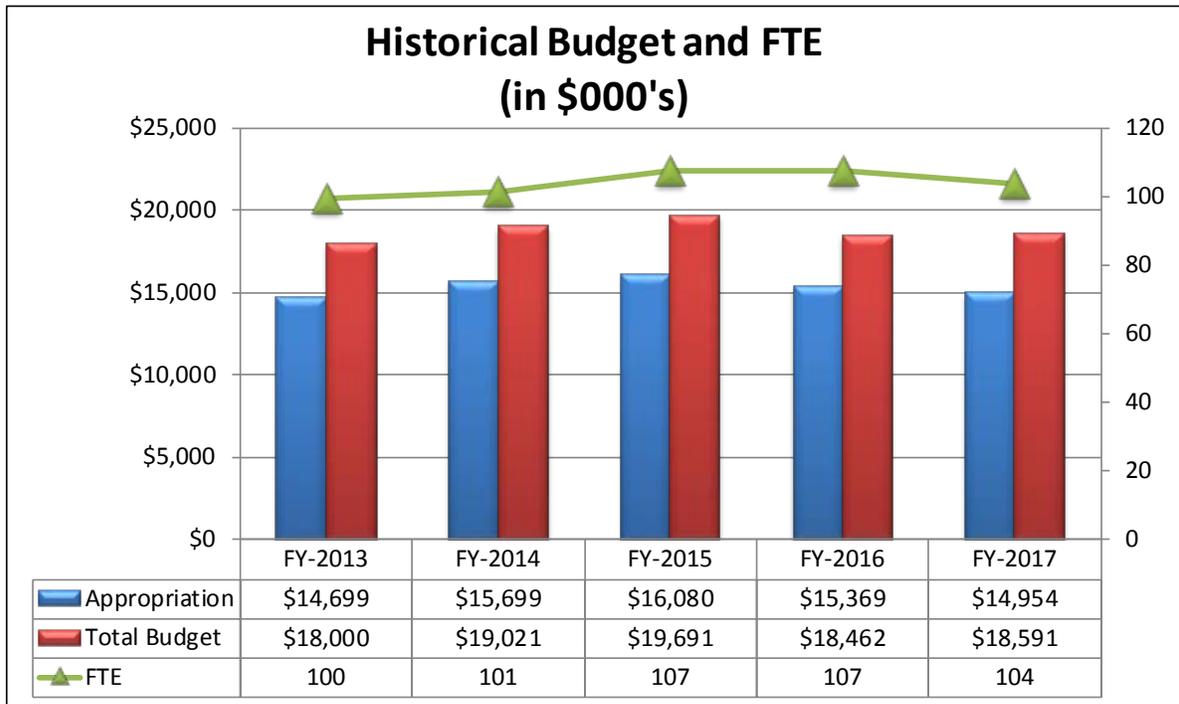
## **Major Agency Projects:**

- Implementing the final phase of the Pinnacle Plan;
- Partnering with a large network of state agencies to collectively address community workforce development needs, including employment initiatives to build a certified workforce development system that assists DHS clients by connecting them to employment through OKJobMatch.com;
- Enhancing the No Wrong Door initiative by developing a website designed for public use, in partnership with other Oklahoma HHS agencies, that improves aging and disability resource information tool and services available statewide;
- Launching the National Core Indicators – Aging & Disability (NCI-AD) project;
- Implementing a Statewide Transition Plan for compliance with federal HCBS waiver regulations;
- Developing an interactive, self-service Child Support document portal for employers to greatly reduce postage and imaging costs and improve document accuracy and processing time;
- Implementing a SNAP Technology Improvement grant, from the USDA Food and Nutrition Service, to add technical capability to the SNAP eligibility process to improve outcomes; and
- Using an enterprise approach to begin implementation of Oklahoma Benefits to replace 20-plus year old computer/data systems and provide Oklahomans with single-point access to benefit programs at DHS and other state agencies.

## **Savings, Efficiencies and Shared Services:**

- Expanded preventive and family support programs in Child Welfare Services to improve outcomes for children and families in a safe and cost effective manner;
- Reduced licensing requirements for child care centers by combining and clarifying rules;
- Continued technical assistance from consulting group, improving the SNAP accuracy rate by correcting and/or refining policy, procedure and processes;
- Reduced cost of employee mileage reimbursement by funding centralized fleet management program to more effectively use state agency vehicles;
- Increased utilization of Microsoft Lync and teleconferences for trainings and meetings;
- Reduced printer costs by reducing printer deployment across the state and reduced telephone costs through internal audit of un-used lines and cellular telephones;
- Centralized funding for information technology projects and for building repair and renovation so that all projects are considered against equal criteria and the highest priority projects are expedited;
- Increased use of workspace alternatives to maximize available office space and resources;
- Consolidated various administrative functions which reduced needed administrative personnel; and
- Consolidated 24 offices which generated building rent and energy savings.

# Indigent Defense System



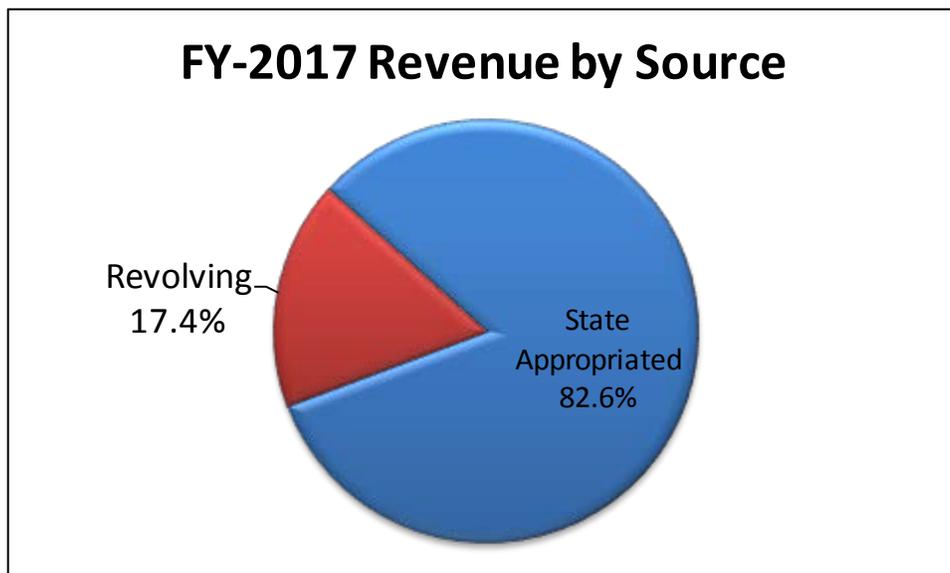
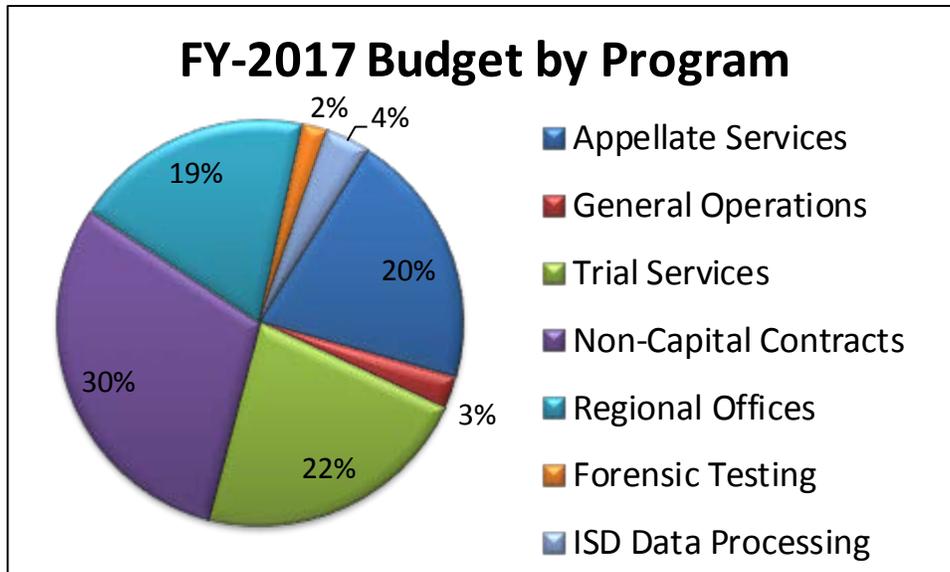
## Mission:

The Oklahoma Indigent Defense System implements the Indigent Defense Act by providing trial, appellate, and post-conviction criminal defense services to persons who have been judicially determined to be entitled to legal counsel at State expense. The mission of the System is to provide indigents with legal representation comparable to that obtainable by those who can afford counsel and to do so in the most cost effective manner possible.

## Programs:

- Appellate Services
- General Operations
- Trial Services
- Non-Capital Contracts
- Regional Offices
- Forensic Testing
- ISD Data Processing

## Indigent Defense System



#### Accomplishments Over the Past Year:

- Despite a substantial increase in the caseload of court-appointed clients during the previous fiscal year, the agency was able to ensure effective representation as mandated by the state and federal constitutions.

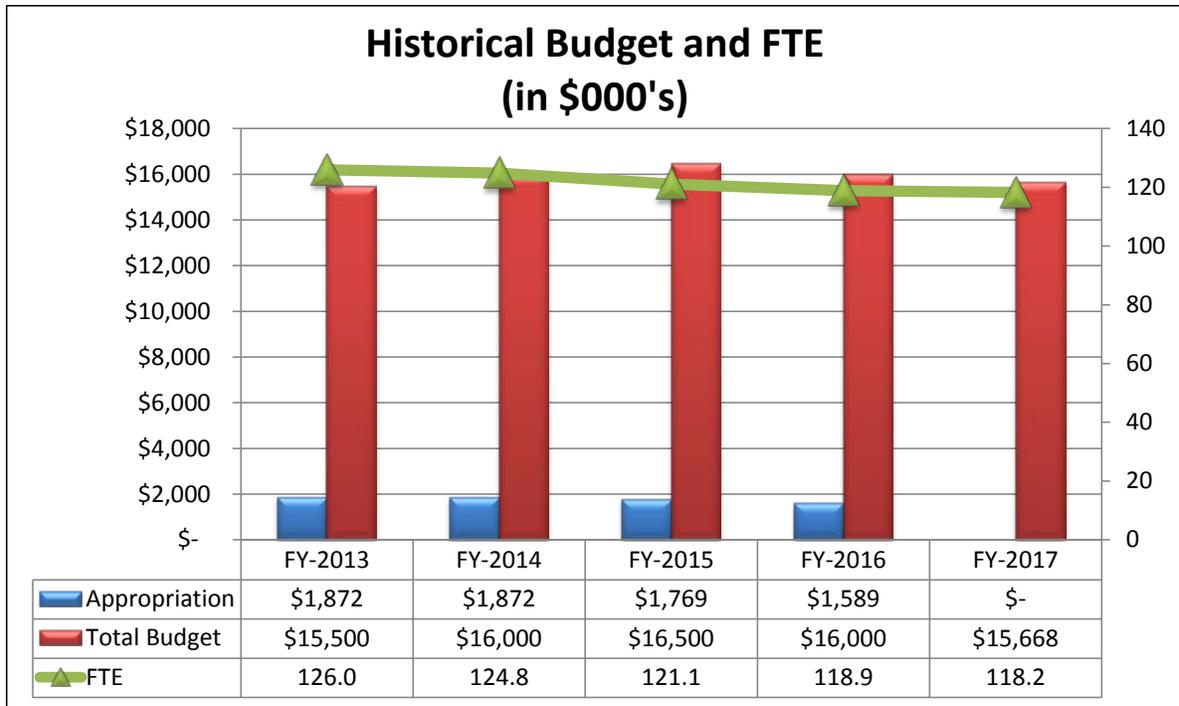
#### Goals For The Upcoming Year:

- The agency will continue to ensure all court-appointed clients receive effective legal representation.

#### Savings, Efficiencies and Shared Services:

- Through the Information Services Division, the agency will continue to seek ways to reduce paperwork by utilization of available computer technology. The agency is attempting to implement case management software in conjunction with IT unification with OMES as a means to better serve its clients and realize cost savings.

# Insurance Department



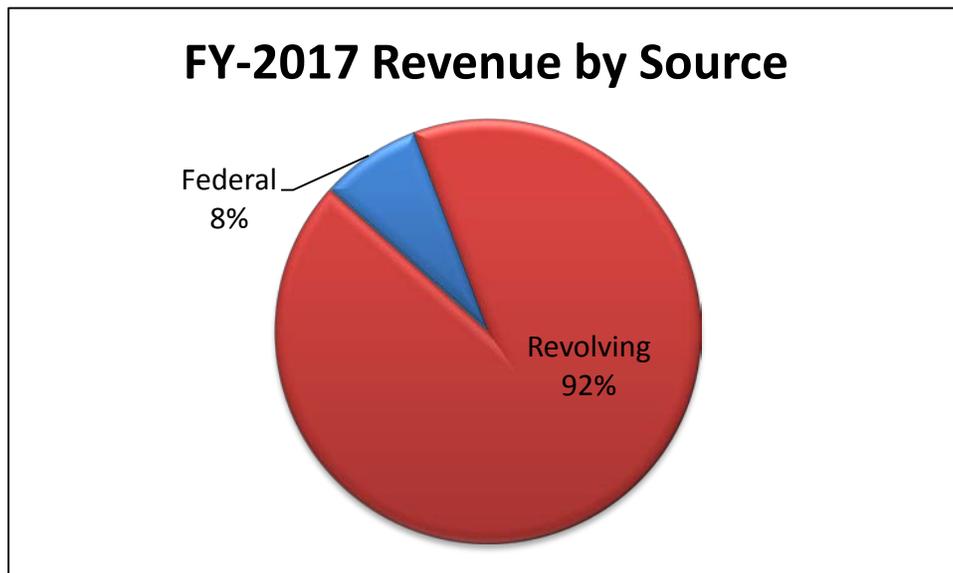
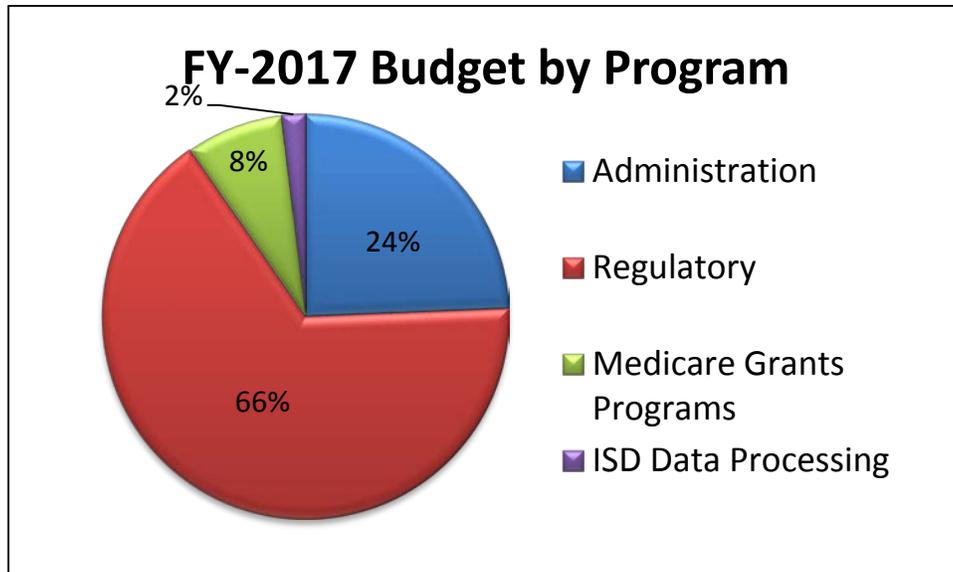
## Mission:

The mission of the Oklahoma Insurance Department is to protect and enhance the financial security of Oklahoma and Oklahomans.

## Programs:

- Communications Division
- Comptroller Division
- Financial and Examination Division
- Consumer Assistance & Claims Division
- Producer Licensing Division
- Rate & Form Compliance Division
- Legal Division
- Field Operations and ISO Advocacy
- Bail Bonds Division
- Real Estate Appraiser Division
- Anti-Fraud Division
- Medicare Assistance Program
- Captive Insurance Division
- Workers' Compensation Division.

## Insurance Department



### Accomplishments Over The Past Year:

- Created the Lost Policy Locator on the OID website which, since March 2015, has resulted in 712 requests, 41 policies found, and nearly \$600,000 recovered for Oklahoma consumers;
- Started an education initiative which will allow rural fire departments to lower their rating, resulting in lower homeowner insurance rates for citizens who receive those services;
- ISO division met with more than 108 fire departments providing education on ISO ratings.
- Held numerous meetings for consumers and producers in each of the 77 counties over the past year and hosted the annual National Tornado Summit in March 2016;
- OID Consumer Assistance also fielded 15,952 phone calls since January and helped recover \$1,992,457.31 for Oklahoma consumers.
- The agency hosted 10 Senior Fraud Conferences around the state to educate seniors about Medicare fraud, investment fraud, insurance and funeral trust fraud, banking fraud, and current senior scams.

# Insurance Department

## Goals For The Upcoming Year:

- Improve efficiency and eliminate waste by continuing an all-digital file storage and paperless policy;
- Create ways to accept certain forms and fees when submitted to the OID electronically;
- Continue efforts to lower homeowners insurance rates across the state by working with local fire departments to lower their ISO ratings; and
- Create the Lost Policy E-Portal Locator Service to ensure that lost life proceeds are more easily located by beneficiaries.

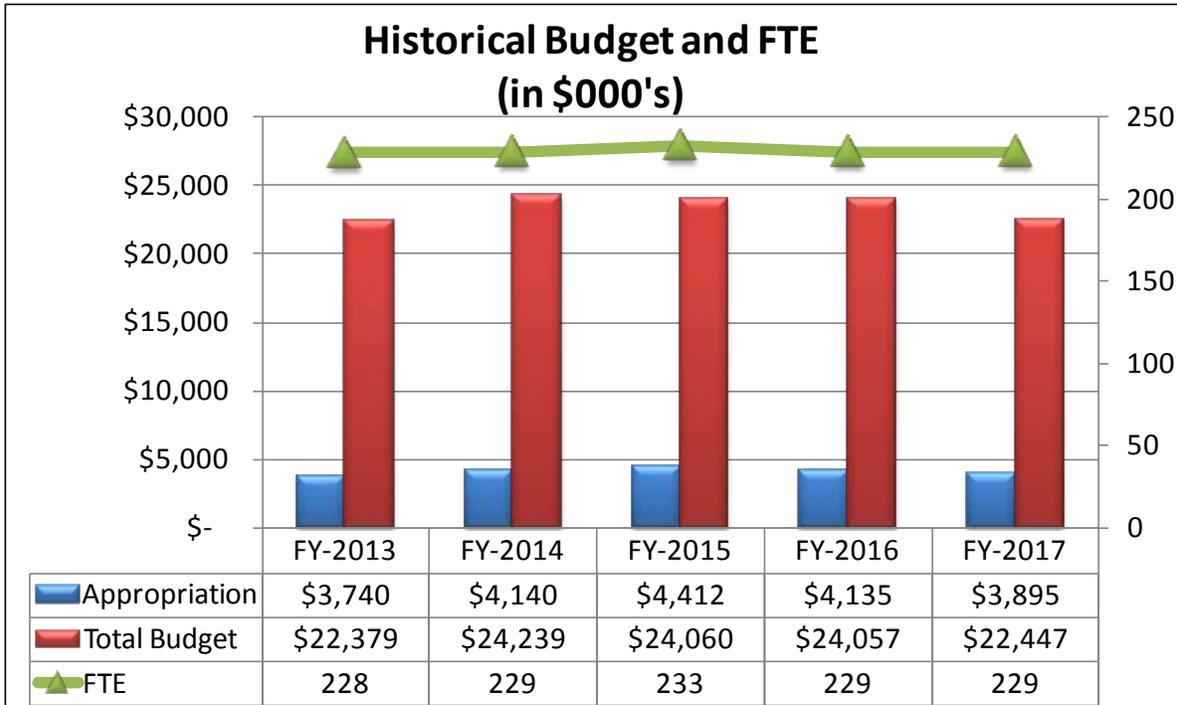
## Major Agency Projects:

- Continuing the OID's paperless initiative into 2017 through the scanning of all existing paper files and begin the process of switching all company form submissions and fee payments to electronic format;
- Creating the Lost Policy E-Portal Locator Service so forms may be submitted electronically and seeking NAIC adoption of a similar policy for all state submissions;
- Holding educational meetings for consumers and producers in each of the 77 counties in the state, including several Senior Fraud Conferences around the state to educate seniors about Medicare fraud, investment fraud, insurance and funeral trust fraud, banking fraud, and current senior scams, and again hosting the National Tornado Summit in February 2017;
- Currently determining the need to carry out market conduct examinations of service warranty associations, with exams beginning in 2017 if needed; and
- Beginning to receive premium tax filings electronically rather than in paper format which will expedite the premium tax filing process and create a more efficient procedure for Department staff.

## Savings, Efficiencies and Shared Services:

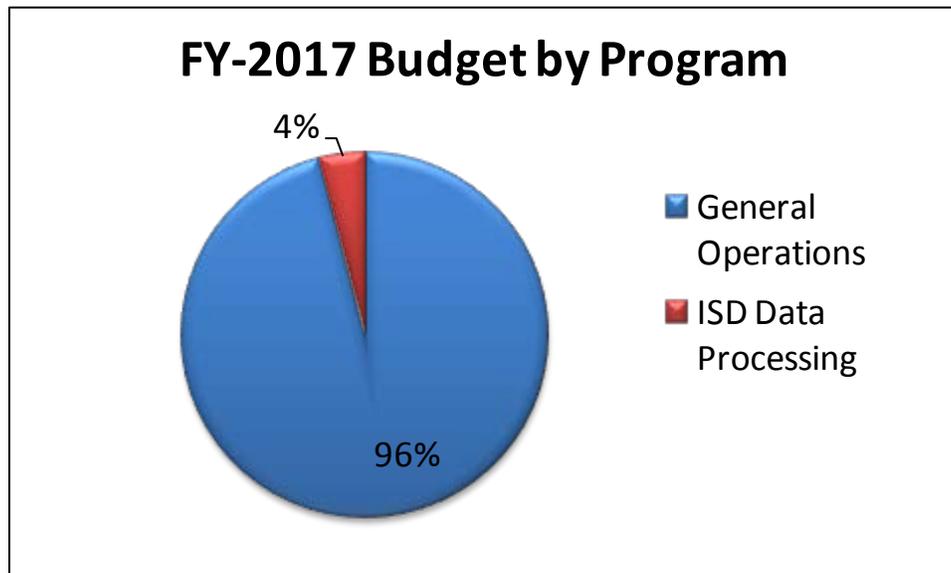
- Implemented an in-house paperless initiative which has reduced overall paper consumption and reduced storage costs and office space needs;
- Reduced time spent on the retrieval and production of open record requests through online public access to rate and form filings;
- Reduced travel needed by utilizing video conferencing capabilities;
- Increased productivity through a telecommuting initiative;
- Realized sizable savings by consolidating agency-wide fleet usage with the OMES Fleet Management Division; and
- Reduced the amount of paper mail sent out by the Department, electing instead to send out communications via e-mail whenever possible.

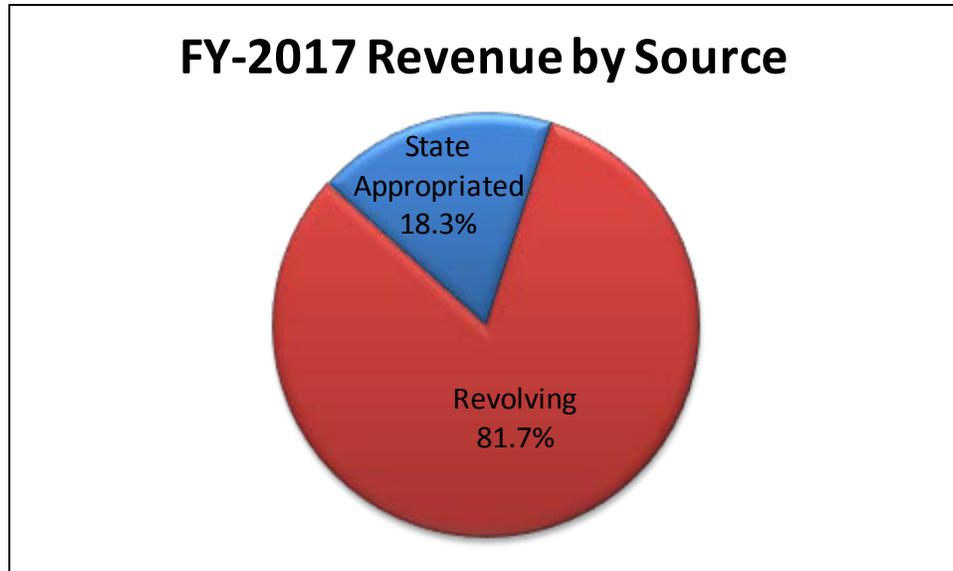
# JD McCarty Center



## Mission:

The mission of the J.D. McCarty Center for Children with Developmental Disabilities is to provide a comprehensive program of rehabilitation for Oklahoma's citizens with disabilities.





**Accomplishments Over The Past Year:**

- Continued its multi-year run of near historic highs in numerous statistical categories including average census excluding respite (33.3), outpatient therapy encounters (11,420), and patient days (12,372).

**Goals For The Upcoming Year:**

- Finalize implementation of an Electronic Health Record which should enable the hospital to continue to streamline processes and increase efficiency; and

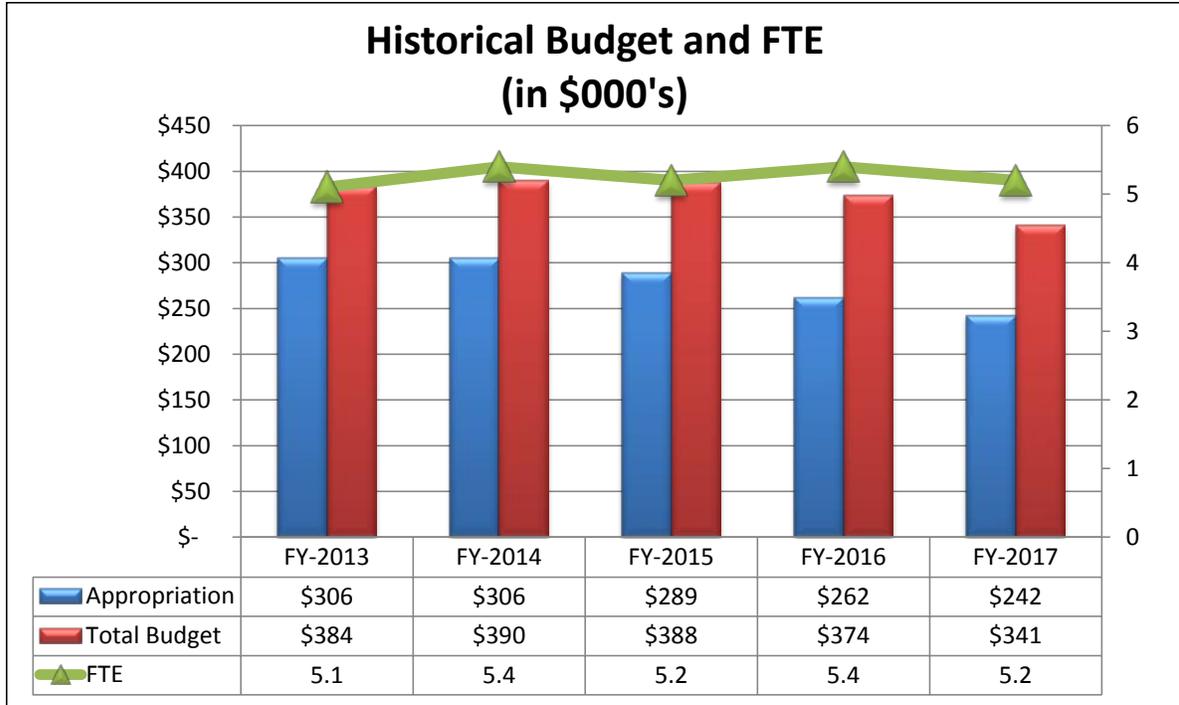
**Major Agency Projects:**

- Implementation of an Electronic Health Record.

**Savings, Efficiencies and Shared Services:**

- Implemented efficiencies resulting in increased services while demonstrating cost savings; and
- Monitored travel expenditures which came in under budget.

# J.M. Davis Memorial Commission

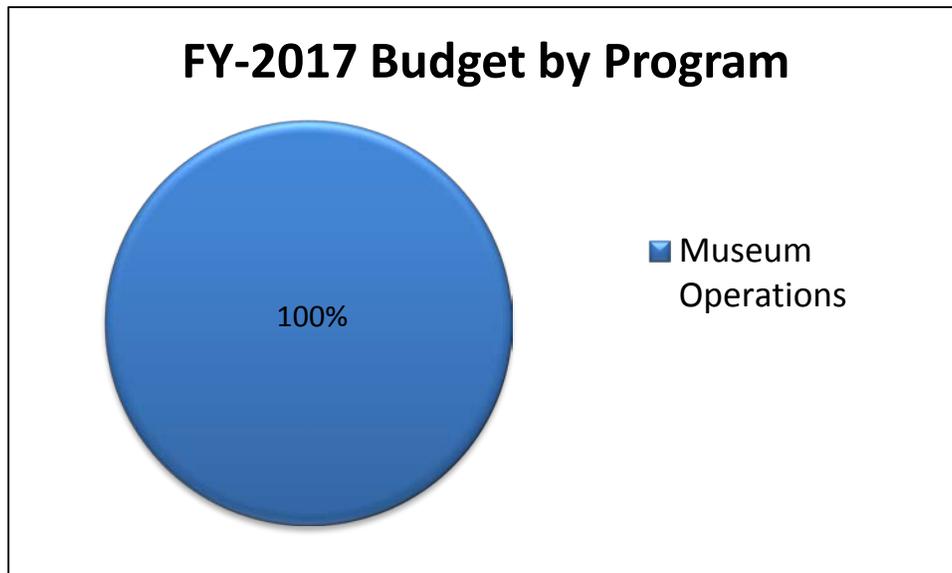


## Mission:

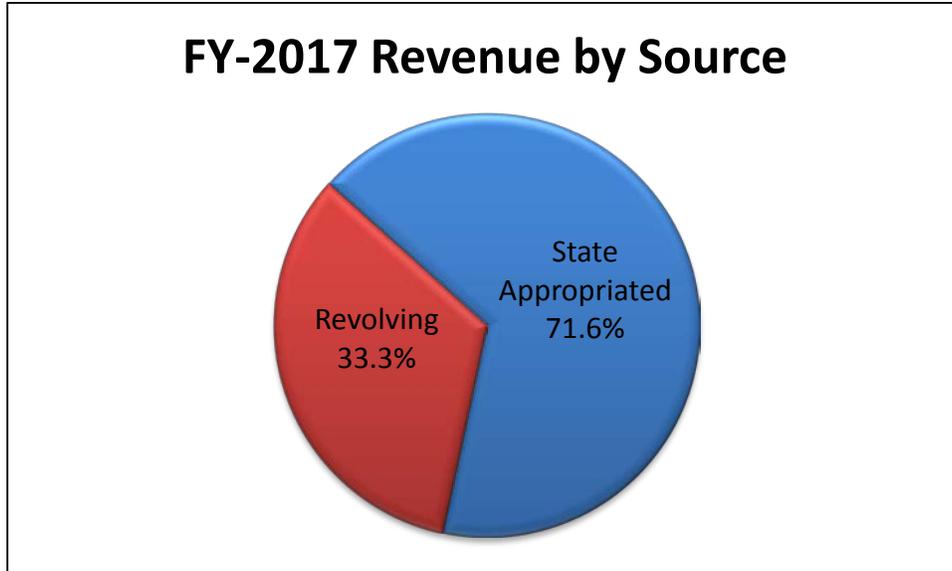
The Mission of the J.M. Davis Memorial Commission is to house, preserve, display and update the unique collection of firearms and historical artifacts collected by Mr. J.M. Davis and to provide an historical and educational experience for the viewing public.

## Programs:

- Museum Operations



## J.M. Davis Memorial Commission



### **Accomplishments Over the Past Year:**

- Completed new roof;
- Added World War I exhibit with posters, weapons and other artifacts from the era.

### **Goals For the Upcoming Year:**

- Working with the public and with private companies to raise donations to meet budgetary needs.

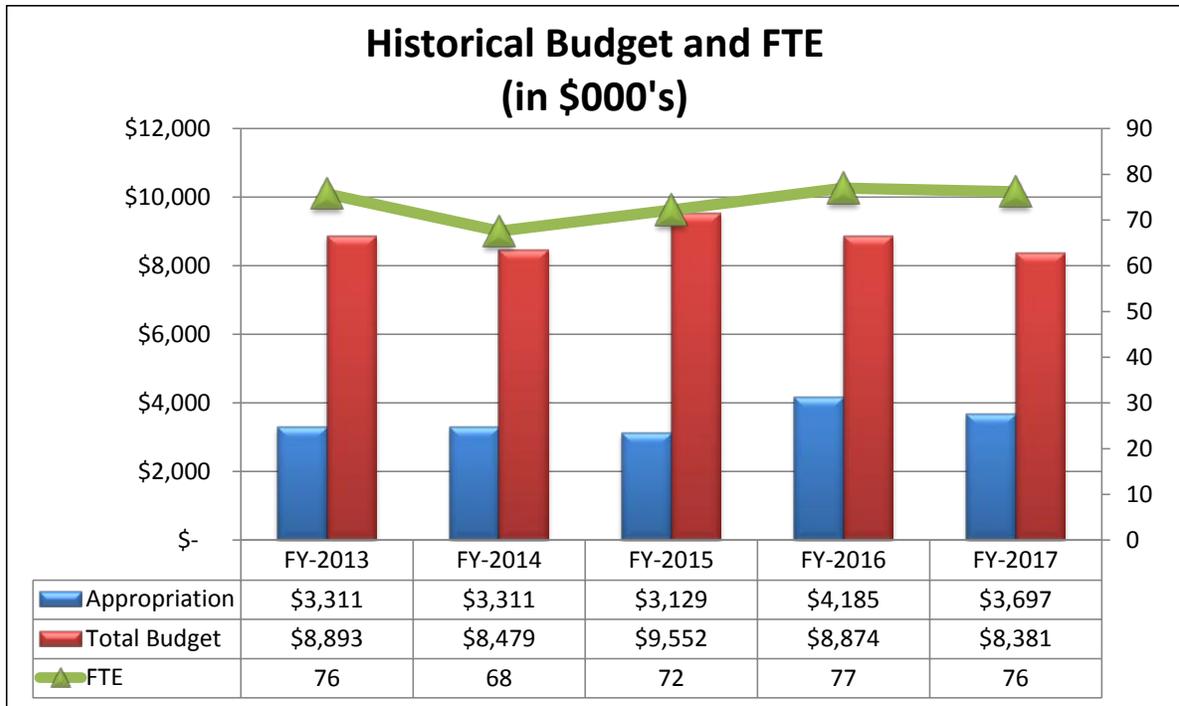
### **Major Agency Projects:**

- Addition of two new exhibits and renovation signage in twenty areas of the museum.

### **Savings, Efficiencies and Shared Services:**

- Addition of new roof and insulation helped in reducing energy costs.

# Department of Labor



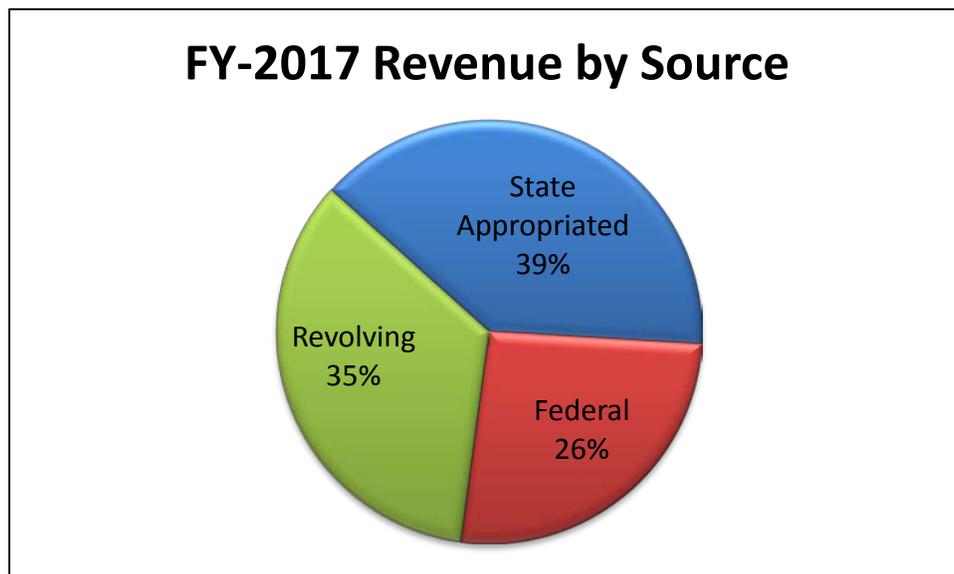
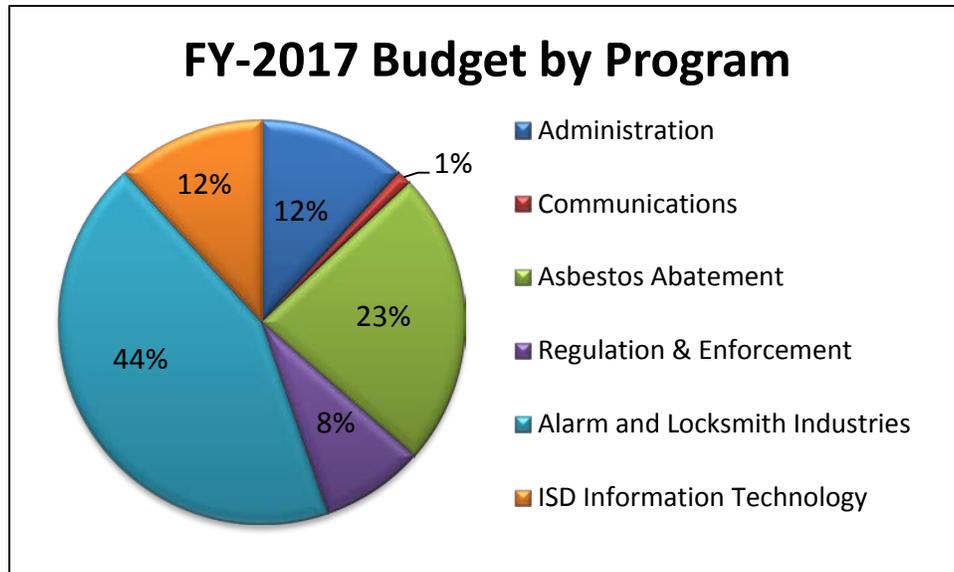
## Mission:

The Oklahoma Department of Labor (ODOL) was created by the *Oklahoma Constitution* in 1907 and is responsible for enforcement of state and federal labor laws that promote fairness and equity in the workforce, including state wage laws, workers' compensation compliance and state OSHA laws for public employers, asbestos compliance, child labor laws and various other duties.

## Programs:

- Administration
- Asbestos Abatement
- Regulation & Enforcement
- Statistical Research & Licensing
- Alarm and Locksmith
- Occupational Safety and Health
- Alternative Fuels Act
- ISD Information Technology

## Department of Labor



### Accomplishments Over The Past Year:

- Reduced the injury rate within the public sector through compliance efforts with a 47% reduction in workplace incidents over the past 16 years;
- Honored Oklahoma workers who lost their lives while on the job at Worker's Memorial Day;
- Held amusement ride inspection events for legislators and media to learn about inspections;
- Collaborated with the Department of Education and National Institute for Occupational Safety & Health to provide workplace safety education to middle and high school students;
- Signed alliances with Occupational Safety & Health Administration, Oklahoma Municipal Contractors Association, and other partners;
- Performed 638 free and confidential OSHA consultations for Oklahoma businesses assuring workplace safety and avoiding federal OSHA fines;
- Public Employee Occupational Safety & Health division performed 632 inspections ensuring the safety of the public;
- Saw seven Oklahoma companies receive Safety & Health Achievement Recognition Program

## Department of Labor

- certification for a strong safety record and commitment to workplace safety;
- Won Oklahoma's Top Workplaces Award for the second consecutive year;
- Addition of a 24 hour consumer protection call line for amusement rides, alternative fuels, boiler and pressure vessels, and elevators;
- Completed 2,100 Tulsa area elevator inspections and updated data; and
- Worked with the legislature to restructure ODOL regulated programs to provide greater transparency, efficiency, involvement of industry, and viability of programs.

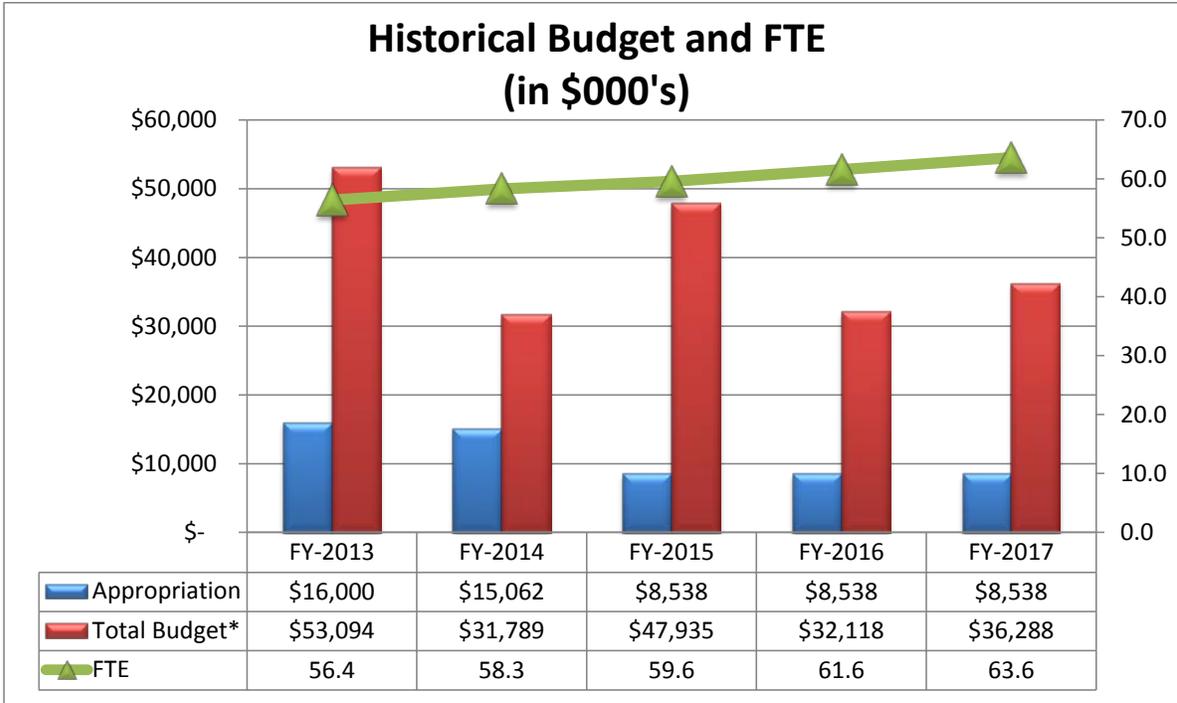
### **Goals for The Upcoming Year:**

- Review existing programs and how to sustain each program through best practices;
- Integrate and improve technology for inspectors in the field;
- Develop more efficient and economical business practices;
- Structure fees to cover cost of programs to create a sustainable agency;
- Increase public outreach efforts; and
- Increase partnerships with the business community.

### **Major Agency Projects:**

- Inviting industry to multiple summits for input into administrative rulemaking for the following programs: asbestos, amusement, elevators, boilers, and public employee health and safety;
- Establishing additional mobile capabilities for field inspectors across Oklahoma Department of Labor programs; and
- Looking at program effectiveness and cost saving measures.

# Commissioners of the Land Office



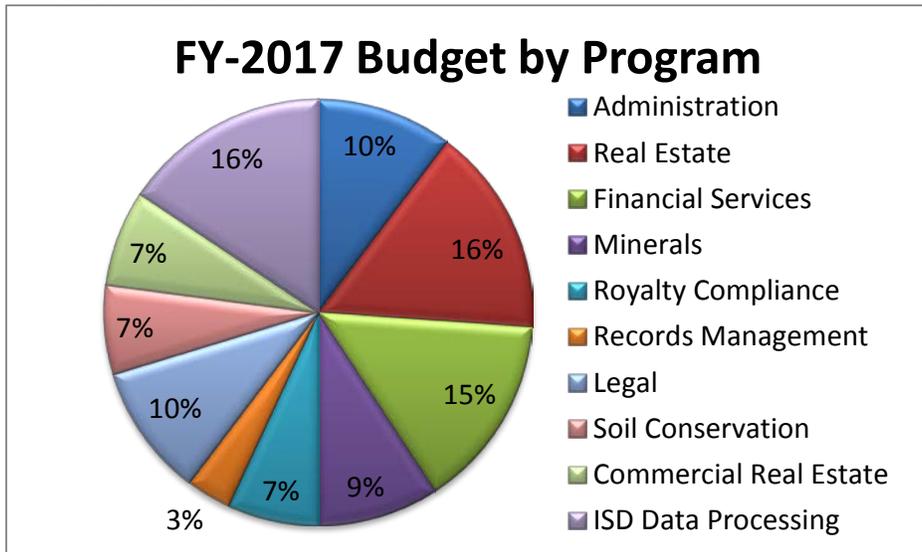
\*Does not include distribution to beneficiaries or investment fees

## Mission:

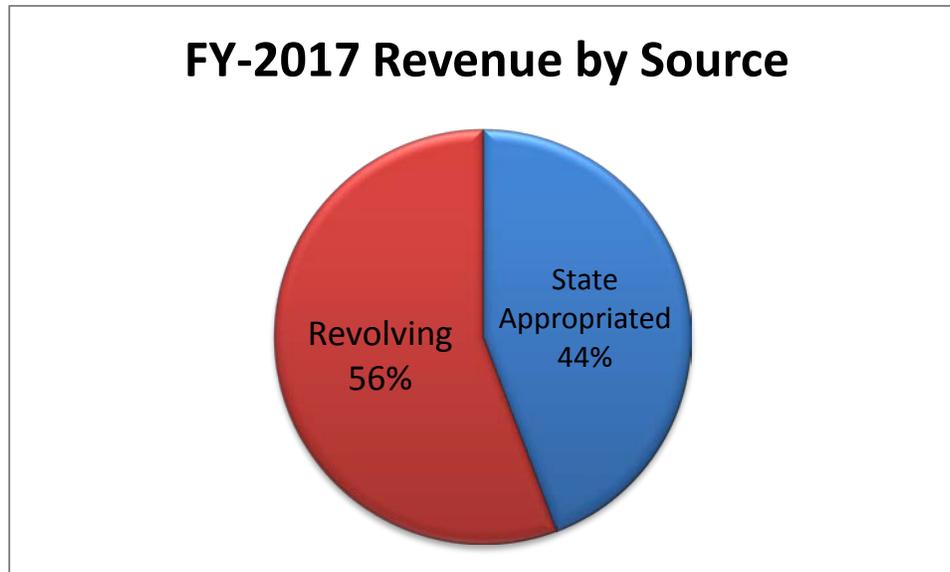
Managing Assets to Support Education

## Programs:

- Real Estate Management
- Minerals Management
- Royalty Compliance
- Investment Management
- Support Services
- Education Stabilization



## Commissioners of the Land Office



### Accomplishments Over The Past Year:

- Achieved highest distributions in Commission history to Common Schools - \$102.2 Million;
- Distributed highest annual total for all beneficiaries - \$134.3 Million;
- Investment Portfolio produced the highest interest and dividend income in CLO history, totaling \$91.7 Million due to investment restructuring and diversification;
- Purchased the former Oklahoma City/County Health Department building to be renovated for the Oklahoma Medical Examiner and began negotiations for renovation at a savings to the state;
- Completed more conservation projects on CLO land than in any year since 1985; and
- Despite price downturn, lease sales contributed nearly \$26 million to distributable income in FY-2016.

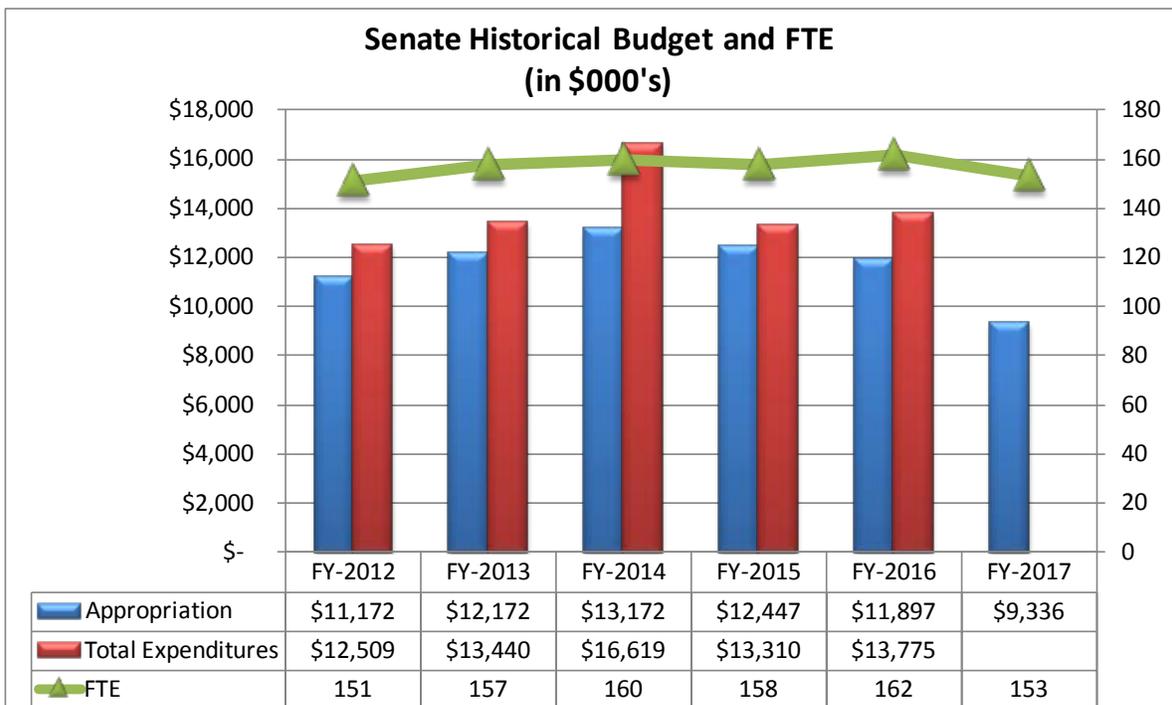
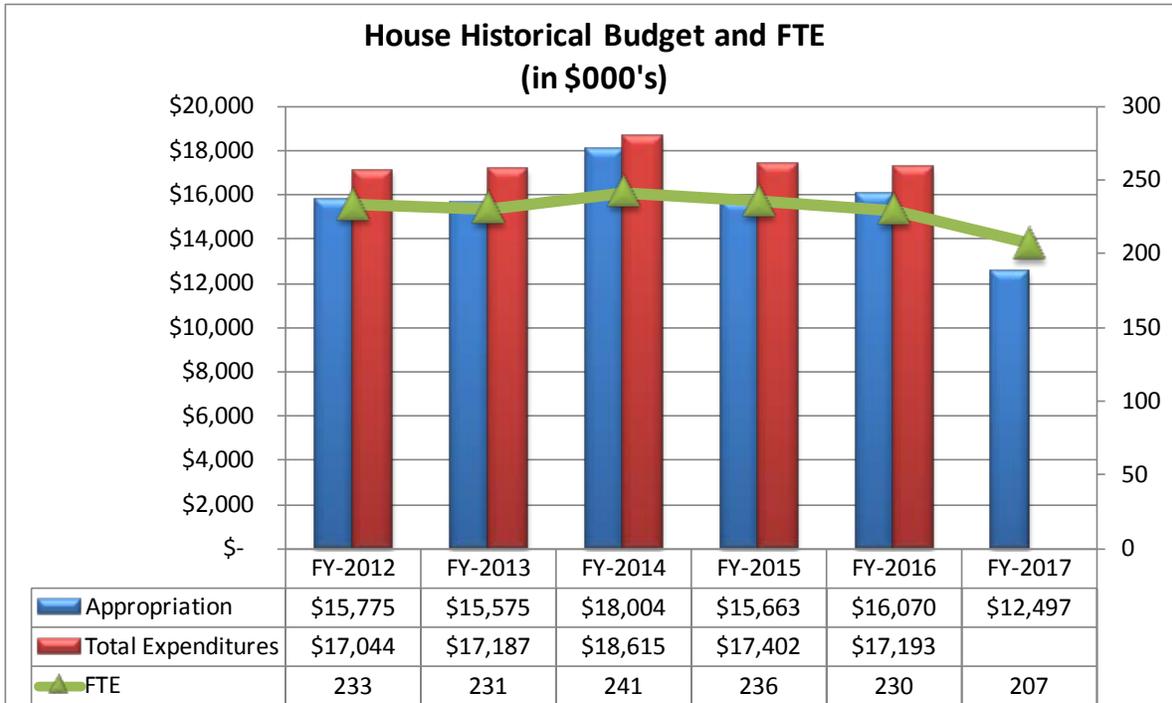
### Goals For The Upcoming Year:

- Adopt a system that maps surface land tracts true to scale to provide a more accurate account of agency holdings;
- Implement and train staff on GIS data collector which will be applied to agency non-producing procedures;
- Maximize participation in royalty compliance electronic reporting systems;
- Continue to improve efficiency of collection efforts, implement an electronic payment system for real estate auctions, and expand this capability throughout other divisions within the agency;
- Establish commercial real estate processes by working with the contracted property manager to ensure proper reporting and tracking of agency commercial real estate investments;
- Incorporate flowcharting rather than relying solely on narratives to document processes and controls for internal audit engagements; and
- Continue to expand agency visibility by visiting with community leaders monthly to provide agency mission and highlights.

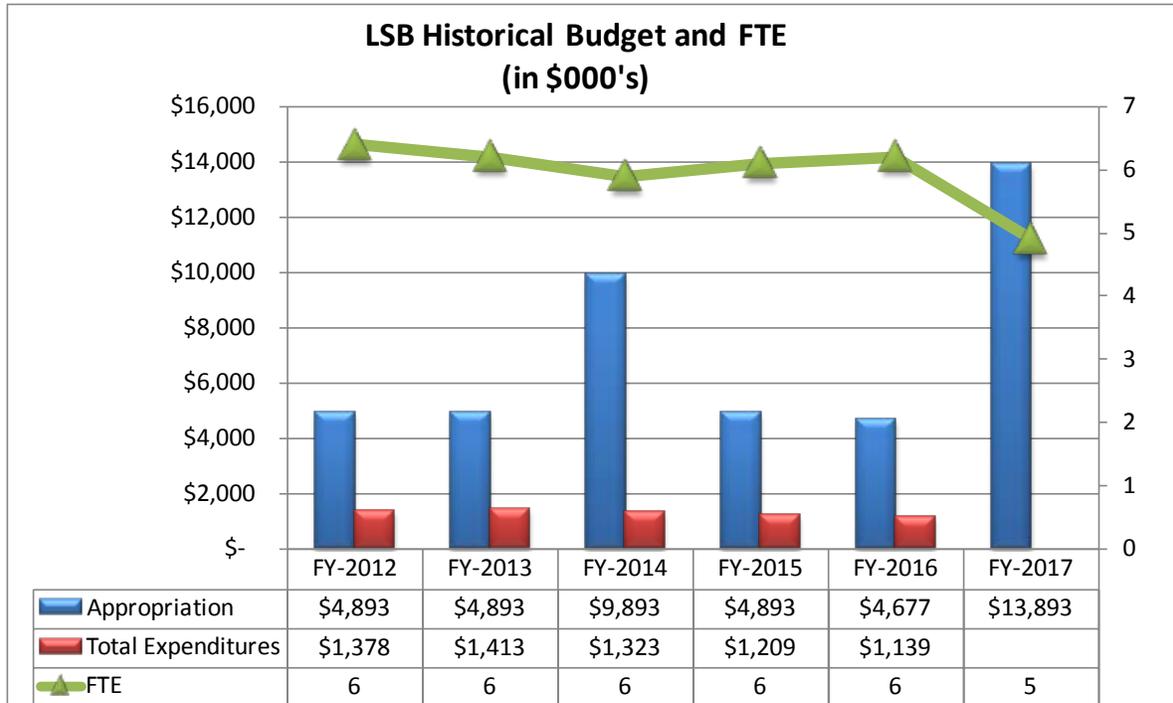
### Savings, Efficiencies and Shared Services:

- Decision to discontinue use of Bloomberg Financial On-Line System, saving the CLO \$20,000 per fiscal year (CLO receives the same investment related services from our investment consultant); and
- Custodian Bank Search RFP resulted in Cost Savings to the CLO of \$32,020.

# Oklahoma Legislature



# Oklahoma Legislature



The House of Representatives, Legislative Service Bureau (LSB) and the State Senate represent the legislative branch.

The Oklahoma Legislature consists of 101 members in the House of Representatives and 48 members in the State Senate. They convene annually beginning on the first Monday in February, and adjourn on the last Friday in May. Normally, the Legislature is in session Monday through Thursday. Extra sessions may be called by the Governor or by the Legislature.

State Senators serve four-year terms with half of the members elected every two years. Members of the House of Representatives serve two-year terms.

Each chamber of the Legislature considers four different types of legislation:

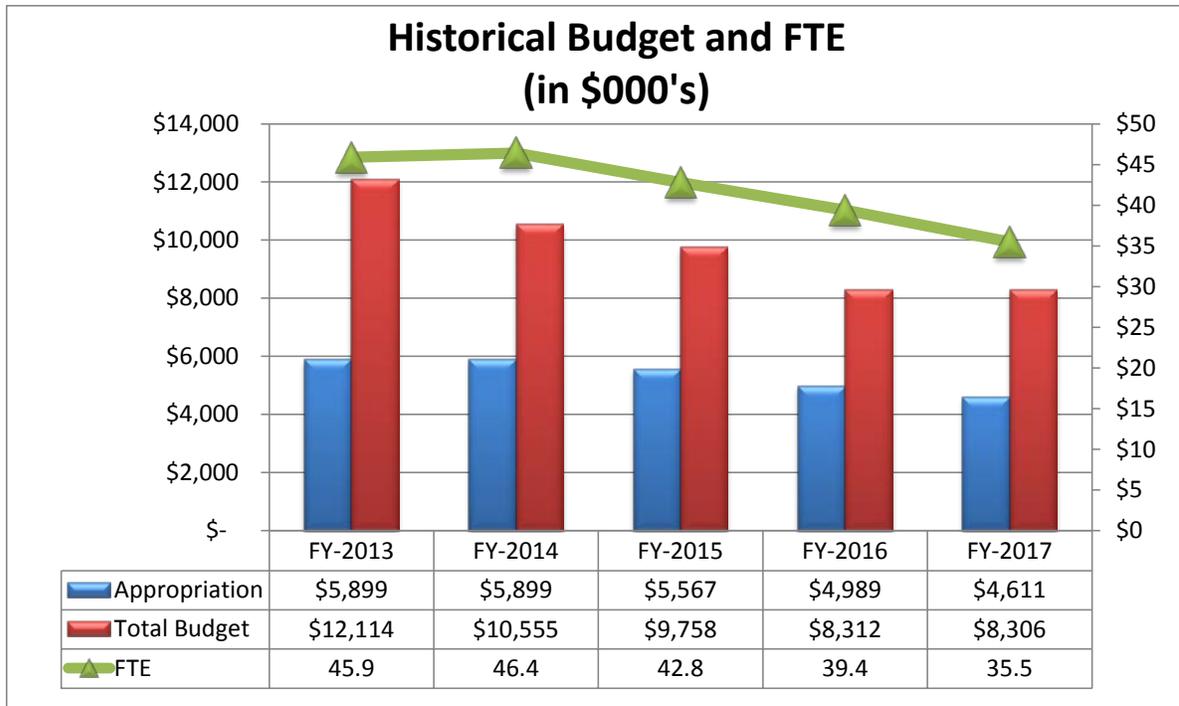
- Bills that will become law when passed by both chambers and signed by the Governor;
- Joint Resolutions that have the effect of law if passed by both chambers and signed by the Governor, but may not become part of the statutes;
- Concurrent resolutions which express the will of both chambers; and
- Simple resolutions, which express the will of the chamber of origin.

In 1990, voters in Oklahoma decided to adopt term limits for legislators. Therefore, legislators have a 12-year limit on service in the House of Representatives, the Senate, or both.

For more information about the Legislature, visit:

- [House of Representatives website](#)
- [Legislative Service Bureau website](#)
- [Senate website](#)

# Department of Libraries

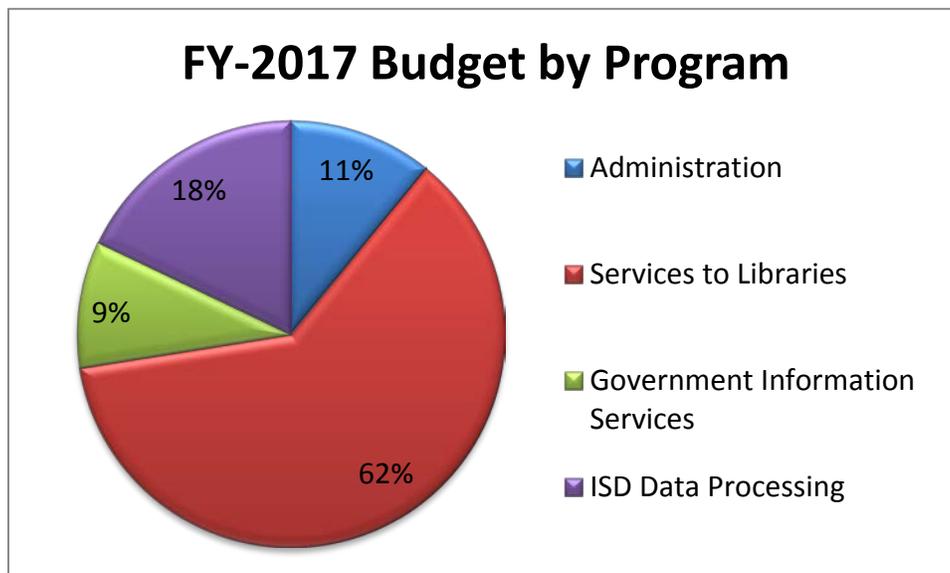


## Mission:

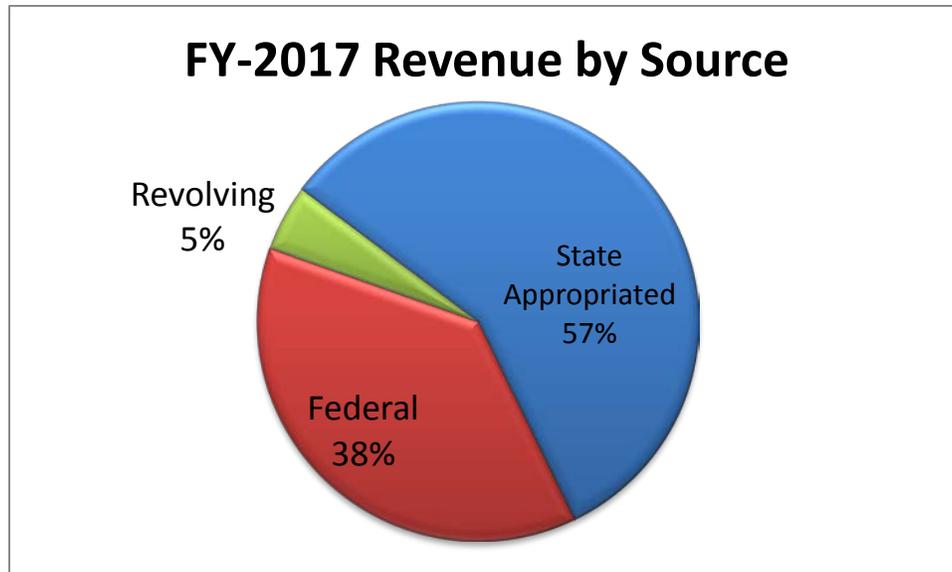
The mission of the Oklahoma Department of Libraries (ODL) is to serve the people of Oklahoma by providing excellent information services and by preserving unique government information resources.

## Programs:

- Service to Libraries
- Government Information Service



## Department of Libraries



### Accomplishments Over The Past Year:

- **EDUCATED CITIZENS AND EXEMPLARY SCHOOLS:**
  - Oklahoma children and teens performed more than 39 million information searches on the statewide information databases designed for K-12 education. Academic-level general reference databases and professional development databases were searched more than 20 million times;
  - Almost 2,900 elementary and middle school students from 31 schools participated in the annual Information Scavenger Hunt that introduces young learners to the Britannica School databases;
  - More than 91,000 children and teens participated in the 2016 Oklahoma Summer Reading Program, helping them improve or maintain their reading level between grades. Meanwhile, almost 7,500 pre-schoolers were introduced to the world of books and reading last summer;
  - More than 1,600 at-risk preschoolers receive lessons and their very own book each month as part of the Ready to Learn initiative;
  - More than 1,900 Oklahoma students attended programs with award-winning Oklahoma young adult writers in October 2015 during the Reading Roundup author tour;
  - Almost 500 students wrote a letter to the author of a book that impacted them as part of the annual Letters About Literature reading and writing program; and
  - More than 330 Oklahoma high school students entered the annual First Amendment Essay Contest, writing about one of the five freedoms guaranteed in this constitutional amendment.
- **HEALTHY CITIZENS AND STRONG FAMILIES**
  - ODL Initiatives provide citizens with accurate health information and health and wellness programming.
  - Oklahomans queried the statewide health databases more than 25 million times. The database offerings range from Consumer Health Complete for the general public, to advanced reference resources for medical students and professionals.
  - Four years into the Health Literacy Initiative, more than 20,000 Oklahomans in 21 different communities across the state have benefited from Health Literacy programs. Originally designed to assist individuals with low-level reading skills, the project has attracted a much wider audience and has inspired participating communities to explore healthier lifestyles.

# Department of Libraries

- **EFFECTIVE SERVICES AND ACCOUNTABLE GOVERNMENT**
  - ODL's statewide licenses for EBSCO and Britannica School reference databases save taxpayers 90%. ODL pays 10% of what the cost would be if individual libraries and schools had to purchase the databases. Oklahomans conducted more than 164 million searches for information on these databases last year.
  - More than a quarter of a million state government web pages and online documents have been served up to citizens through the agency's centralized Digital Prairie, Documents.OK.Gov, and Forms.OK.Gov services.
  - Network Assessment and Remediation grants are bringing faster internet speeds to public libraries large and small across the state. Since 2013, 93 public libraries have benefited from these grants funded with federal library dollars. Libraries serving populations as small as 277 to as large as 97,000 have received hybrid routers with firewalls, network cabling, "smart" wireless access points and switches, and - at a minimum - a UPS (uninterruptible battery backup power supply) to protect their network equipment investment. With the improved equipment, libraries have been able to upgrade their internet speeds from T1s to 100 mbps. Almost 90% of all public libraries are using Library Edge—a tool that helps public libraries assess their public access technology services. ODL provides a statewide license to the tool helping libraries plan technology and service improvements. Many of the findings during the first round of Edge informed ODL's investment in the Network Assessment and Remediation grants.

## **Goals For The Upcoming Year:**

- Create a five-year state plan for the Institute of Museum and Library Services based on customer feedback and independent evaluation of the prior five-year plan. The plan will identify ODL's needs and explain the activities to be taken toward meeting these needs with the assistance of Federal funds available under the Library Services and Technology Act (LSTA). LSTA funds are awarded through the Grants to States program which is a formula-based allotment for state library agencies.
- Develop an RFP and award a contract for all Oklahomans to have access to online resources through their libraries statewide. ODL will seek input from stakeholders regarding the type of resources most useful to their customers. The current contract with EBSCOhost, an online resource with full-text magazine and journal articles, expires on June 30, 2017.
- Revise rules for State Aid Grants to Public Libraries. The last revision to these rules occurred in 1999. Input from stakeholders is crucial to the successful revision and adoption of these rules.

## **Major Agency Projects:**

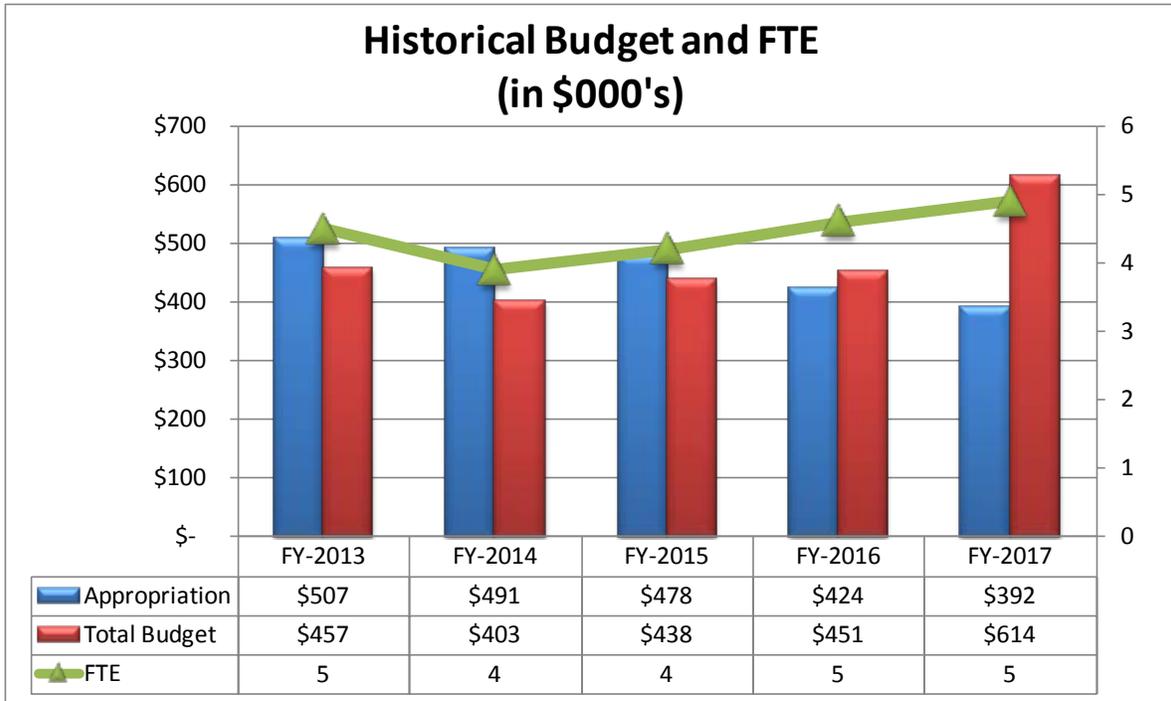
- ODL's federal depository library status changed from regional to selective in the spring of 2016. This meant that instead of receiving all federal publications issued by the Government Printing Office, ODL would only receive selected publications that filled specific needs. This has enabled ODL to work on making room for legal materials displaced from the Jan Eric Cartwright Library in the State Capitol, since there are no plans to include the law library in the State Capitol after the renovations are complete. The agency is combining two major reference areas into one space.
- Plans are underway to improve access to Digital Prairie, ODL's collection of online digital resources that include Documents.OK.Gov, Confederate Pension Records, Oklahoma Almanacs, EBSCOhost, and Britannica School among others. ODL is working on a more user-friendly experience for users of these resources.

# Department of Libraries

## **Savings, Efficiencies and Shared Services:**

- ODL's statewide licenses for the EBSCO and Britannica School online reference databases save taxpayers 90% of the cost for access to these resources.
- ODL continues to partner with the Office of Management and Enterprise Services to operate the Documents.OK.GOV and Forms.OK.GOV programs. Through these programs thousands of state documents, publications, and forms are available directly to the public via the Internet.
- ODL is revamping SoonerSearch, its comprehensive search service for online state government information. This service is transitioning from a Google-based service to the free federal Digital.Gov service, which will give individual agencies more control over their search features.
- ODL has published the Oklahoma Almanac since 1982. ODL is issuing the 2017-2018 edition of the Oklahoma Almanac as an online publication only.

## Lieutenant Governor



Oklahoma's Lieutenant Governor serves in place of the Governor when the Governor leaves the state, and serves on the Governor's cabinet as Small Business Advocate. Also, the Lieutenant Governor serves as the President of the Oklahoma State Senate, casting a vote in the event of a tie and presiding over joint sessions of the State Legislature. In addition, the Lieutenant Governor presides over, or is a member of, the following nine state boards and commissions:

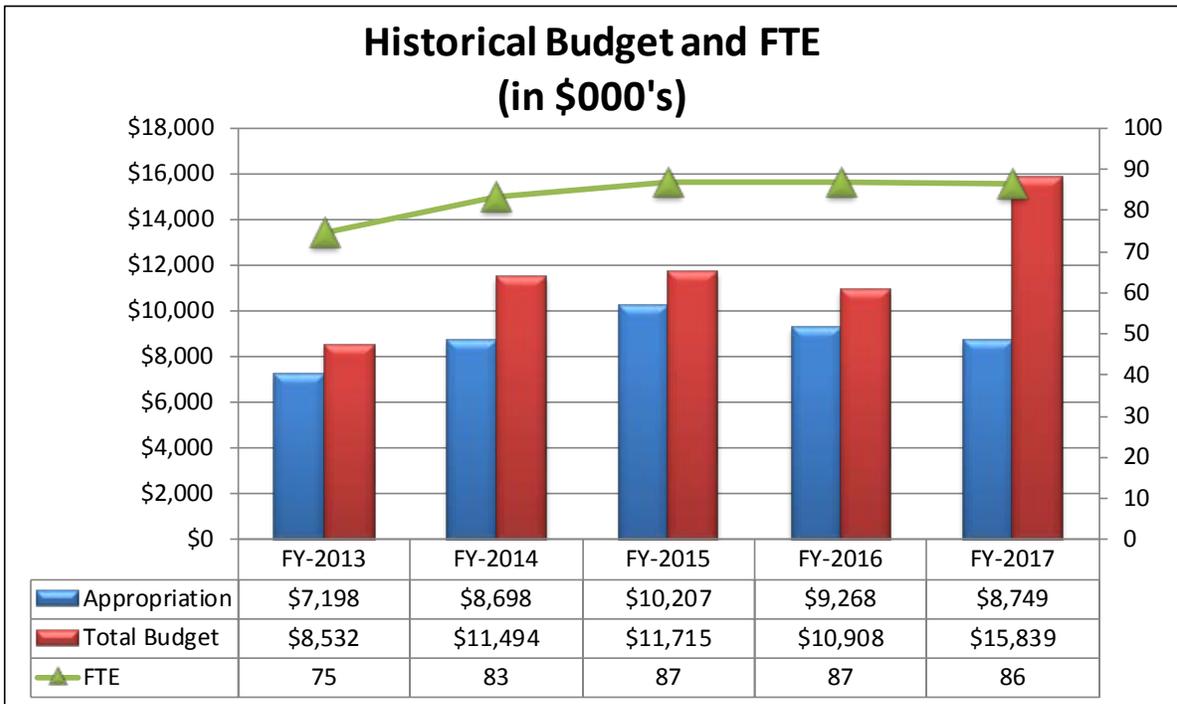
- Chairman, Oklahoma Tourism and Recreation Commission;
- Native American Cultural and Educational Authority;
- State Board of Equalization;
- Oklahoma Capitol Improvement Authority;
- Oklahoma Archives and Records Commission;
- Oklahoma Film and Music Advisory Commission;
- CompSource Oklahoma Board of Managers;
- Commissioners of the Land Office (School Land Trust); and
- Oklahoma Linked Deposit Review Board.

For more information, visit the [Lieutenant Governor's website](#).

### **Savings, Efficiencies and Shared Services:**

Utilization of shared services through OMES for all accounting, human resources and purchasing.

# Medical Examiner, Office of the Chief

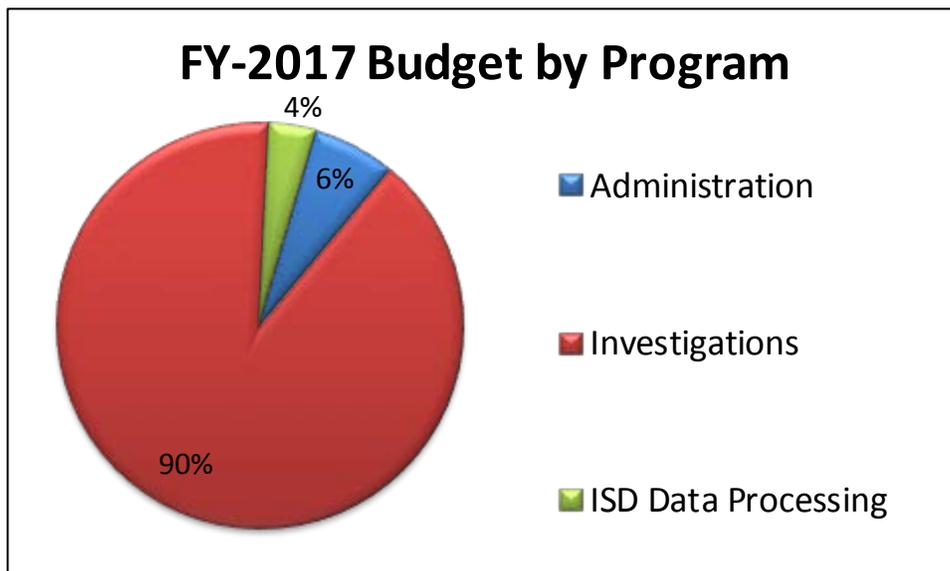


## Mission:

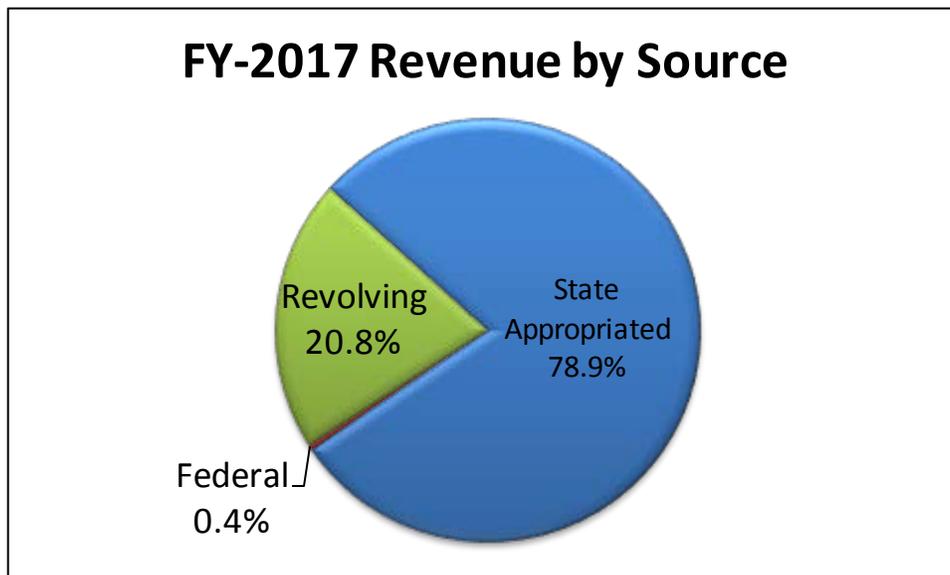
The mission of the Board of Medicolegal Investigations and the Office of the Chief Medical Examiner (OCME) is to protect public health and the safety of Oklahomans through the scientific investigations of deaths as prescribed by state statutes.

## Programs:

- Administration
- Investigations
- ISD Data Processing



## Medical Examiner, Office of the Chief



### Accomplishments Over the Past Year:

- Received a Department of Defense grant, one of only five medical examiner offices in the country to do so;
- Eliminated virtually all of the OCME's backlog of open cases for decedents;
- Reduced the turnaround time for full-body x-rays by 87% through the continued use of two LODOX (full-body, high-speed radiology) machines for the central and eastern offices which accomplishes full-body x-rays in 13 seconds per patient versus approximately 45 minutes with the old x-ray system;
- Increased staff, growing from 6 to 12 forensic pathologists;
- Remained the top participant of all U.S. medical examiners in entering and identifying missing and/or unidentified persons according to the National Association for Missing and Unidentified Persons System (NAMUS);
- Maintained the accredited fellowship program through the Accreditation Council for Graduate Medical Education;
- Continued and coordinated a mass disaster plan encompassing policy, coordination with the Oklahoma Funeral Directors Association, disaster toe tags, and drills;
- Implemented an electronic upload system for cremation and out-of-state permits;
- Purchased hand-held radios for statewide coverage in the event of a mass disaster with grant funding from the Oklahoma State Department of Health (OSDH);
- Updated the teleconference systems between the central and eastern offices which has opened communication between both offices and allows for a unified practice across the agency;
- Achieved 100% national certification of eligible death investigators with the American Board of Medicolegal Death Investigators (ABMDI), leading Oklahoma to be the only medical examiner office in the United States with 100% certified investigators;
- Received the distinction of having one of the OCME investigators serve as the vice president for the ABMDI;
- Started holding a monthly lecture series for injuries;
- Maintained an accredited fellowship program through the Accreditation Council for Graduate Medical Education; and
- Improved quality and turnaround times through the continued use of the robotic stain line for histology.

# Medical Examiner, Office of the Chief

## **Goals For The Upcoming Year:**

- Secure reaccreditation for Oklahoma from the National Association of Medical Examiners (NAME);
- Construct an autopsy laboratory in Tulsa;
- Gain a fellowship accreditation for the Eastern practice;
- Move forward with the central practice building construction; and
- Maintain a case turnaround time of less than 90 days (60 when fully staffed).

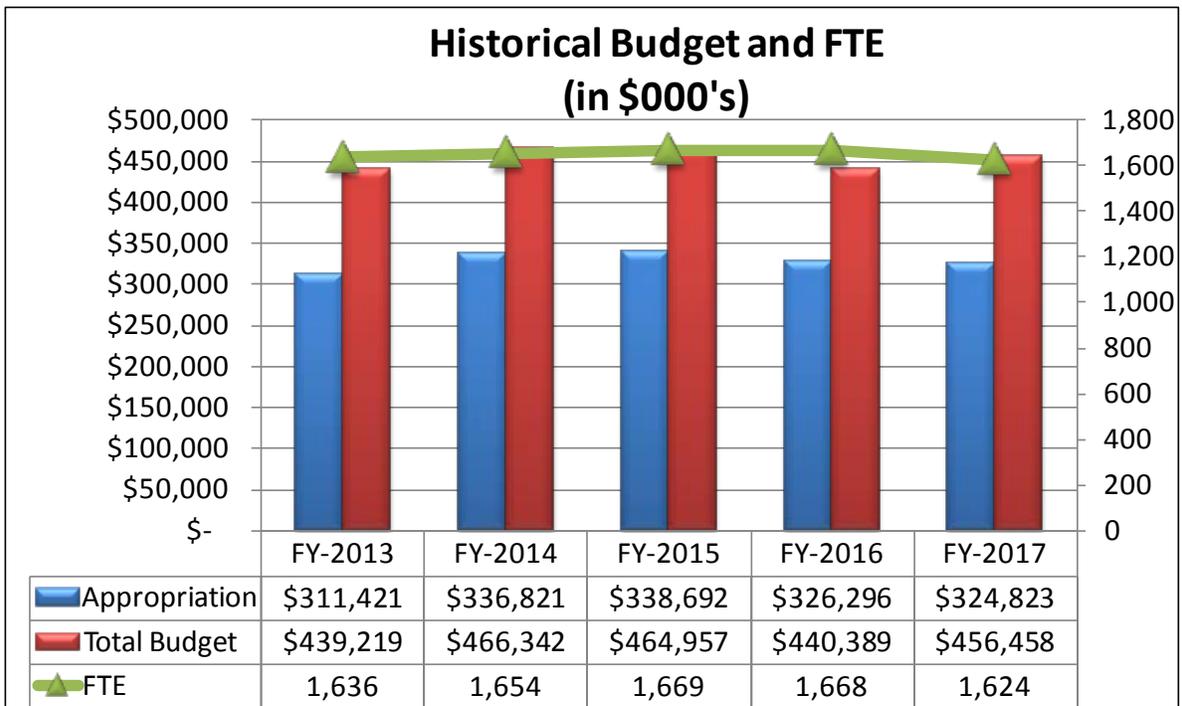
## **Major Agency Projects:**

- Completion of a Radio Frequency Identification (RFID) system for decedent's location and security receipt and release;
- Digitally documenting the skeletal remains of 140+ people in the OCME's custody;
- Continuing with digital imaging and working on the electronic medical record, allowing the OCME to go to a paperless system; and
- Examining cases in alignment with NAME autopsy standards, which will assist with reaccreditation.

## **Savings, Efficiencies and Shared Services:**

- Installed smart thermostats which has led to less energy usage on the weekends, holidays and evenings;
- Implemented an electronic upload system for cremation and out-of-state permits, which has eliminated the need for 1 FTE;
- Eliminated 3 FTE by adjusting the hours for descendants to pick up/drop off items; and
- Installed efficient lighting in both autopsy suites.

# Department of Mental Health and Substance Abuse Services



## Mission:

The mission of the Oklahoma Department of Mental Health and Substance Abuse Services is to promote healthy communities and provide the highest quality care to enhance the well-being of all Oklahomans.

## Programs:

### Treatment and Recovery:

- Community mental health centers
- Outpatient and residential substance abuse services
- Crisis and inpatient psychiatric care
- Drug courts and mental health courts
- PACT services
- Systems of Care
- Gambling outreach and addiction services

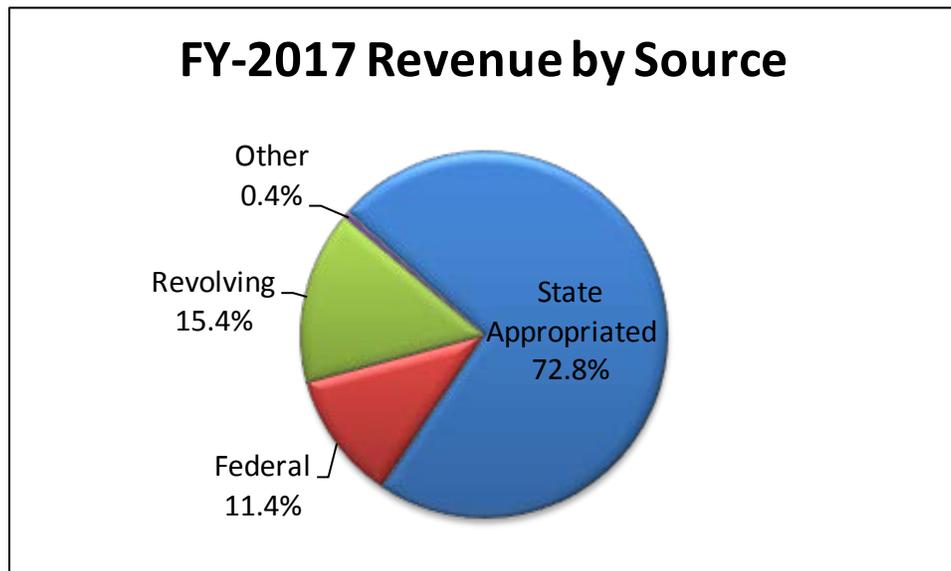
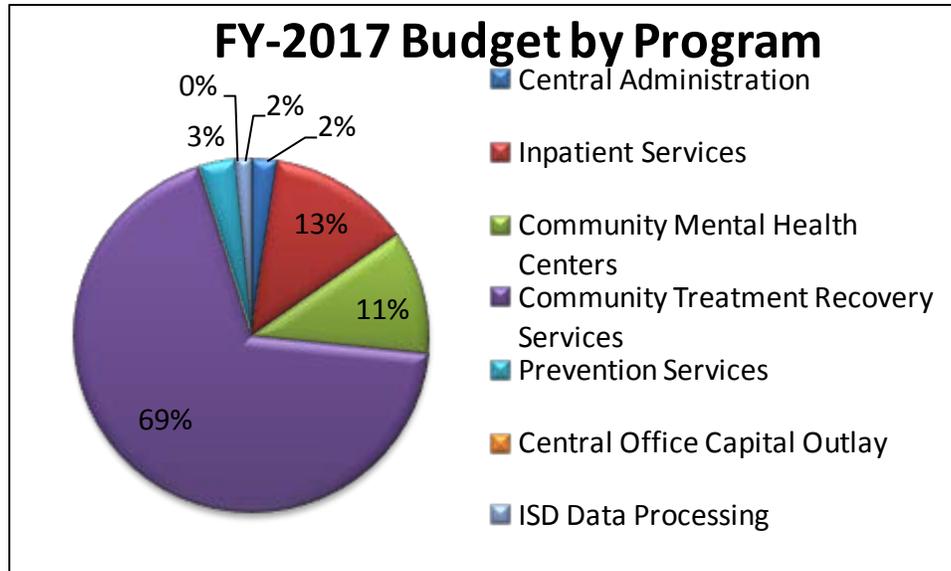
### Prevention:

- Regional prevention coordinators
- Underage Drinking initiatives
- Prescription drug abuse prevention and treatment initiatives
- Synar (Illegal Tobacco Sales to Minors) Compliance

### Behavioral Health Medicaid Program:

- Pre-authorization
- Reimbursement
- Policy and Rules

## Department of Mental Health and Substance Abuse Services



### Accomplishments Over The Past Year:

- Screened 12,398 offenders and recorded 9,104 final dispositions through the offender screening and assessments program with outcomes including an 87% decrease in the length of time an offender is jailed, \$2.2 million decrease in incarceration costs, and a 72% decrease in the length of time from arrest to drug court admission;
- Continued the successful drug court program which shows significantly better outcomes than incarceration, including a 7.9% recidivism rate versus 23.4% for those incarcerated as well as better employment rates after release which results in increased tax dollars;
- Sustained the positive outcomes resulting from mental health courts with an 86% reduction in jail days pre-admission versus post-admission, 93% improvement in unemployment, 76% drop in needed inpatient services, and an 86% decrease in arrests;
- Saw significant results from the Oklahoma Systems of Care Program with youth showing decreases in school suspensions and detentions, law enforcement contacts, self-harm, and other behavioral

# Department of Mental Health and Substance Abuse Services

- issues, and of the youth who came into the system and were diagnosed as clinically impaired, over 70% showed significant improvement six months later;
- Created a statewide Prescription Drug Abuse Prevention initiative;
  - Trained more than 200 Question, Persuade, and Refer instructors statewide with the goal of suicide prevention, implemented an initiative to ensure suicide prevention and intervention strategies in behavioral health and primary care settings, and started a Working Minds Initiative to offer assistance and support to schools, businesses, churches and other entities impacted by suicide;
  - Partnered with the Regional Prevention Coordinators and law enforcement to complete 2,200 alcohol compliance checks for youth access, trained approximately 2,400 beverage persons regarding responsible beverage services and sales, and trained approximately 500 2M2L officers;
  - Created the TakeasPrescribed.org website which generated approximately 22,000 website hits in the past year with social media posts reaching up to 10,000 people per month and over 2,000 followers;
  - Saved 42 lives through the Naloxone training and emergency responder program;
  - Funded 13 local high-risk communities specifically to address opioid abuse prevention needs; and
  - Saw the Behavioral Health Medicaid growth rate drop to 1% from 7% in FY-2014.

## Goals For The Upcoming Year:

- Continue to provide core services of superior quality to the citizens of Oklahoma.

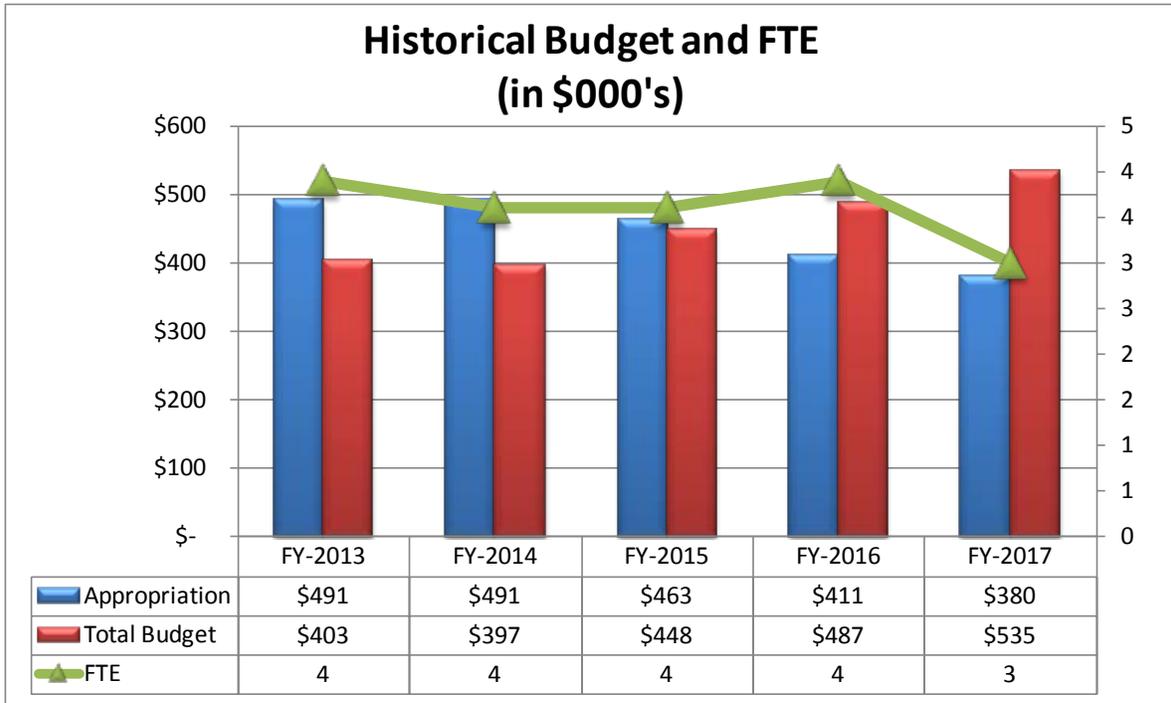
## Major Agency Projects:

- Continuing the statewide TakeasPrescribed initiative that includes media, public outreach and information sharing, education and training for health/medical professionals, data analysis, and community partnerships;
- Expanding suicide prevention efforts throughout the state and working to identify key intervention strategies to positively impact the issue including the Zero Suicide effort which provides specialized training and resources for behavioral health clinicians statewide;
- Advancing jail screenings beyond the current 37 counties;
- Continuing to work with community, hospital, and law enforcement leaders to address the issue of needed crisis center services and the resulting impact on communities;
- Recognizing further behavioral health Medicaid savings and realizing increased efficiencies/quality of care; and
- Continuing an aggressive plan to make available Mental Health First Aid (MHFA) training and support services for all school systems statewide.

## Savings, Efficiencies and Shared Services:

- Limited the behavioral health Medicaid growth rate to 1% in FY-2017 down from the average growth rate of 14% in FY-2012 with approximately \$92 million dollars saved through the reduction;
- Saved \$5.8 million through the largest telemedicine network in the nation that specializes in behavioral health with over 34,000 individuals receiving services via telemedicine;
- Started the process of relocating and consolidating the central office space which will save the Department approximately \$250,000 per year through reduced maintenance costs and locating all staff in one location, leading to lower costs for state-owned vehicles along with local travel/time savings.
- Saved \$600,000 by updating the department's organizational structure to increase efficiency, including a reduction in staff positions and additional duties to be undertaken by staff; and
- Worked with the Department of Corrections to improve the transition of offenders with mental illness into community-based mental health services upon release from prison.

# Merit Protection Commission



## Mission:

The mission of the Merit Protection Commission is to protect the state's merit system utilized by state agencies, their employees, and citizens for the State of Oklahoma. Their mission is accomplished through the Commission's powers to receive and act on complaints, trainings, counseling and consultation, in conjunction with voluntary mediation and mandatory negotiation. The rights and responsibilities of public officials, state employees and applicants are protected through the Commission's investigative powers, dispute resolution systems and administrative hearing process.

## Programs:

- Alternative Dispute Resolution (ADR)
- Grievance Management
- Appeals
  - Investigations
  - Hearings
  - Training

## Accomplishments Over The Past Year:

- During FY-2016, the agency updated Merit Rules 455: Chapter 10 Merit System of Personnel Administration to be compliant with changes to the Personnel Act;
- Processed 50 Discharges, 7 Demotions, 35 Suspension without pay, and 71 alleged violations involving allegations of violations of the Personnel Act, Merit Rules, whistle-blower retaliation, and discrimination; and
- Provided six grievance manager trainings, nine progressive discipline trainings, and one investigative training to managers, supervisors, and employees.

## Goals For The Upcoming Year:

Continue with the agency mission to provide a fair independent employment resolution system and outreach to

# Merit Protection Commission

agency field employees.

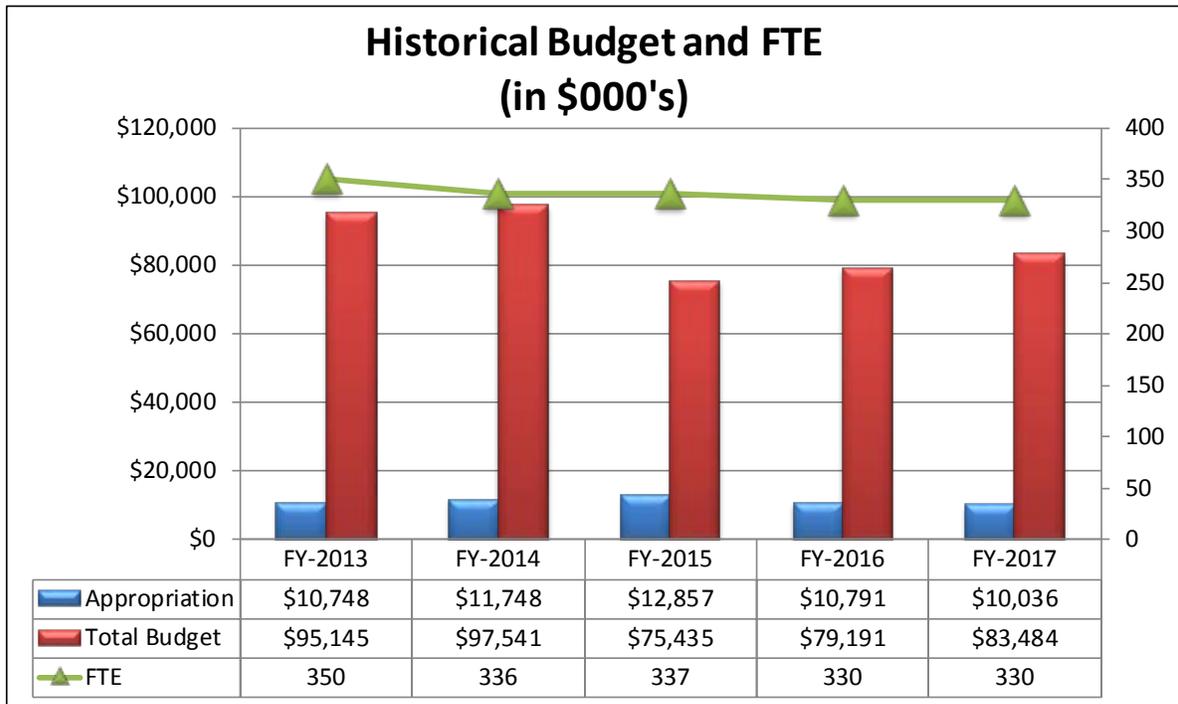
## **Major Agency Projects:**

- Update Merit Rules Title 455: to be compliant with changes in the Personnel Act; and
- Work with legislators and those who utilize the agency's services to evaluate merit reform possibilities.

## **Savings, Efficiencies and Shared Services:**

- The agency continues to save the State of Oklahoma money by providing a cost effective way of resolving disputes at the lowest level possible. There were 175 appeals filed with our agency in FY-2016 and of that number only six (6) continued by filing cases in district court. The agency response time has risen due to a decrease in full time employees (FTE's) yet the agency continues to provide an expeditious process in comparison to the district court.
- The agency is IT consolidated and utilizes Agency Business Services (ABS) of OMES for accounting functions.

# Military Department



## Mission:

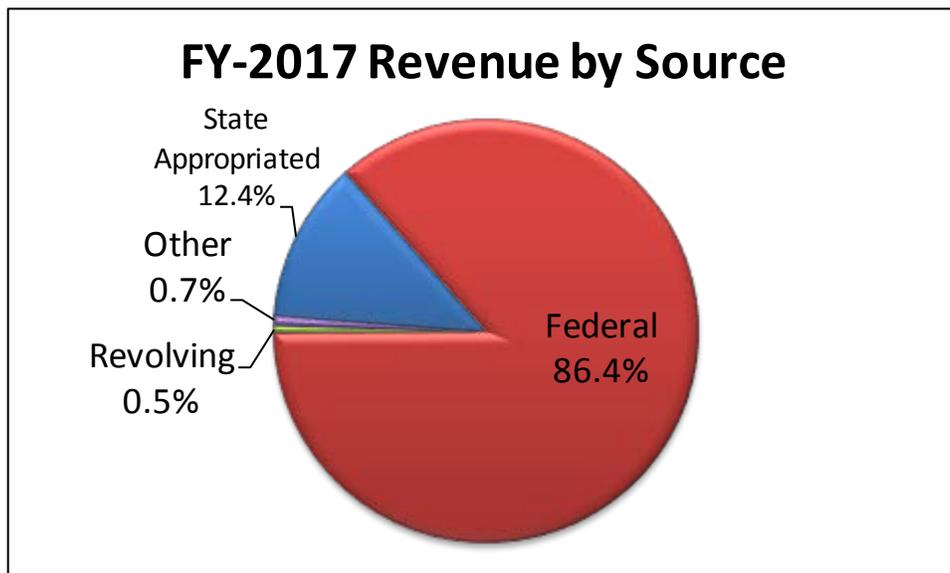
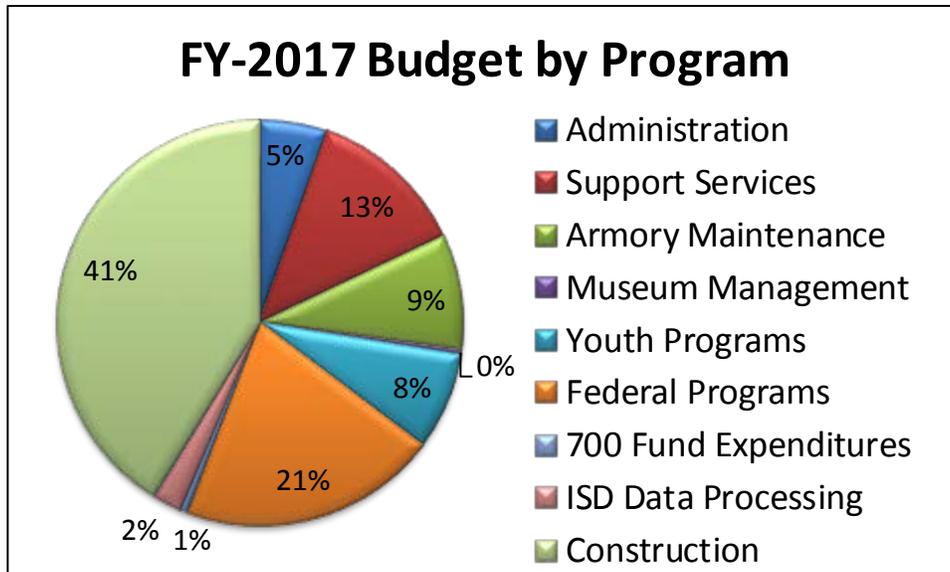
The Oklahoma Military Department (OMD) is comprised of the Oklahoma National Guard (OKNG) which provides ready units and personnel to the State and Nation in three roles:

- State: To provide fully trained units, soldiers, and airmen to support civil authorities in times of natural or manmade disasters and to mobilize in order to provide special services in preserving peace, order, and public safety, at any time, on order of the Governor of Oklahoma;
- Federal: As a part of the United States Army and Air Force, to provide fully trained units, soldiers, and airmen prepared to mobilize, deploy, and execute all war-time missions on order of the President of the United States; and
- Community: Implement and execute federal programs in the areas of Drop-Out Recovery/High School Completion; Science, Technology Engineering and Math (STEM) for at-risk youth; Counterdrug Operations in support of local, state and federal efforts; and to participate in local, state, and national programs that add value to Oklahoma.

## Programs:

- Administration
- Support Services
- Armory Maintenance
- Museum Management
- Youth Programs
- Federal Programs
- 700 Fund Expenditures
- ISD Data Processing
- Construction

## Military Department



### Accomplishments Over the Past Year:

- Implemented agency-wide force protection measures to arm certain National Guard Service members due to increased threats to our soldiers, airmen and civilian employees;
- Completed the Armory Modernization Project at the Tulsa Readiness Center and began the planning/design for the Edmond Readiness Center;
- Continued operation of the premier museum of Oklahoma Military History;
- Graduated 256 at-risk youth from the Thunderbird Youth Academy;
- Monitored eligible youth across the State through the State Transition and Reintegration System (STARS) Program; and
- Taught over 4,000 5th-graders about Science, Technology, Engineering and Math (STEM) through the Department of Defense (DoD) STARBASE Program.

# Military Department

## **Goals For The Upcoming Year:**

- Reduce deferred maintenance backlog for OMD/OKNG facilities across the State of Oklahoma;
- Improve facilities at Thunderbird Youth Academy, with a priority to those items which will improve cadet-life; and

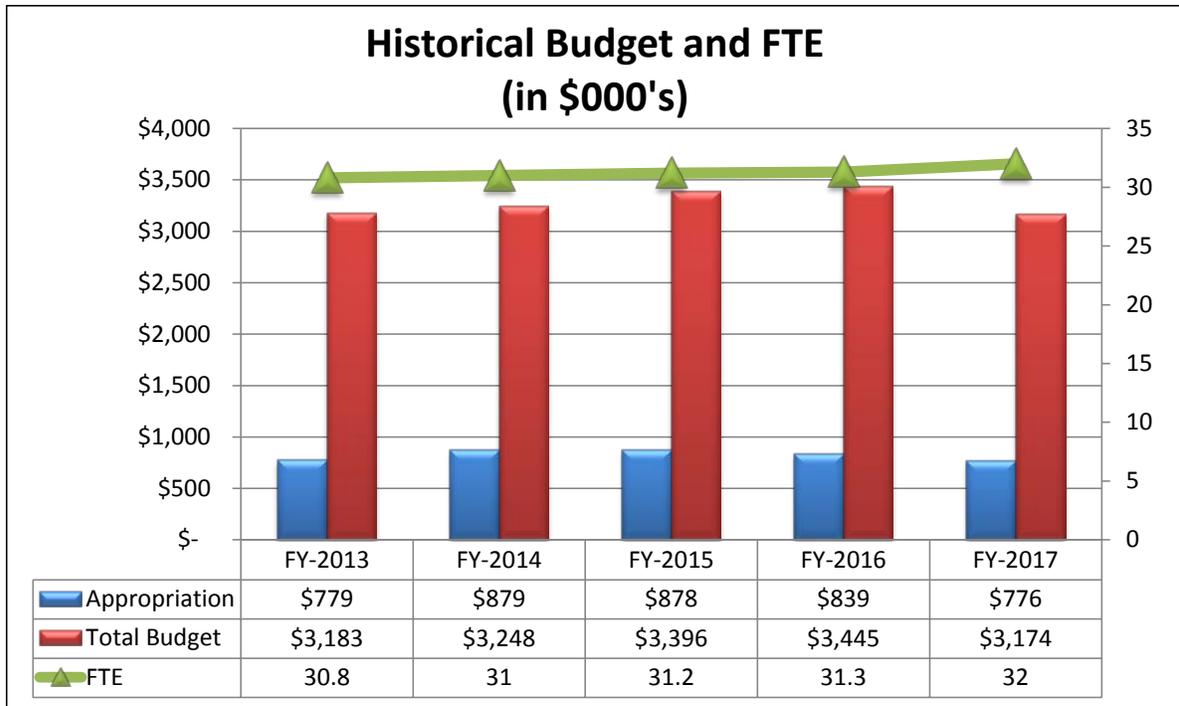
## **Major Agency Projects:**

- Continuing construction on the Ardmore Readiness Center; and
- Improving facilities at the Thunderbird Youth Academy Program in Pryor.

## **Savings, Efficiencies and Shared Services:**

- Maximized federal funds available for fleet management through cooperative agreements, saving tens of thousands of dollars per year; and
- Utilized the DoD network backbone for the majority of IT needs, saving thousands of dollars per year on state IT charges.

# Department of Mines



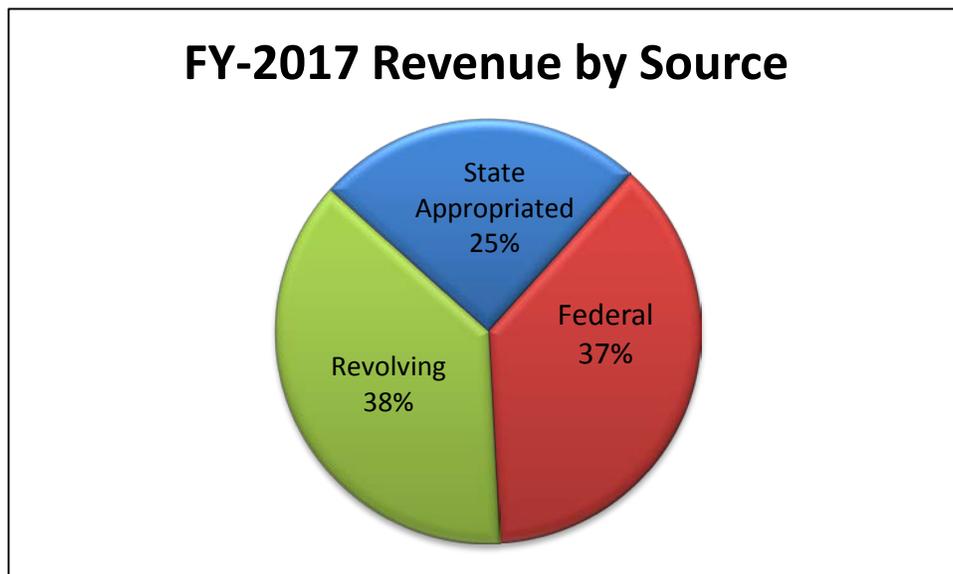
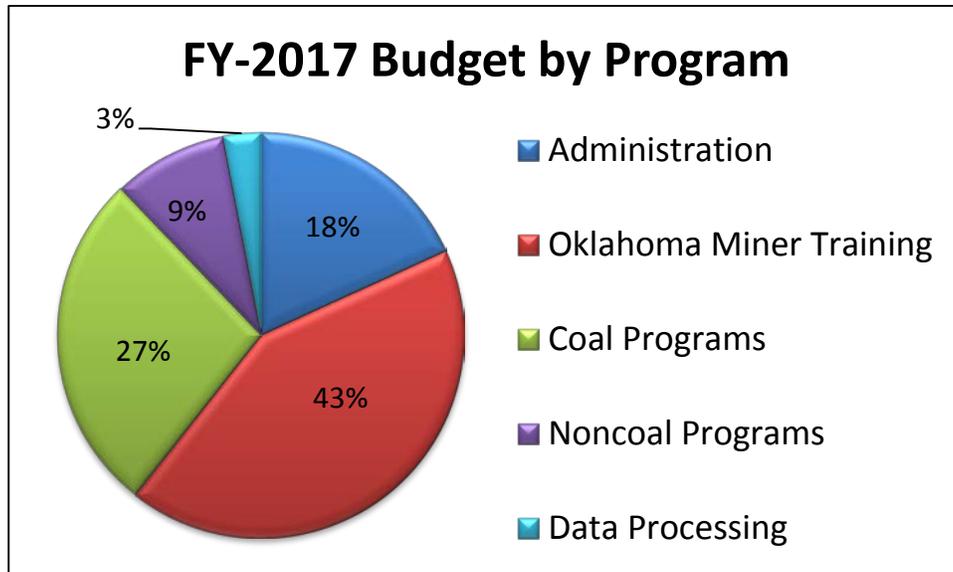
## Mission:

The mission of the Oklahoma Department of Mines (ODM) is to protect the environment of the state, to protect the health and safety of miners and to protect the life, health, and property of affected citizens through enforcement of state mining and reclamation laws.

## Programs:

- Administration
- Oklahoma Miner Training Institute
- Coal Division
- Non Coal Division
- Information Technology/Data Processing

## Department of Mines



### Accomplishments Over The Past Year:

- Increased computer access through the OMES IT division, with the Oklahoma City and Wagoner offices upgrading all hardware, affording the field office better Internet and easier communication with the Oklahoma City office;
- Co-sponsored the Governor's Water Conference with the Oklahoma Water Resources Board and have seen the cooperative teamwork result in a stronger ability to address the water concerns of the citizens of Oklahoma, and not just mining operators;
- Accomplished the biggest goals set by the agency by recording zero fatalities in the mining industry in 2016 which validates the combined efforts of the permitting and inspection staff, the training provided by the Oklahoma Miner Training Institution and the safety programs the inspection team continues to provide to all mining operations at every inspection, thereby reducing the number of serious accidents and fatalities;
- The Coal Division assisted the Oklahoma Conservation Commission and the federal Office of Surface Mining in reclaiming an abandoned mine site which was a potential safety hazard to

# Department of Mines

Oklahoma citizens, using forfeited performance bond funds with a zero impact to state taxpayer dollars; and

- The Department assisted the Oklahoma Department of Transportation with the use of explosives in the road construction work on I-35 as a result of the rock slide that occurred in southern Oklahoma and with the permitting process needed to accomplish this project handled by our agency.

## **Goals For The Upcoming Year:**

- Maintain another year free of fatalities on mine sites;
- Continue miner training provided by the Oklahoma Miner Training Institute, and the regular presence of Health and Safety Inspectors at the mine site which contributes to the state's excellent safety record;
- Add training videos to the agency website for public access which are currently available in a digital format upon request; and
- Make the agency website more user-friendly and accessible for form entry and mandatory reporting requirements.

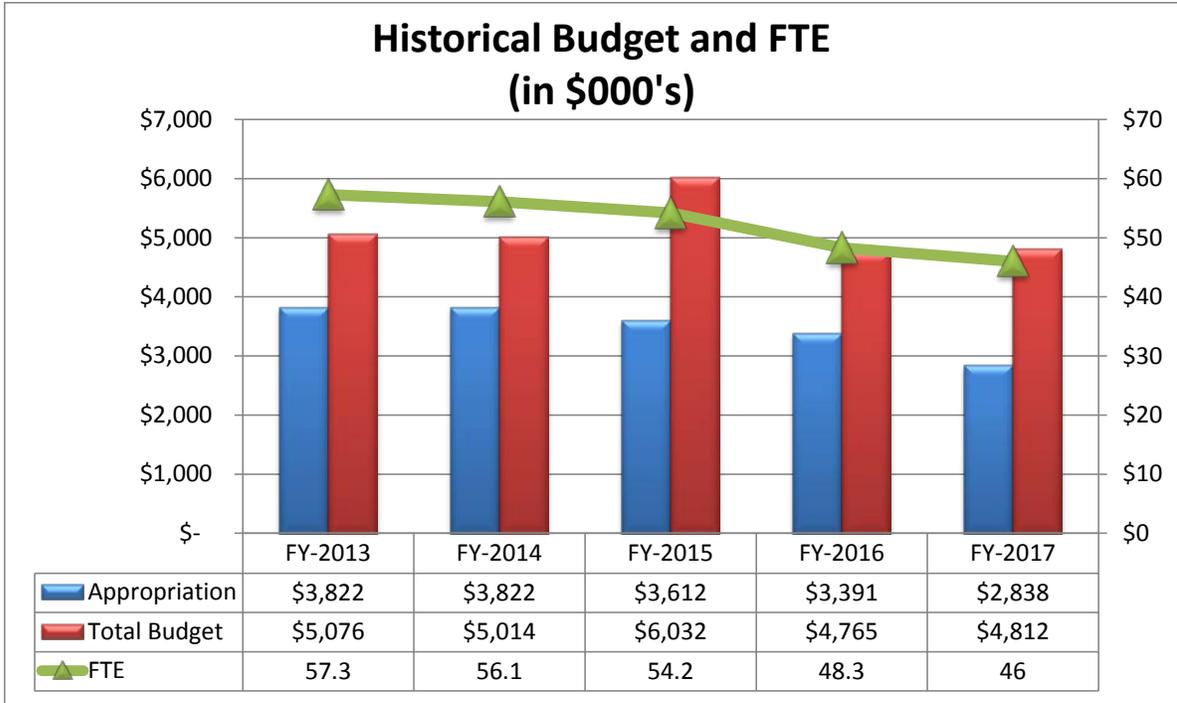
## **Major Agency Projects:**

- Working with the Geological Survey in Norman to compile statistical production information regarding Oklahoma's resources;
- Revising the website and working with OMES IT staff to provide user friendly forms for mining operators and the public to access and complete easily;
- Additionally, the ability for the agency to maintain all data in a central data bank for the field staff to access will be a project for the permitting and enforcement areas. Our federal grantors have been working with other states for centralized electronic coal permitting, and OMES and ODM will be working with another state to analyze how best to implement a software system that is already being used by another state. Oklahoma has been offered access to the software at no additional cost with the possible anticipated costs only consisting of some hardware adjustments and special project staff assigned from OMES.

## **Savings, Efficiencies and Shared Services:**

- Continued to utilize the ABS division of OMES for payroll services, thereby saving the cost of an HR specialist on staff;
- Maintained agreement for clearing account and agency special account reconciliations that was created in FY-2016;
- Continued savings were realized with Health and Safety Inspectors maintaining their point of work base from their homes.

# Oklahoma Educational Television Authority

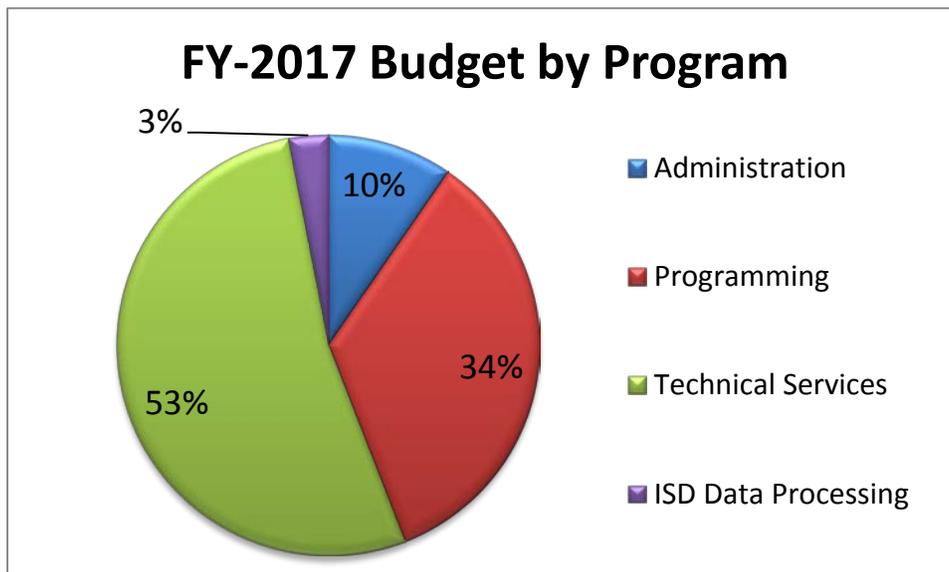


## Mission:

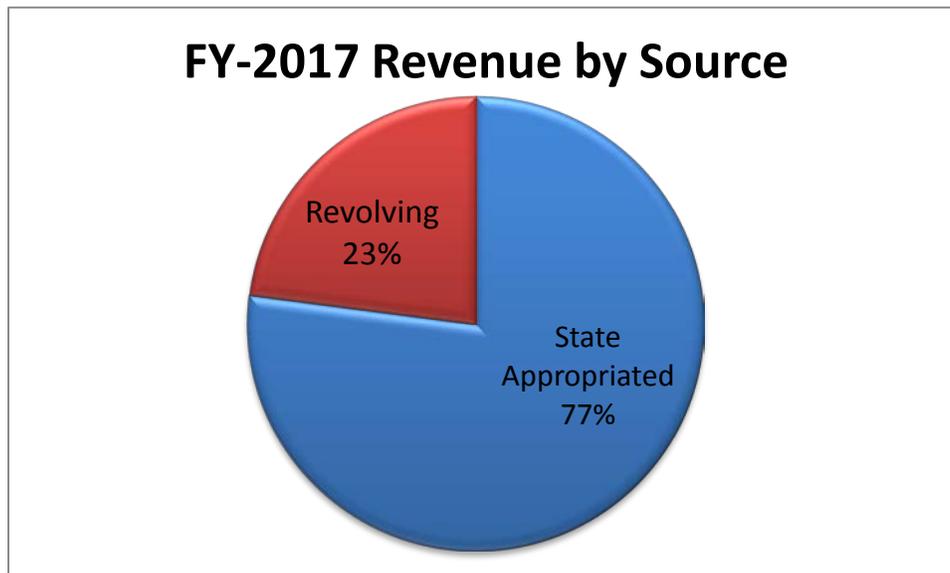
The Oklahoma Educational Television Authority's (OETA) mission is to provide essential educational content and services that inform, inspire, and connect Oklahomans to ideas and information that enrich their quality of life.

## Programs:

- Administration
- Programming and Production
- Technical Services
- ISD Data Processing



# Oklahoma Educational Television Authority



## Accomplishments Over The Past Year:

- OETA Learning Media: Increased registrations for OETA Learning Media digital classroom service. Oklahoma teachers and home educators (about 8,000) now use OETA's online library of 100,000 free classroom resources. OETA partners with the Oklahoma Department of Education for this service.
- Literacy and STEM Services: To help improve literacy among early elementary students OETA offered a statewide Kids Writers Contest. This year, 190 early elementary aged children wrote and illustrated their own fictional storybooks. Similarly, OETA conducted a statewide STEM Fair.
- OETA's Ready to Learn Program: provided nearly 3,000 families with additional opportunities for literacy and STEM learning. All program experiences go beyond the traditional school environment to incorporate classroom concepts into daily life. Families participated in events that combined Oklahoma Academic Standards (OAS) with concepts presented in PBS Kids programming. Such events included the Fall Literacy Festival and the Winter Writers Fair that helped improve reading and writing skills. OETA Kids Summerfest inspired families to create their own learning experiences during the summer months. Through OETA sponsored summer camps urban and low-income children participated in interactive STEM and literacy learning experiences.
- Read Across Oklahoma: Doubled attendance at Read Across Oklahoma, with more than 5,000 children and families attending a day full of interactive literacy activities and receiving free books at the Oklahoma City Zoo.
- Explore the Outdoors: Partnered with Oklahoma State Parks to provide interactive science and nature learning experiences based on OETA's STEM programming for children. Some 800 individuals in four regions showed a 48% increase in STEM learning among pre-kindergarten through 1st grade children.
- Electronic Field Trips: OETA ensures Oklahoma ranks in the top five states participating in Colonial Williamsburg Electronic Field Trips. All Oklahoma schools have access, and each year OETA partners with the Oklahoma Foundation for Excellence to provide more than 90 scholarships.
- Digital Content: OETA has expanded its content services to include digital projects like the Emmy-winning "What's the Deal?" a STEM-focused online-only on-going original series targeting middle school students. Episodes demonstrate how math, physics, engineering, and science can be applied in daily life. Educational materials were delivered to 88 upper elementary and middle school teachers. Additionally, the What's the Deal? curriculum and associated materials were delivered to the Tulsa STEM.

# Oklahoma Educational Television Authority

- Teacher Trainings: OETA conducted a statewide teacher professional development training program to help educators to best leverage OETA content in the classroom as well as available community level programs.

## **Goals For The Upcoming Year:**

- OETA will continue to work with other news organizations to gather and disseminate information about the legislative process, what's at stake in each election, issues of statewide significance, and free enterprise in Oklahoma.
- Continue expansion of Ready to Learn with a robust statewide engagement effort including free book distribution, professional development, parent workshops, community learning events, and more.
- OETA will replace the Omneon Server. This device plays programming on all four of our channels. The channels are provided over the air, on cable, and on satellite throughout the state.

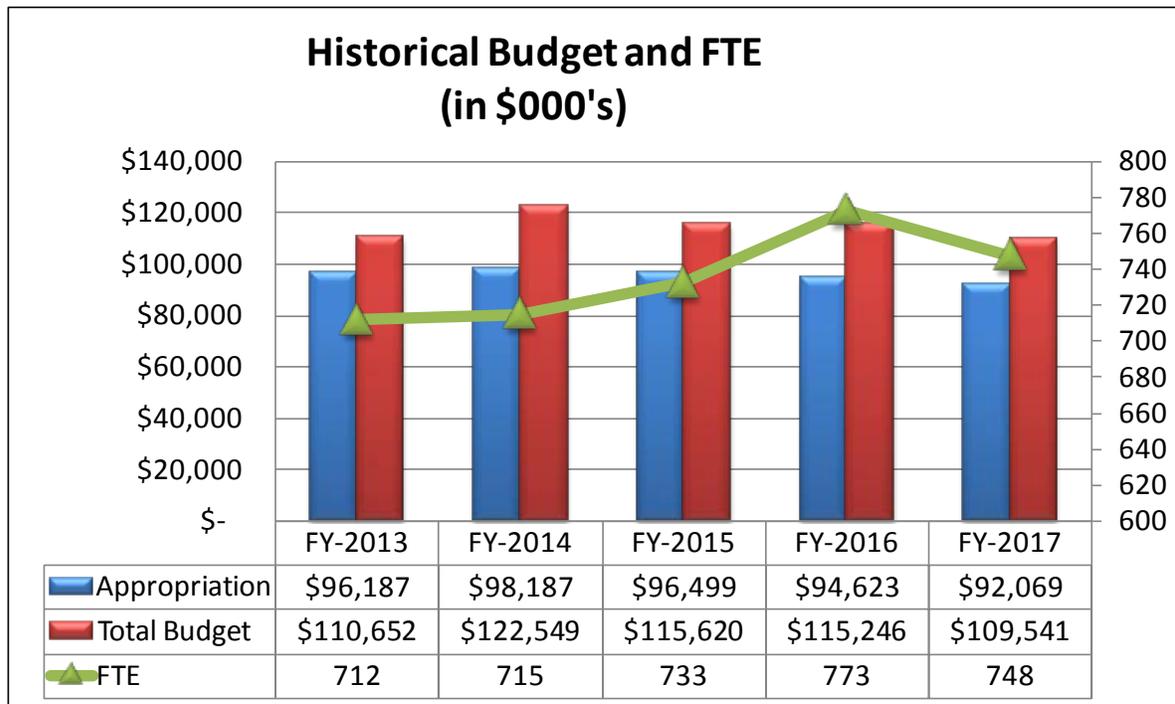
## **Major Agency Projects:**

- The Omneon server will be installed this next year to improve the playout of all four OETA channels. The quality and efficiencies of all four channels will be improved.

## **Savings, Efficiencies and Shared Services:**

- OETA continues to only fill positions that become vacant if they are vital to the organization and will continue looking for other ways to save through energy efficiencies, working with Oklahoma's 20 x 2020 program, and staff changes; and
- Satellite to Fiber conversion of all 18 OETA full power and translators transmitting sites has been completed saving over \$200,000 a year.

# Office of Juvenile Affairs



## Mission:

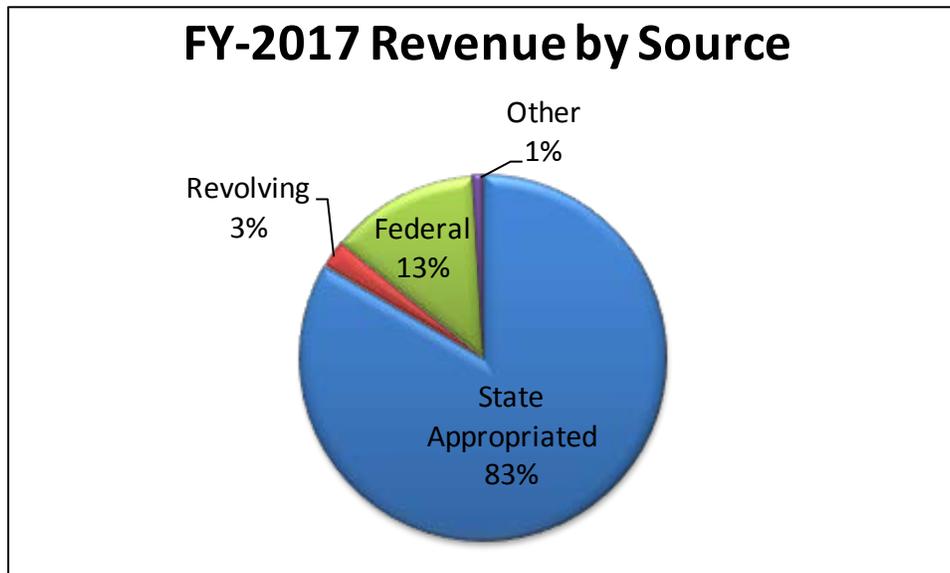
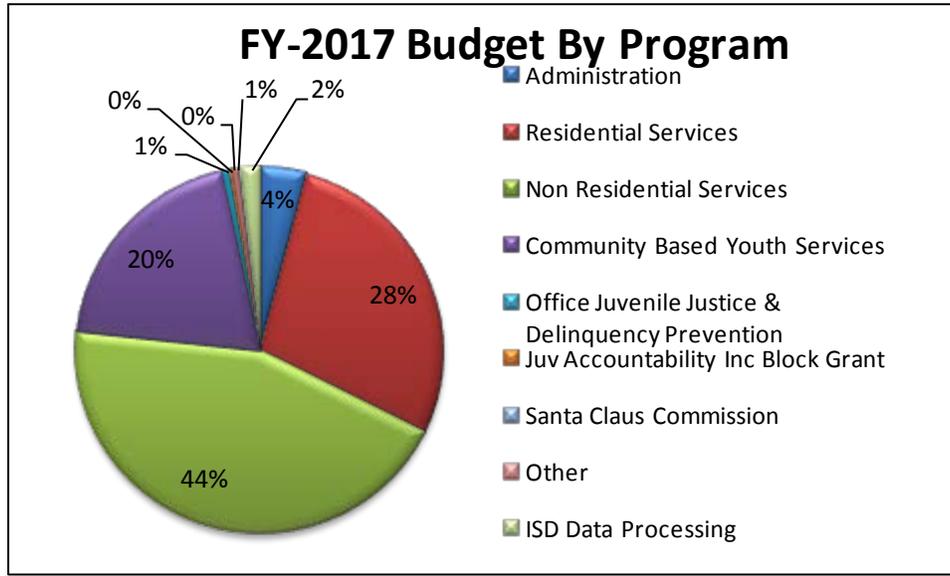
The Office of Juvenile Affairs is a state agency entrusted by the people of Oklahoma to provide professional prevention, education, and treatment services as well as secure facilities for juveniles in order to promote public safety and reduce juvenile delinquency.

## Programs:

- Residential Programs:
  - Secure Institutions
    - Central Oklahoma Juvenile Center (COJC) - Tecumseh
    - Southern Oklahoma Juvenile Center (SOJC) – Manitou
    - Oklahoma Juvenile Center for Girls (OJC4G) – Norman
  - Oklahoma Youth Academy
  - CareerTech Training
- Non-residential Programs:
  - Juvenile Services Unit - District/County Services
  - Group Homes
  - Specialized Community Homes
  - Therapeutic Foster Home Program
  - Juvenile Offender Victim Restitution Work Program
  - Regional Secure Detention Centers
- Reintegration Programs:
  - Community-At-Risk Services (CARS)
  - Residential Substance Abuse Treatment
  - State Transition and Reintegration Services (STARS)
  - Life Skills
- Community Based Youth Services
  - First Offender Program

# Office of Juvenile Affairs

- Emergency Youth Shelters
- Community Intervention Centers
- School-based Services
- Federal Grant Programs
  - Juvenile Justice and Delinquency Prevention
  - Juvenile Accountability Block Grants
- Santa Claus Commission



**Accomplishments Over The Past Year:**

- Established charter schools at each male institutions, Central Oklahoma Juvenile Center and Southwest Oklahoma Juvenile Center; and
- Continued operations of the female institution, OJC4G.

# Office of Juvenile Affairs

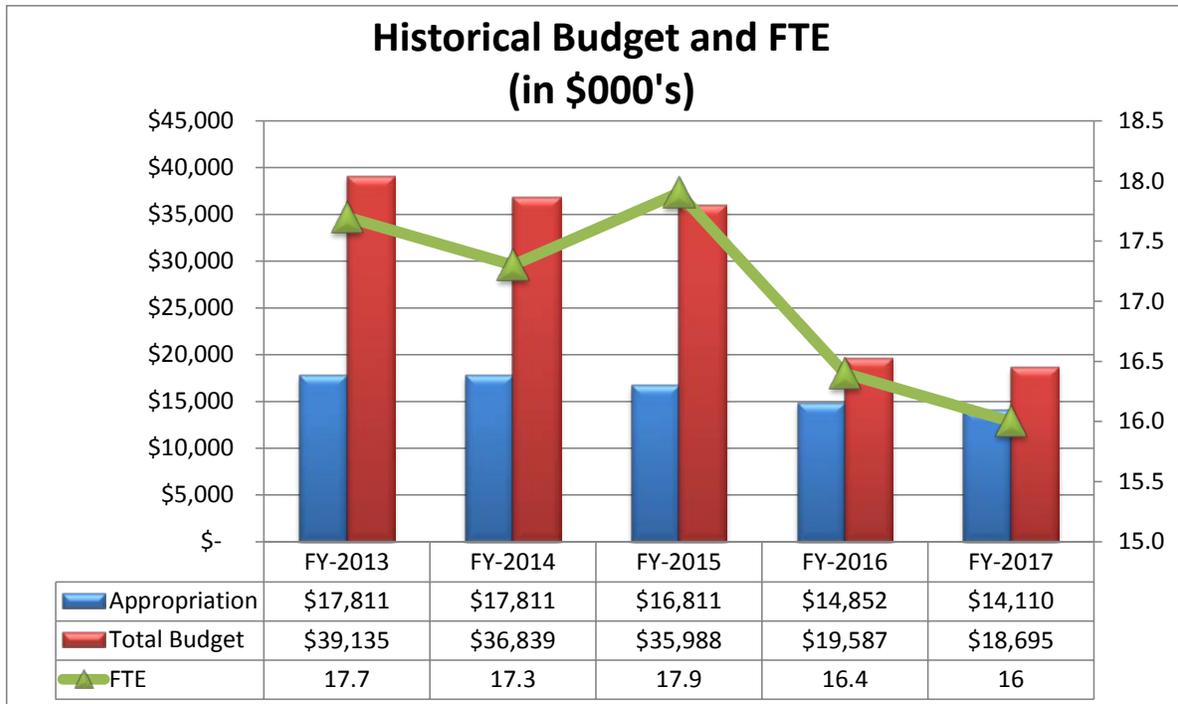
## **Goals For The Upcoming Year:**

- The recurring goal of the Office of Juvenile Affairs is to continuously serve Oklahoma's juvenile population and their families.

## **Savings, Efficiencies and Shared Services:**

- Implemented a process in which staff input is requested on proposed changes that might improve services, costs, or productivity, and set up a process for assessing the impact that changes in agency programs will have on the overall juvenile justice system; and
- Received services from the Oklahoma Department of Human Services, State Auditor and Inspector, Office of Management and Enterprise Services, Attorney General's Office, Department of Rehabilitation Services, and Department of Education.

# Center for Advancement of Science & Technology



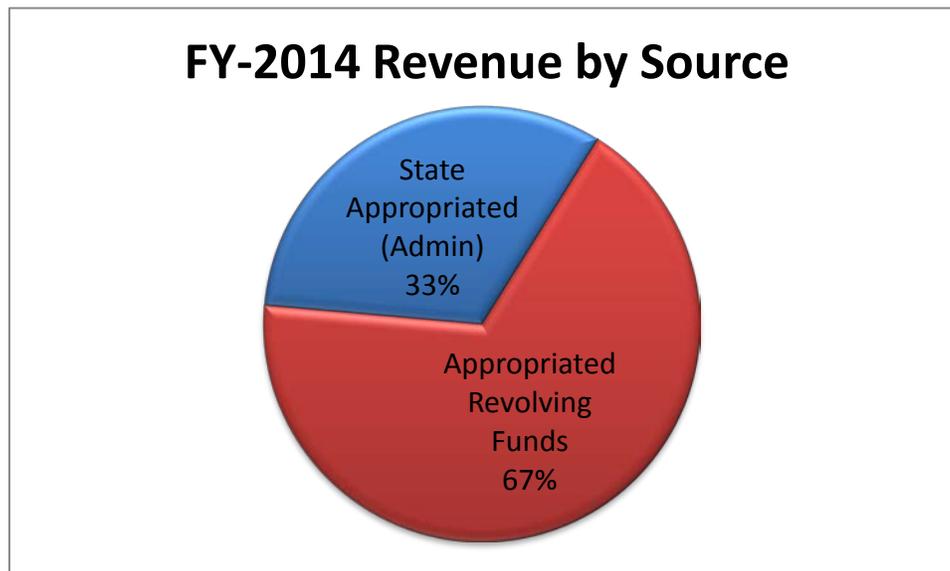
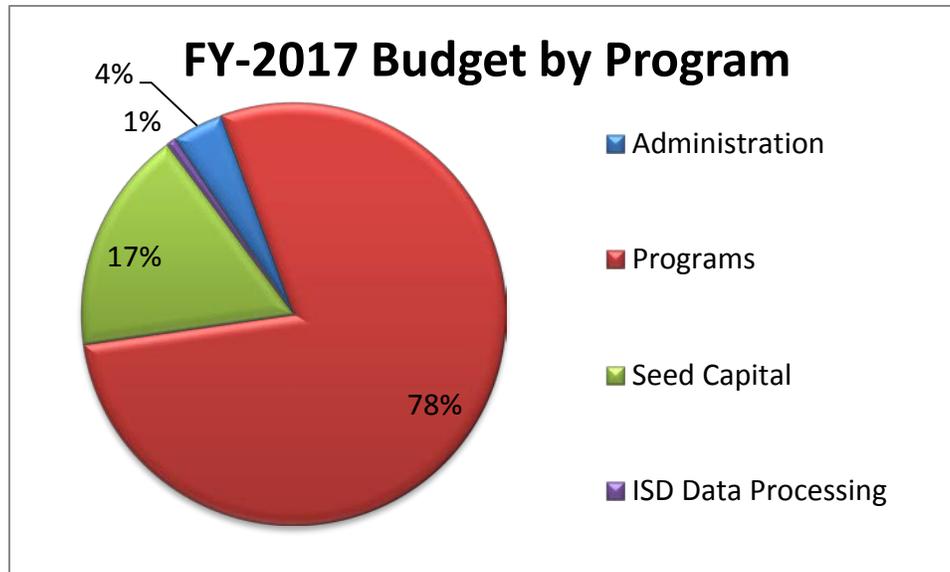
## Mission:

To foster innovation in existing and developing businesses by: Supporting basic and applied research; Facilitating technology transfer between research laboratories, firms, and farms; Providing seed capital for new innovative firms and their products; and Fostering enhanced competitiveness of Oklahoma companies and small and medium sized manufacturing firms through productivity and modernization initiatives.

## Programs:

- Oklahoma Health Research (OHR)
- Oklahoma Applied Research Support (OARS)
- Plant Science Research (PSR)
- OK Nanotechnology Applications Project
- Small Business Research Assistance (SBRA)
- Oklahoma Inventors Assistance Service (IAS)
- Technology Commercialization
- Oklahoma Industrial Extension System
- Seed Capital

## Center for Advancement of Science & Technology



### Accomplishments Over The Past Year:

- 11,813 jobs were created or retained over the last three years;
- \$258.9 million direct impact on gross sales at participating companies;
- 224 student interns were supported by OCAST grants; and
- 22:1 cumulative return ratio (including attraction of private and non-state investment).

### Goals For The Upcoming Year:

- Continually strive to increase the impact of OCAST programs in assisting industry and the research community to grow Oklahoma's economy through science and technology. Ongoing efforts to achieve this goal include pursuing additional funding through grants, cooperative agreements, and other opportunities to realize its mission and enhance its core programs; working to achieve an OCAST appropriation sufficient to meet market demand for technology-based economic development programs and support, as defined by OCAST's advisory committees, affiliate organizations, clients, stakeholders, and board; reviewing OCAST programs for potential updates,

# Center for Advancement of Science & Technology

- modifications, and opportunities to further streamline our programs.
- Accelerate technology commercialization through innovative programs;
  - Increase customer service levels through the adoption and revision of continuously improving processes and customer interfaces; and
  - Increase awareness of the role TBED plays in growing and diversifying Oklahoma's economy.

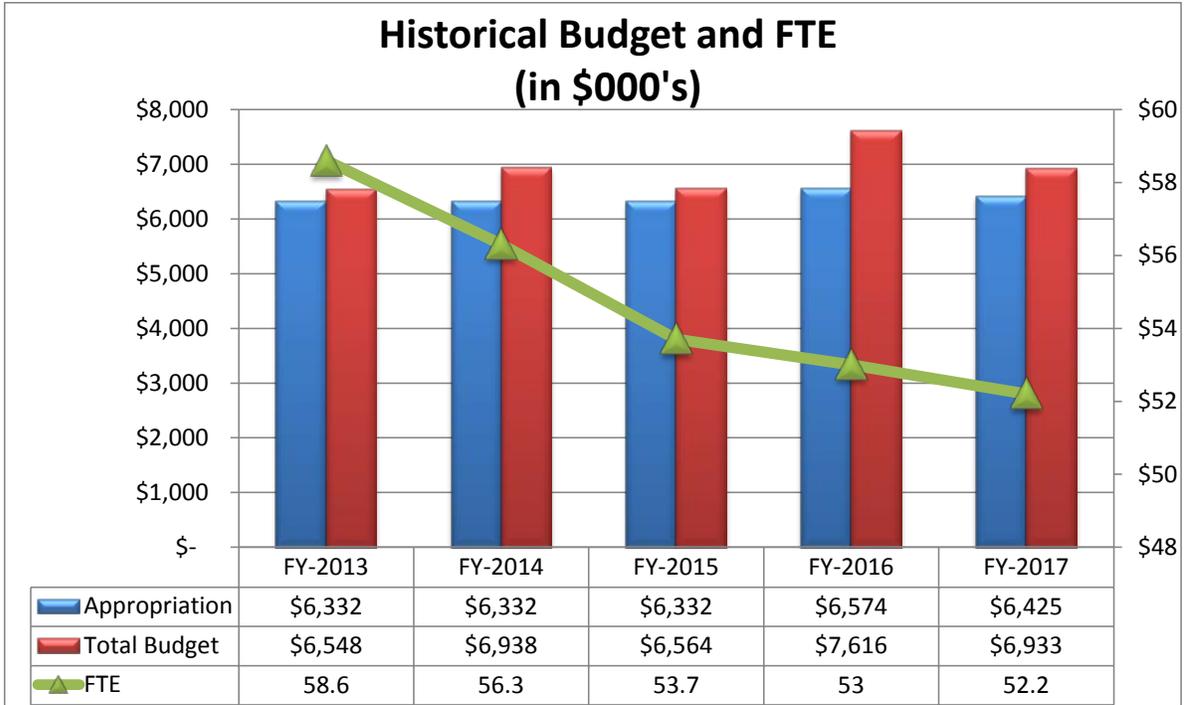
## **Major Agency Projects:**

- Oklahoma Health Research (OHR) Program
- Oklahoma Applied Research Support (OARS) Program
- Plant Science Research Program
- Technology Commercialization Program
- Oklahoma Industrial Extension System
- Small Business Research Assistance (SBRA) Program
- Oklahoma Inventors Assistance Service (IAS)
- Seed Capital Program
- Technology Based Finance Program (TBFP)

## **Savings, Efficiencies and Shared Services:**

- Continuing lean analyses on agency processes to eliminate waste in order to provide better and more efficient client service and reduce need for additional staff;
- Leveraged in-house resources to limit costs associated with personal services contracts;
- Converted program solicitation cycle and award processes from hard copy to an electronic version through the OKGrants project, providing a more secure system and a number of time saving efficiencies;
- Utilized state-wide contracts when possible, leveraging the state's acquisition power; and
- Reduced FTE by two full-time positions and one part-time position in FY2017.

# Oklahoma School of Science & Mathematics



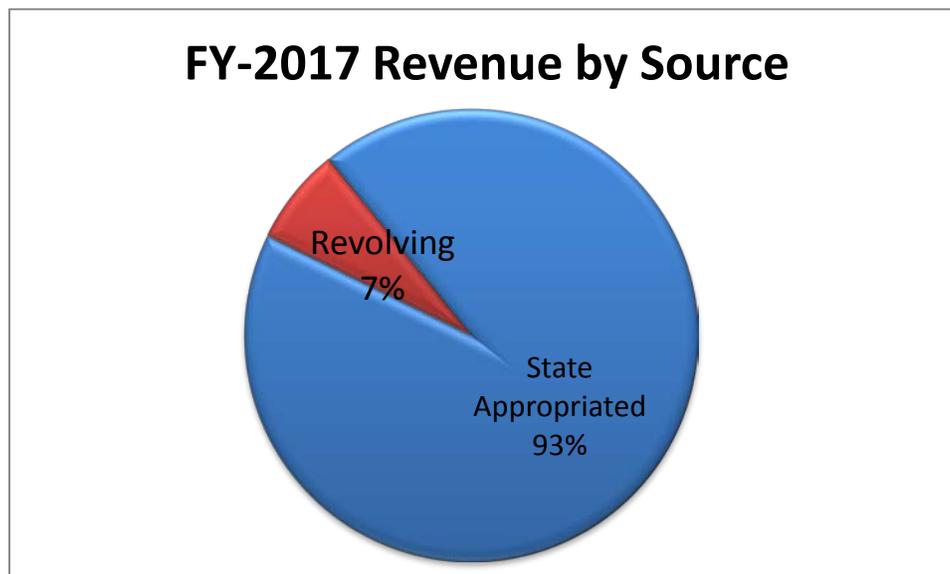
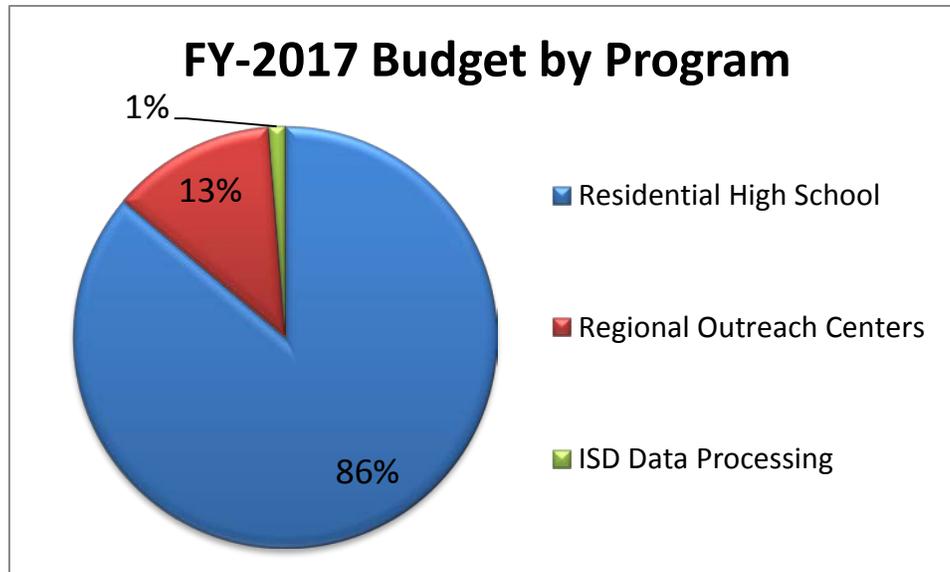
**Mission:**

The mission of the Oklahoma School of Science and Mathematics (OSSM) is two-fold: (1) to foster the educational development of Oklahoma high school students who are academically talented in science and mathematics and who show promise of exceptional development through participation in a residential educational setting emphasizing instruction in the field of science and mathematics; and (2) to assist in the improvement of science and mathematics education for the state by developing, evaluating, and disseminating instructional programs and resources to all schools and students across the state.

**Programs:**

- Residential High School
- Regional Outreach Centers

## Oklahoma School of Science & Mathematics



### Accomplishments Over The Past Year:

- Continued to expand the Virtual Regional Center enabling OSSM to offer live, interactive instruction in advanced mathematics and science to any student anywhere in the state.
- Offered two separate one-week residential summer programs - approximately 50 students participated in each program, with scholarships being offered to ensure no student was denied the opportunity for economic reasons.
- Launched an orientation program for new students attending the residential campus - this allowed students a chance to adapt and learn more about what was expected of them at OSSM prior to beginning the rigor of classes.

### Goals For The Upcoming Year:

- Developing ways for OSSM to be more economically self-sufficient. OSSM is actively recruiting out of state students who will pay tuition to attend OSSM for the upcoming academic year;
- Expanding the residential academic summer programs to offer more opportunities for students

# Oklahoma School of Science & Mathematics

- interested in science and mathematics;
- Expand reach and positive impact to more students throughout the state; and
- Continue to maintain academic excellence and broaden curriculum offerings to reflect changes in the world. For example, OSSM is now offering a course in robotics engineering.

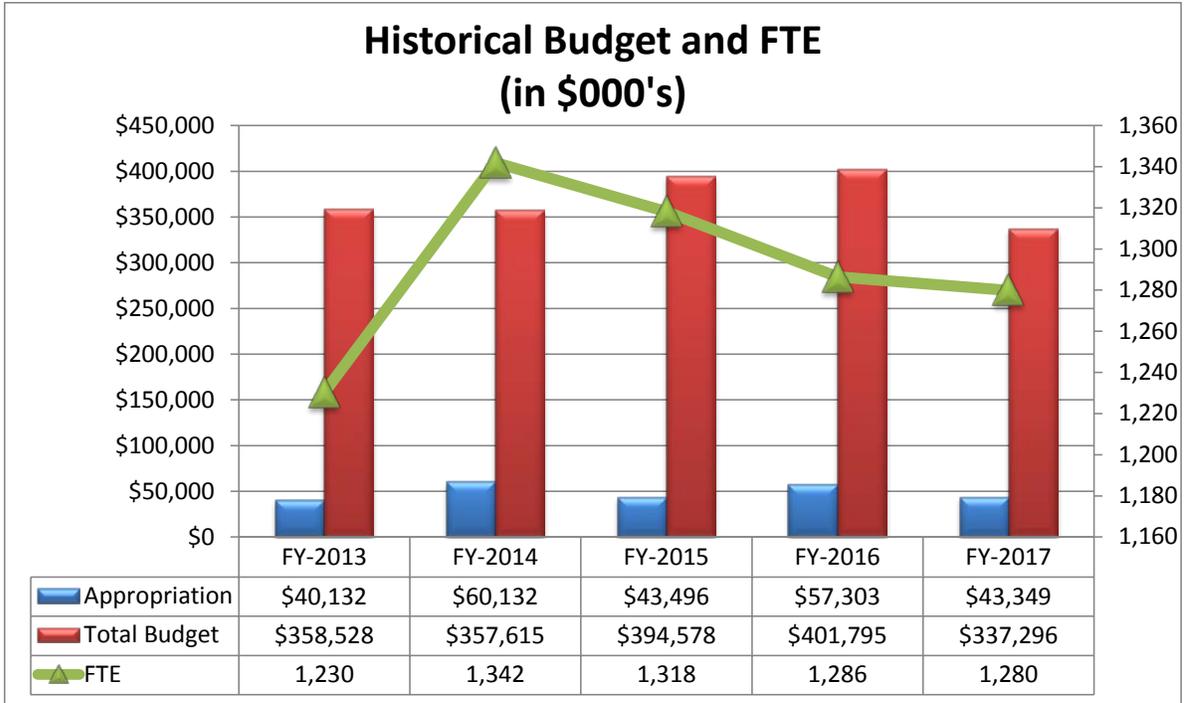
## **Major Agency Projects:**

- Continue to seek ways of expanding academic excellence to a greater number of students throughout the state;
- Increase applicant pools; and
- Increase the number of students able to obtain advanced education in science and mathematics.

## **Savings, Efficiencies and Shared Services:**

Implementation of the Virtual Regional Center will provide OSSM the ability to offer an advanced educational opportunity to a greater number of students throughout the state in a cost efficient manner.

# Office of Management and Enterprise Services



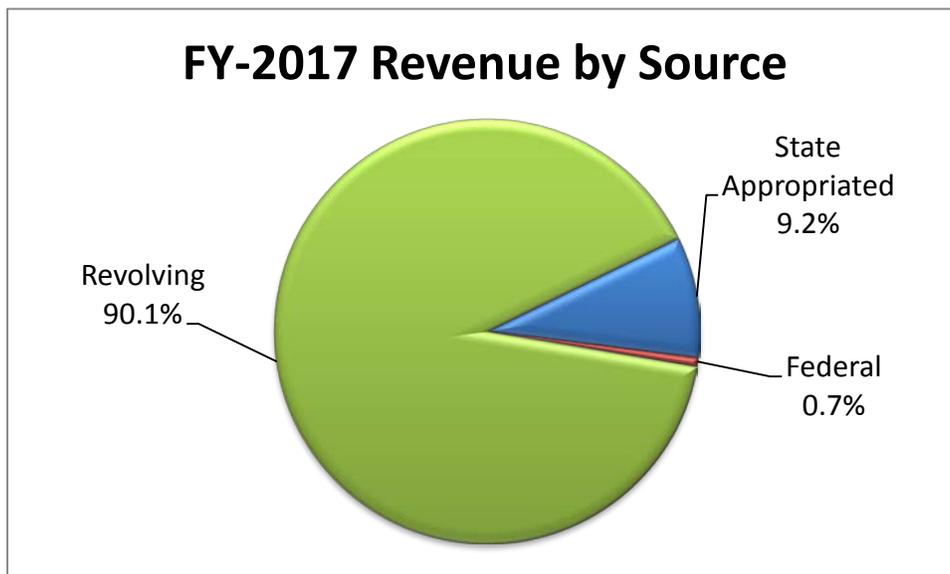
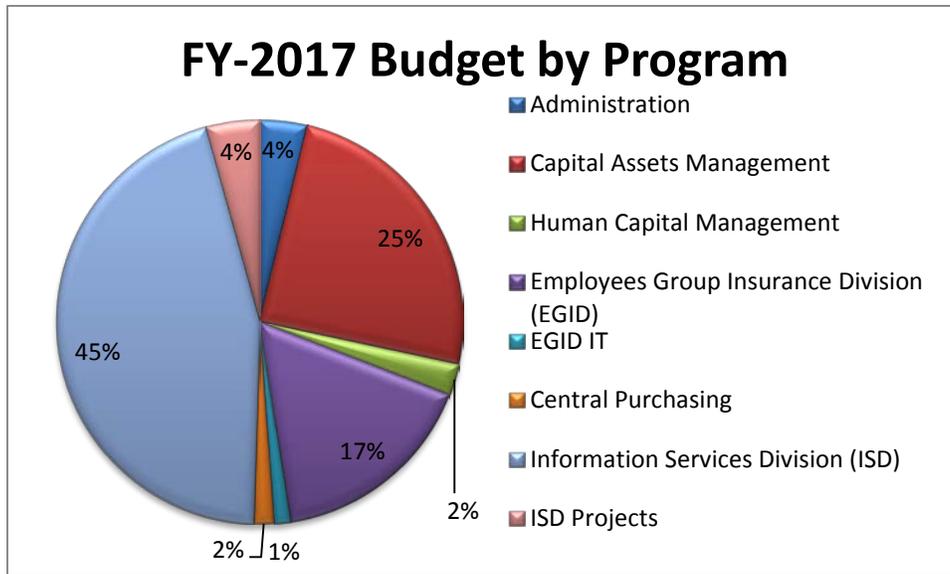
**Mission:**

Support our partners through unified business services.

**Programs:**

- Administration
- Budget, Policy and Legislative Affairs
- Capital Asset Management (CAM)
- Central Accounting and Reporting (CAR)
- Central Purchasing (CP)
- Employees Group Insurance Department (EGID)
- Human Capital Management (HCM)
- Information Services (IS)

# Office of Management and Enterprise Services



## Accomplishments Over The Past Year:

- Capitol Restoration Project-
  - Completed renovation of Rooms 112, 109, and 309 for House and Senate staff and moved employees into the finished space;
  - Completed removal of snack bar and library from the basement;
  - Shifted House and Senate storage from the west wing of the basement to the east wing;
  - Initiated demolition in the basement and southwest doghouse;
  - Re-routed west corridor;
  - Initiated major infrastructure repairs in basement including plumbing and electrical systems;
  - Initiated demolition and construction in the light wells next to the restrooms on each floor;
  - Initiated 35% design meetings with Capitol tenants;
  - Finalized design work on the exterior project;
  - Kicked off the start of exterior restoration following the completion of the investigation and trial repair phase;
  - Erected scaffolding on four elevations of the building;

# Office of Management and Enterprise Services

- Completed installation of window partitions in offices on five building elevations;
- Initiated window repairs, stone cleaning, mortar repointing, stone repair, and gutter repair on four elevations of the building. First elevation scheduled for completion in April;
- Initiated design of the interior tunnel; and
- Completed removal of art from the public spaces in the Capitol for protection during construction.
- Central Purchasing Division-
  - Launched web based, on line continuing education credit training for Certified Procurement Officers (CPO);
  - Redesigned online certification program for CPOs;
  - Expanded use of statewide purchasing contracts by increasing political subdivision utilization through vendor outreach.
- Division of Capital Assets Management
  - Sold four underutilized state-owned properties, resulting in \$2,019,267 available for state facilities maintenance;
  - Consolidated and reallocated OMES space.
- Division of Central Accounting and Reporting-
  - Completed major projects due to implement the Affordable Care Act (ACA);
  - Separated higher education to a separate federal employer ID;
  - Implemented additional PeopleSoft modules including training, data cleanup, and conversion for two large agencies;
  - Provided shared financial services to 57 agencies;
  - Held CAFR educational forum and held first annual CFO roundtable;
  - Updated financial system to allow for accounting on statewide programs.
- Human Capital Management Division-
  - Comprehensive review of state employee FLSA status and consultation;
  - Provided continued training and guidance to agencies on the ACA;
  - Provided VOBO/RIF/Furlough training for agencies;
  - Received a grant to deliver a Health Insurance Literacy program to state benefit coordinators and state employees;
  - Created statewide competencies to assist agencies with recruiting and developing leaders;
  - Established a Vocational and Educational training department to address the lack of training in this area.
- Information Services Division-
  - Completed 150 projects for 36 partner agencies, including:
    - Information Technology Operations Command Center (ITOCC), phase two – added additional monitoring, remediation and automation to more easily identify an incident or outage before it becomes an issue;
    - Implemented Customer Relationship Management (CRM) tool, phase 2 – allowing customers and OMES ISD to track the following IT assets: Servers, Network Devices and computers;
    - Criminal Justice Information Systems Center for Excellence (CJIS CFE) – to unify IT functions for law enforcement agencies. The CJIS CFE data center is scheduled to be completed by FY-2017 Q4;
    - Provided an updated rate model for IT services for our partner agencies. Rate structure provides services into categories of tech essentials, tech plus, tech projects and tech maintenance. Communications included an online portal with service rates structure for each agency, agency roundtable presentations and one-on-one meetings between agency leadership and OMES staff;
    - Align OMES ISD employees across all state appropriated agencies into similar career paths and working titles by FY-2017 Q4;
    - Implemented CyberWarn 8.0 to support the state's Security Operations Center; CyberWarn 8.1 on schedule for completion by FY-2017 Q4. Updates include improved

# Office of Management and Enterprise Services

- encryption and interface for processing correlated alerts;
  - Deployed Security Education Awareness Training (SEAT) to state agencies. Approximately 8 new agencies will be implemented in FY-2017 Q4;
  - Cabinet-level IT governance implemented for Energy and Environment, Health and Human Services and Public Safety;
  - Initiated the Customer Care team within the Client Experience team allowing customer calls to be resolved during initial first contact instead of a ticket being assigned and a customer awaiting call back. Increased first contact resolution rates by 30 percent;
  - Finalized the Department of Human Services unification which included downsizing their data center space from 52 to eight racks of servers;
  - Hosted Voice Services phase one - upgraded telephone services and associated network while retiring an aged system previously located in the basement of the state capitol for 41 agencies and 89 locations;
  - Completed the Oklahoma State Longitudinal Data Systems for the State Department of Education, a data warehouse funded by a federal grant that houses Pre-kindergarten - 12<sup>th</sup> grade student information for reporting.
- Performance and Efficiency Division-
    - Implemented strategic framework to manage performance at a statewide program level;
    - Collaborated with Budget and Legislative Services Division to assist agencies in aligning budget and expenditures to statewide programs;
    - Redesigned OKStateStat website on a new web platform to display both performance and financial data with statewide program alignment to budget and expenses data for FY-2016 and FY-2017 alongside performance objectives for each statewide program—forming one of the only financial and performance transparency websites in the country;
    - Designed and facilitated the Health and Human Services Strategic Planning Summit;
    - Completed an internal review of all agency divisions, departments, and functions;
    - Designed a performance management framework to allow for implementation of regular performance review for OMES consisting of all agency functions along with measures for each function;
    - Provided strategic planning, capacity and assistance in the launch of the governor's first 2 top priority initiatives—Oklahoma Works and Health360;
    - Designed and facilitated a strategic planning retreat for the Health and Human Services Cabinet/DISCUSS and for the Health360 initiative;
    - Developed and revised outpatient methodology rates for HealthChoice;
    - Completed 15 purchase card and/or procurement audits.

## Goals For The Upcoming Year:

- Provide responsive, agile and credible customer service when providing budget, financial, property, purchasing, human resources and information technology services to all state agencies;
- Remain open minded, bold and innovative when supporting our partners through unified business services;
- Stay fiscally responsible by utilizing economies of scale, shared services and other best practices; and
- Maintain a unified and productive culture while showcasing our demonstrative expertise.

## Major Agency Projects:

- Capitol Restoration Project-
  - Substantial completion of basement west wing:
    - Underground electrical installed and new electrical room completed;
    - Underground sanitary lines completed;
    - Generator installed;

# Office of Management and Enterprise Services

- Natural gas line installed;
    - New elevator installed in southwest doghouse;
    - Tenant build-outs completed (Ethics Commission, Election Board, House Print Shop, House storage, Fitness Center).
  - Light well build-outs next to restroom completed;
  - Secretary of State office complete;
  - Seven exterior elevations complete (Alpha-Golf). Items complete on each elevation:
    - Stone repair;
    - Mortar repointing;
    - Windows restored and painted;
    - Stone cleaned.
  - Tunnel waterproofed;
  - Exterior historic light fixtures restored;
  - Scaffolding erected through Elevation 11 (Kilo).
- Central Purchasing-
  - Streamline procurement-to-payment process and vendor registration process;
  - Complete paperless filing system conversion;
  - Expand training in specialized procurement topics for Certified Procurement Officers (CPO);
  - Increase communication, through vendor outreach, to political Sub Divisions and Higher Ed to jointly identify procurement opportunities.
- Division of Central Accounting and Reporting-
  - Implement policies, procedures, communication efforts and PeopleSoft configuration to allow for a robust early payment discount program;
  - Merge higher education vendor databases with the state vendor file;
  - Convert state aid payment from the Department of Education's legacy system to the state accounting system;
  - CAR is heavily involved in the implementation of the HCM Cloud system;
  - Prepare and setup for new GASB pronouncements including:
    - Other postemployment benefits (OPEB);
    - Tax abatement disclosures;
    - Revenue and expense recognition.
- Human Capital Management Division-
  - Development of a comprehensive Leadership Development program utilizing a competency based approach;
  - Implementation of the Oracle Cloud Human Resources Integrated System to replace PeopleSoft;
  - Delivering programs for state employees who have diabetes and prediabetes;
- Information Services Division-
  - Execute 291 projects for partner agencies and affiliates, including:
    - Customer Relationship Management (CRM) tool, phase three – will allow customers and OMES ISD to track IT applications and software and the relationships between all IT assets through change management and configuration management database (CMDB);
    - Assign OMES ISD employees to performance levels within job families;
    - Provide a unified portal for citizens, mobile applications and online services;
    - Cabinet-level IT governance will be implemented for education, financial and regulatory business segments in FY-2018. Data governance is in process for Education and overall data governance is expected to be implemented in FY-2018;
    - Hosted Voice Services phase two - Upgrading telephone services and associated network for 50 agencies across 88 locations by FY-2018 Q1. Once completed, OMES will be able to provide Hosted Voice Services for additional agencies across the state;
    - Microsoft Office 365 will be implemented, giving the ability to share documents, emails, and hold online meetings between employees located in agencies across the

# Office of Management and Enterprise Services

- state increasing collaboration;
- The Oklahoma State Bureau of Investigation (OSBI) Finger Print Identification System (AFIS) will be updated by FY-2018 Q2 to provide improved identification of criminals and processing and storing of criminal and civilian data;
- Micropact STAR implementation for the Corporation Commission will allow for several systems to be migrated into one, providing an improved dynamic web portal for Oklahoma citizens working in public utility areas such as oil and gas drilling, production and environmental protection, motor carrier, rail and pipeline transportation.
- Performance and Efficiency Division-
  - Implement internal performance review process for operations;
  - Support and develop Health360 by collecting a statewide inventory on obesity and hosting the Governor's first progress monitoring meeting for this top priority goal;
  - Continue to support the implementation of the Oklahoma Works Strategic Delivery Plan and to combine efforts of Oklahoma Works with the New Skills for Youth Grant and P3 grants from the Oklahoma State Department of Education and the Oklahoma Department of Human Services, respectively;
  - Launch and support the new OKStateStat website which displays financial and performance information for the state's top priorities across 5 goal areas—Health, Safety, Education, Economy and Accountable Government
  - Implement active redirection to HealthChoice Select providers to improve coordination of care and patient outcomes;
  - Redesign and implement an online security provisioning process for PeopleSoft user access;
  - Oversee and administer Independent Verification and Validation contracting services for OK Benefits project.

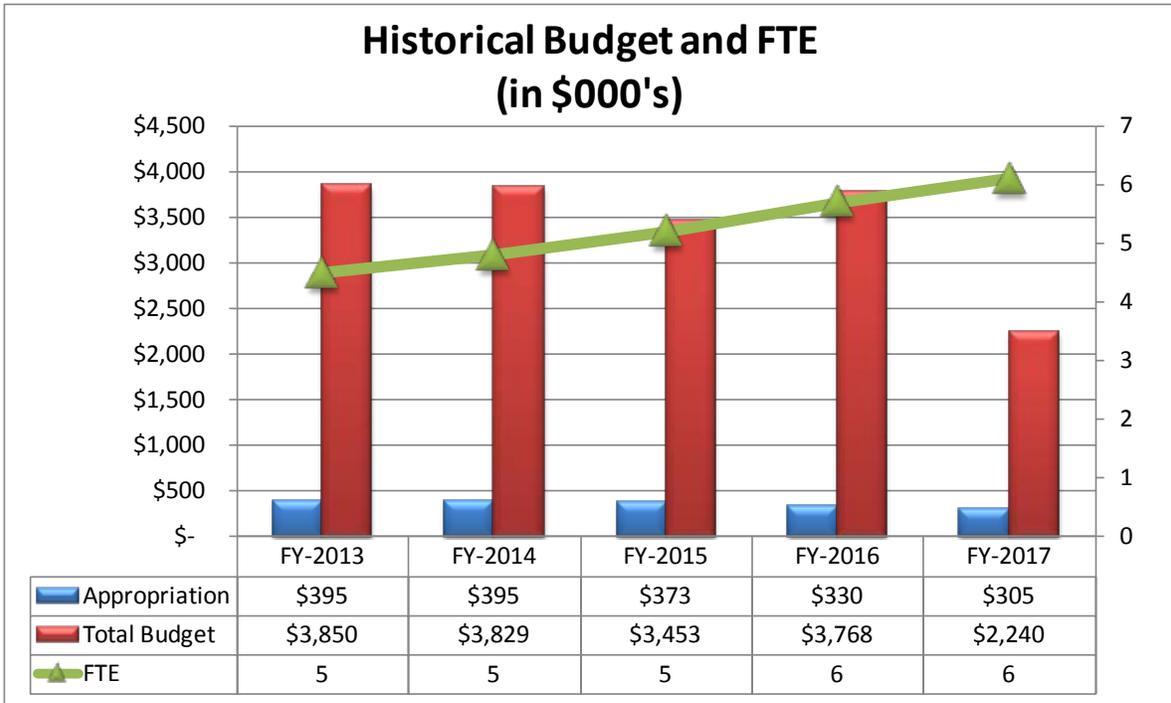
## **Savings, Efficiencies and Shared Services:**

- Central Purchasing Division-
  - Achieved \$29.3 million in cost savings through statewide purchasing contracts and agency acquisitions;
  - Saved state agencies \$45,300 in training and travel cost through online CPO certification class at no charge;
  - Saved state agencies \$100,000 in training and travel cost by providing web based CPO continuing education class at no charge;
  - Consolidated in house copy service from 3 printers to 1 printer reducing lease cost and paper usage.
- Division of Central Accounting and Reporting-
  - Reduced staff through voluntary buyouts and restructure for an approximate savings of \$65,000 in FY-2017 and an annual savings of \$441,000 per year going forward;
  - Provided shared accounting services for a total of 57 agencies plus OMES (Agency Business Services); and
  - Achieved estimated annual savings from shared services of \$2.4 million, up from \$2.1 million the previous year.
- Human Capital Management Division-
  - Relocated all HCM staff from Jim Thorpe to Will Rogers, decreasing the amount of space utilized and increasing the efficiency of HR workflow;
  - Converted all Learning and Development class materials to electronic files and ceased to distribute them in paper;
  - Eliminated the majority of HCM's printers and consolidated its needs into 4 printing stations reducing the amount of money spent on printing;
  - HCM currently provides HR and/or payroll shared services for 63 state agencies.
- Information Services Division-

## Office of Management and Enterprise Services

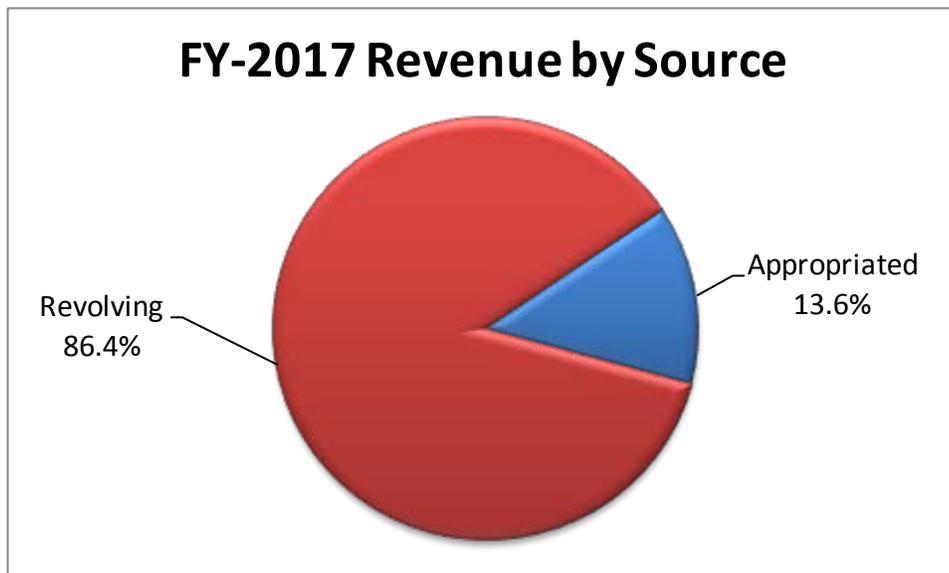
- Reduced duplicative systems and resources and have now unified information technology for 74% of appropriated state agencies, as well as 29 voluntary (non-appropriated) state agencies and have an estimated cost savings and cost avoidance of \$127 million over six years from 2012 – 2017.
- Performance and Efficiency Division-
  - Developed a new shared service for agencies in which the Statewide Performance Department designs, consults, and facilitates strategic planning and reporting for other agencies and entities upon request;
  - Streamlined payroll process for fiscal year conversion, greatly reducing agency staff overtime in performance of this function.

# Space Industry Development Authority



## Mission:

The mission of the Oklahoma Space Industry Development Authority (OSIDA) is to be deliberate in the planning and development of spaceport facilities, launch systems and projects, and to successfully promote and stimulate the creation of space commerce and education. Additionally, OSIDA seeks to promote all aerospace related industries in Oklahoma - including aeronautical research and flight testing, unmanned aerial systems research and development, aerospace related maintenance, repair and overhaul facilities and manufacturing.



# Space Industry Development Authority

## **Accomplishments Over The Past Year:**

- OSIDA successfully negotiated a five year Joint Use Agreement (JUA) contract with the Air Force Air Training Command, valued at over \$6.95 million. The JUA pays for 90% of all maintenance on the airfield, more than 30% of staff salaries, and 100% of Air Traffic Control and Crash and Rescue personnel, equipment, and services located on the facility. Altus and Vance Air Force Base are the primary users and rely on the OSIDA and the Air and Spaceport infrastructure to enhance and support their primary mission of conducting pilot training for new air crews which currently exceeds 30,000 flight operations a year at the Oklahoma Air and Spaceport. The services provided by the JUA are of tremendous benefit to civilian flight operations as well as potential commercial space activities.
- The size and location of the Air and Spaceport runway was one of the major factors that allowed Altus Air Force Base to be selected as the formal training base for the new Boeing KC-46 aerial refueling tanker. It will provide in excess of 1,500 direct and indirect jobs in Oklahoma. The runway is one of the longest and is the widest civilian runway in the United States at 13,503' x 300' with additional 1,000' overruns on each end of the runway. It is truly a National Asset.
- OSIDA passed an Operations and Safety Review by the Federal Aviation Administration Office of Commercial Space Transportation and was additionally granted renewal of its Spaceport License at no cost. The Spaceport License is now valid until June, 2021.
- Flight Testing increased at the facility by Cessna Aircraft Company with their CJ series corporate jet and the new Citation X Plus which is now the fastest civilian jet in existence. Honda Jet also returned from their Greensboro, North Carolina manufacturing facility to conduct flight testing.
- The agency extended the lease of two of its largest aircraft hangars to a Texas aircraft manufacturer. The company currently stores aircraft at the facility and conducts light maintenance on the aircraft.
- OSIDA finalized a long term lease agreement with the Oklahoma Department of Public Safety for continued Highway Patrol Training.

## **Goals For The Upcoming Year:**

- Increase marketing and tenants at the facility;
- Focus on the expansion of aerospace research and development opportunities; and
- Provide a platform for atmospheric research and communications satellites.

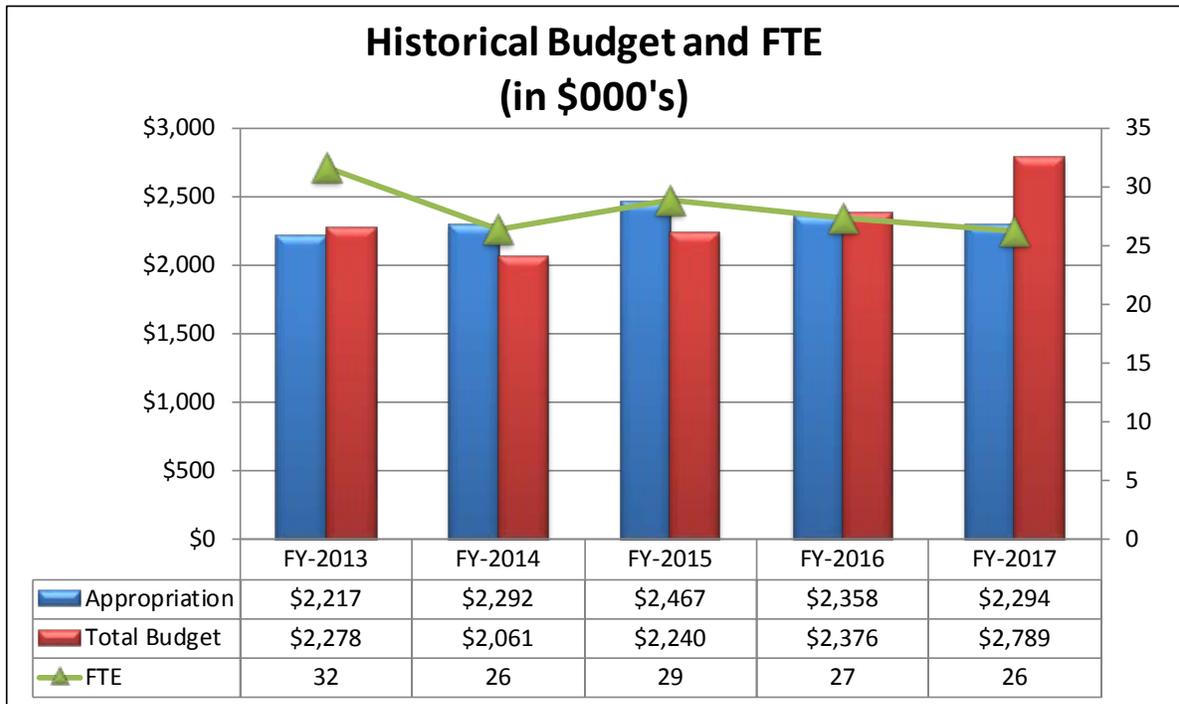
## **Major Agency Projects:**

- Paint control tower building and hangars;
- Conduct runway surface repairs; and
- Repair and maintain critical revenue generating infrastructure on the facility.

## **Savings, Efficiencies and Shared Services:**

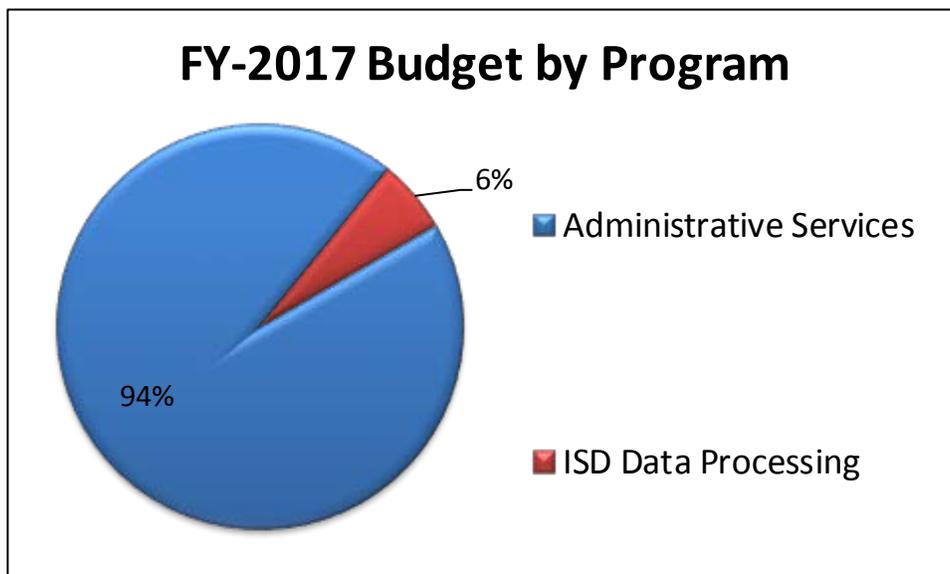
The agency utilizes state shared services available to maximize cost savings and efficiency.

# Pardon and Parole Board

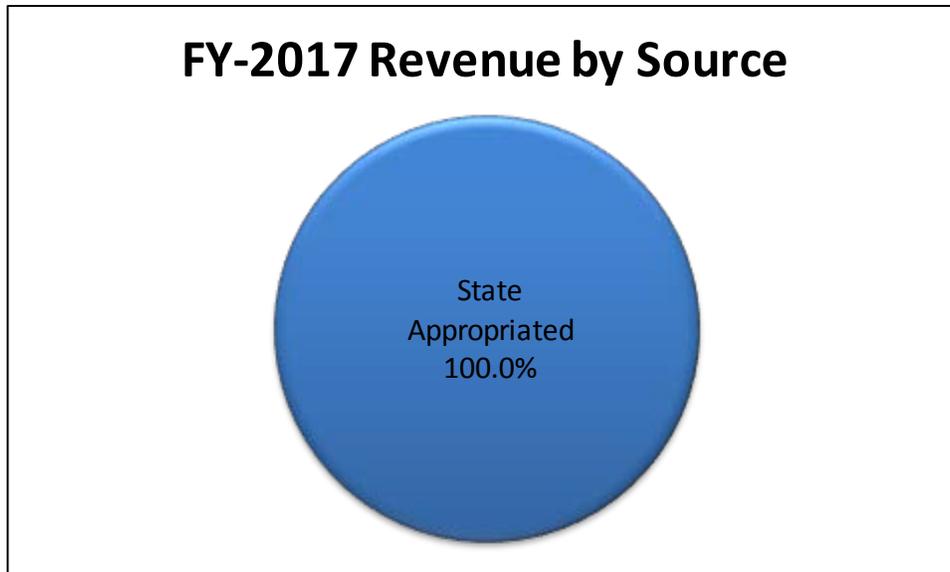


## Mission:

The mission of the Pardon and Parole Board (PPB) is to serve the citizens of Oklahoma by ensuring public safety, protecting victims' rights, and providing offenders with the opportunity for positive change through careful and informed decisions on the parole for non-violent offenders and recommendations to the Governor regarding the parole of violent offenders, as well as for pardons, commutations, and clemency requests.



## Pardon and Parole Board



### **Accomplishments Over the Past Year:**

- Upgraded the PPB Reporting System to more accurately and clearly relay information to Board members;
- Purchased scanners for parole investigators to increase efficiency and productivity;
- Revised the website and developed Frequently Asked Questions for paroles, commutations, pardons, and for victims;
- Eliminated a backlog of revocation proceedings;
- Established routine monthly hearings in collaboration with the Department of Corrections;
- Developed a plan with OMES-ISD for a Phase II upgrade to the PPB Reporting System;
- Conducted ongoing meetings with other criminal justice agencies to improve working relationships and collaborative efforts; and
- Developed and approved internal agency policies and employee manual.

### **Goals For The Upcoming Year:**

- Review, update, and develop administrative rules related to paroles, pardons, revocations, and clemencies;
- Implement Phase II upgrade to the PPB Reporting System; and
- Develop a comprehensive handbook for parole investigators.

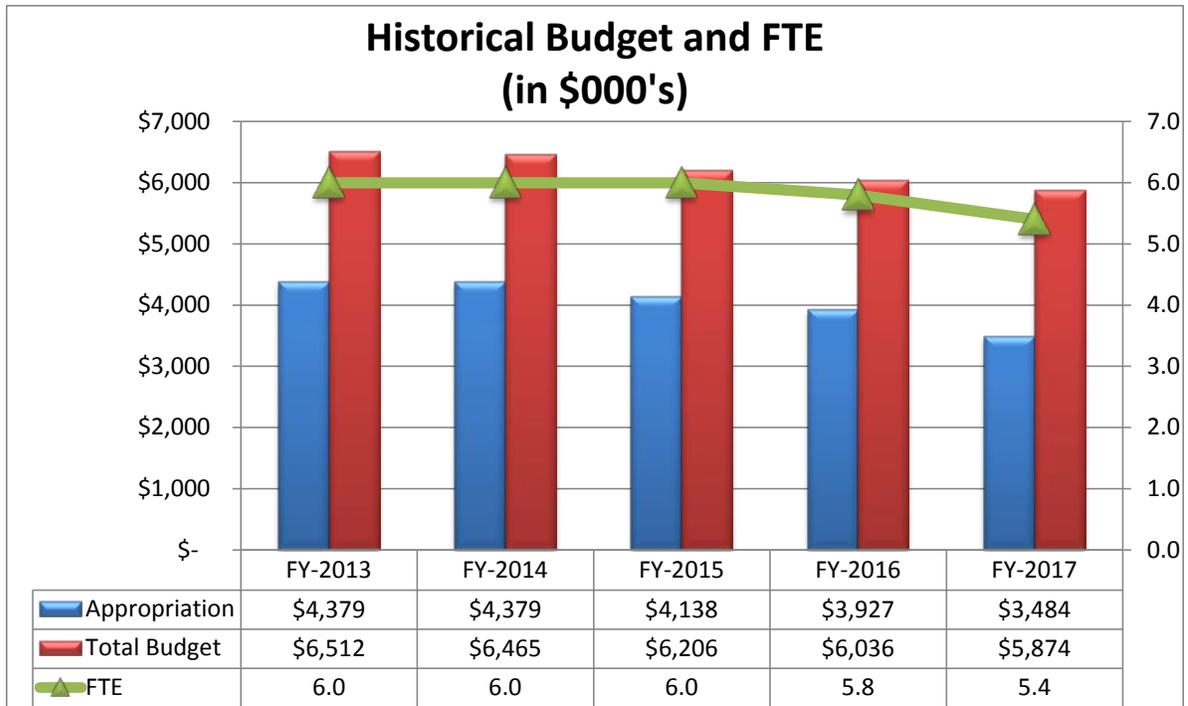
### **Major Agency Projects:**

- One of the major projects at the PPB is an upgrade to the PPB Reporting System which is used by investigators to provide reports and information to the Board in clemency considerations. This upgrade will improve efficiency and timeliness. Phase II will focus on the forms and reports used by the administrative staff. Currently, these forms must be generated by hand rather than an automated process. This upgrade will reduce redundancy and streamline processes. Both phases are highly critical to the future of the agency.

### **Savings, Efficiencies and Shared Services:**

- The PPB is a fully consolidated agency and utilizes shared services with OMES, including Payroll and Accounting, Human Relations, and IT Services.

# Physician Manpower Training Commission



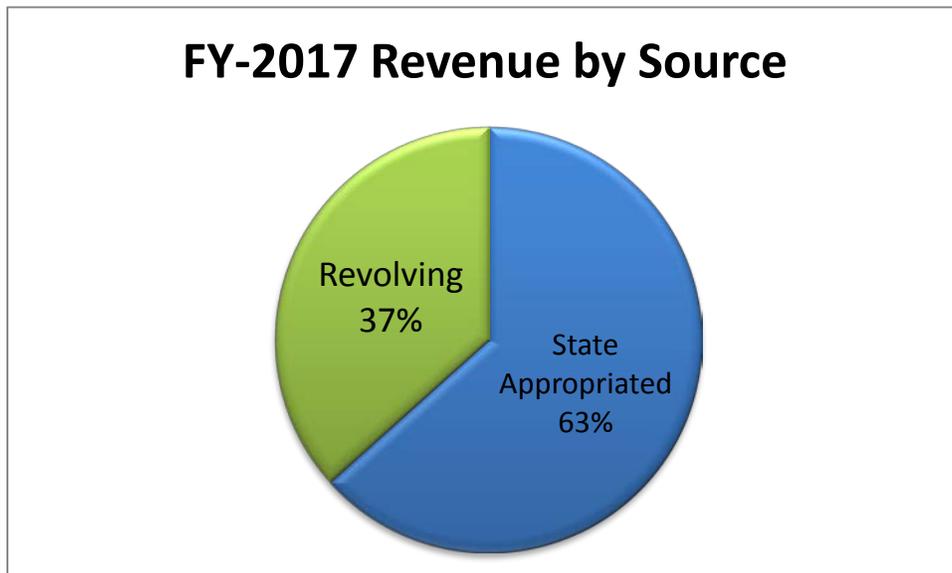
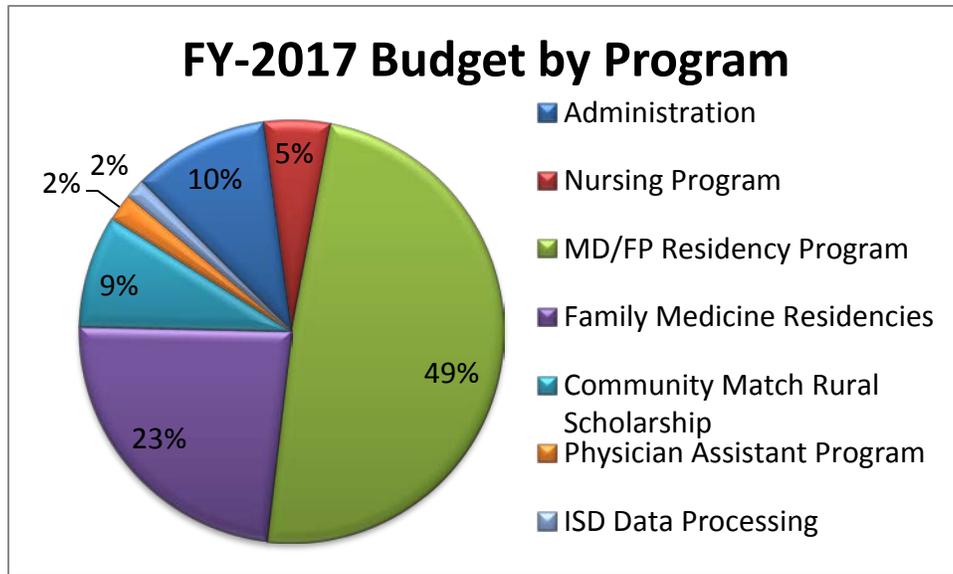
## Mission:

The mission of the Physician Manpower Training Commission (PMTTC) is to enhance medical care in rural and underserved areas of Oklahoma by administering residency, internship, and scholarship incentive programs that encourage medical and nursing personnel to practice in rural and underserved areas. Further, PMTC aims to upgrade the availability of health care services by increasing the number of practicing physicians, nurses, and physician assistants in rural and underserved areas of Oklahoma.

## Programs:

- MD/FP Residency Program
- Osteopathic Residency Program
- Community Match Rural Scholarship Incentive Programs
- Physician Placement
- Oklahoma Medical Loan Repayment Program (OMLRP)
- Nursing Student Assistance Program
- Physician Assistant Scholarship Program

# Physician Manpower Training Commission



#### Accomplishments Over The Past Year:

- Placed 11 physicians in rural Oklahoma communities in FY-2015 with projection to place 17 in FY-2016;
- Placed 183 nurses in practices throughout the state and had 212 nursing students on scholarship; and
- Placed an additional 7 physicians in FY-2015 in rural Oklahoma with a FY-2016 projection of 13 physician placements with all costs covered through a grant with the Tobacco Settlement Endowment Trust (TSET).

#### Goals For The Upcoming Year:

- Expand grant from TSET for the Oklahoma Medical Loan Repayment Program.

# Physician Manpower Training Commission

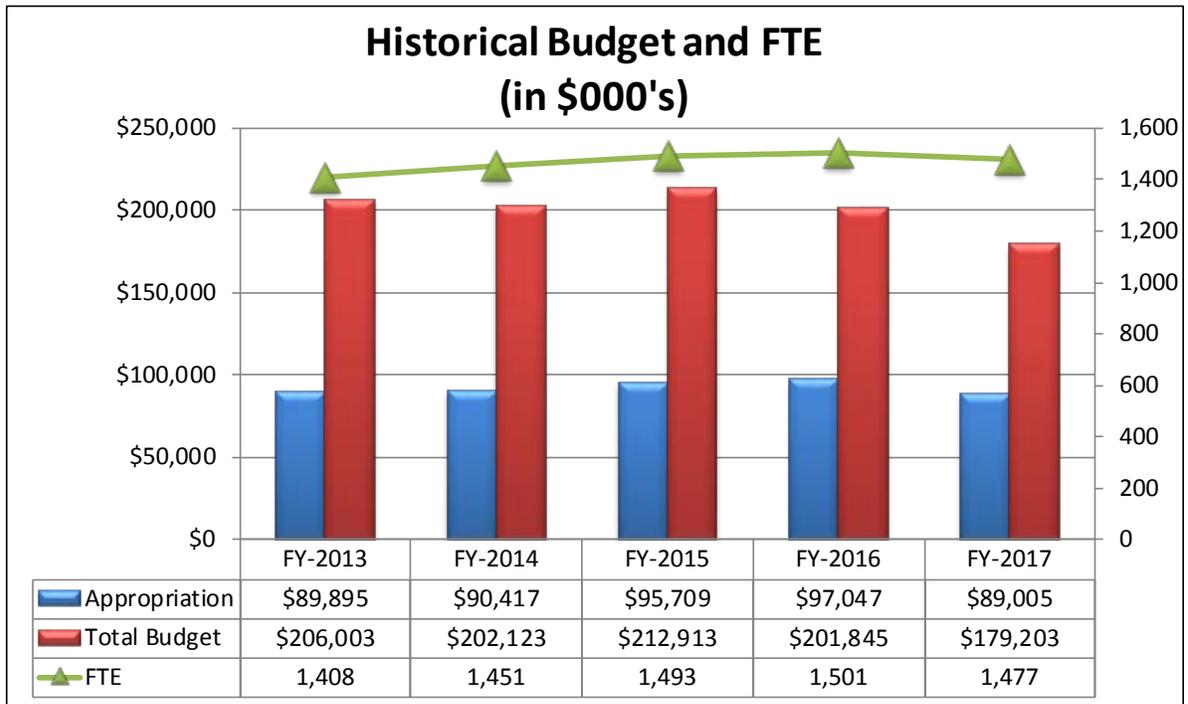
## **Major Agency Projects:**

- Updating and upgrading a computer database that is 25 years out-of-date.

## **Savings, Efficiencies and Shared Services:**

- Converted the Physician Placement Opportunities (PPO) directory to an electronic version in an effort to reduce printing and mailing costs, and also provide timely updates and rapid dissemination;
- Curtailed almost all travel in-state and does zero travel out-of-state;
- Utilized Agency Business Services for shared financial services;
- Cancelled attendance of OSMA, NRHA, OHA and FPR&SC to save registration and travel costs; and
- Reduced Attorney General contract by 50%.

# Public Safety, Department of



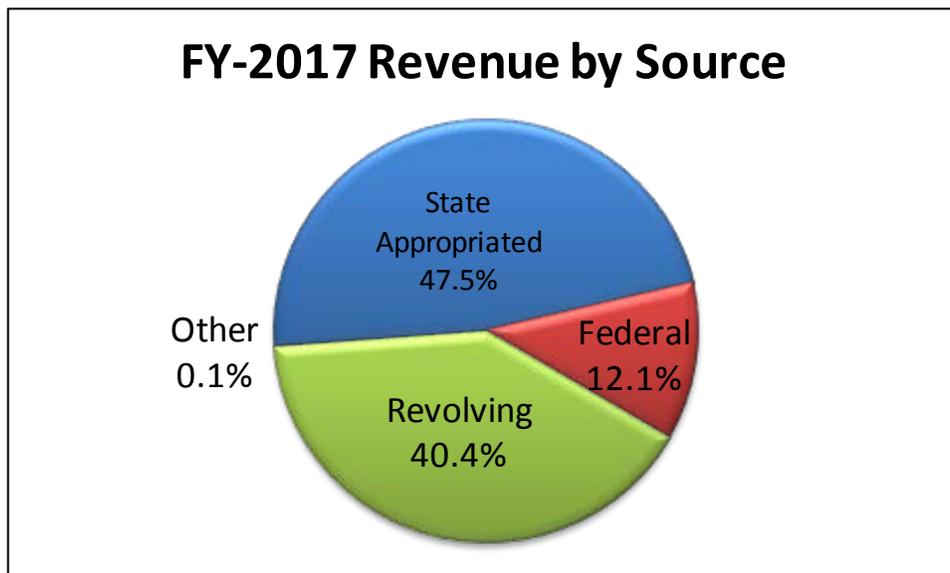
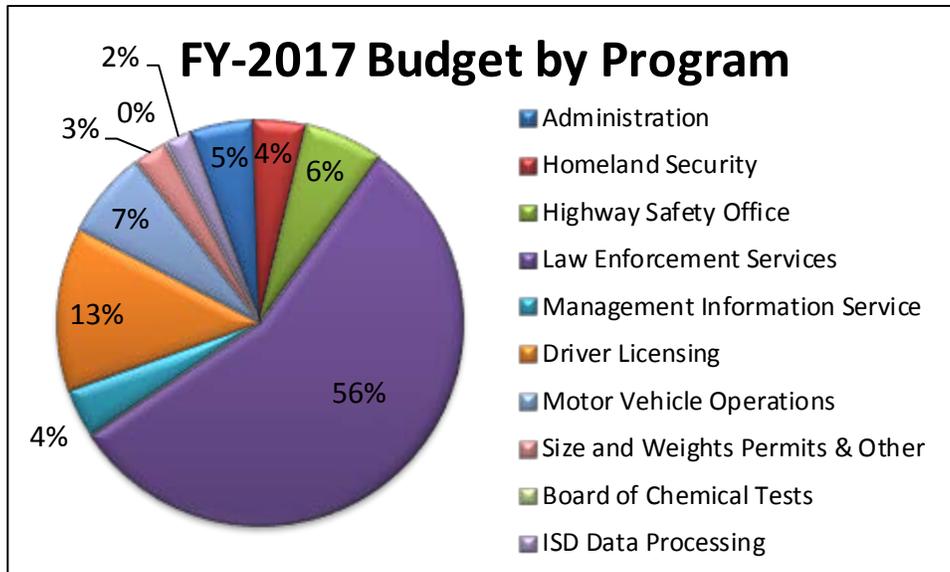
## Mission:

The Oklahoma Department of Public Safety's (DPS) mission is to provide a safe and secure environment for the public through courteous, quality, and professional services.

## Programs:

- Administration
- Homeland Security
- Highway Safety Office
- Law Enforcement Services
- Management Information Service
- Driver Licensing
- Motor Vehicle Operations
- Size and Weights Permits & Other
- Board of Chemical Tests
- ISD Data Processing
- Capital Outlay Troop Headquarters

## Public Safety, Department of



### Accomplishments Over the Past Year:

- Graduated 29 cadets from the 64th Oklahoma Highway Patrol Academy;
- Enhanced the InLine OnLine program to allow real-time viewing of wait times;
- Consolidated aircrafts with other law enforcement agencies;
- Received six boats with state-of-the-art scanning, radar, and sonar technologies from the US Coast Guard;
- Cooperated with the Oklahoma Department of Emergency Management to establish a Capitol command center;
- Implemented Auto Vehicle Locator (AVL) for quicker response times based on location rather than assignment; and
- Utilized social media to quickly and efficiently provide information to the public.

# Public Safety, Department of

## **Goals For The Upcoming Year:**

- Expand the 800 MHz program;
- Begin driver license modernization; and
- Increase the size of trooper academies.

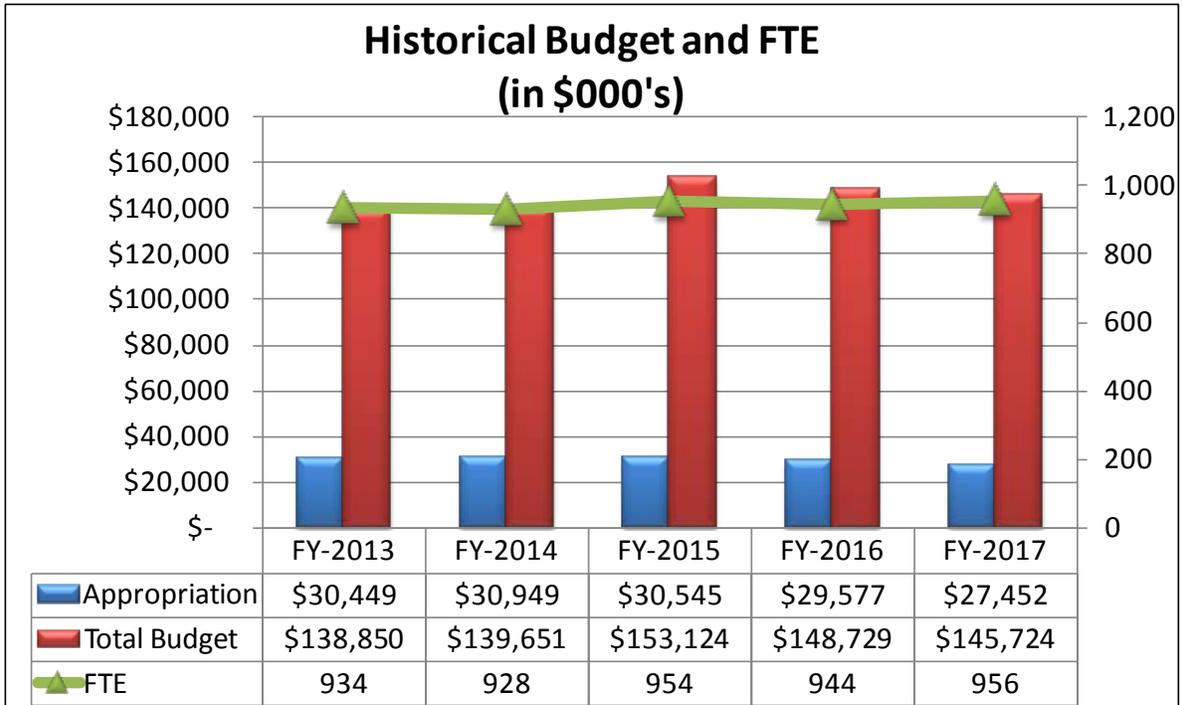
## **Major Agency Projects:**

- Replacing the DPS mainframe computer with an upgraded system that will better serve the public and the agency by enhancing workflow for the existing four cores: Driver License Services, Legal/Implied Consent, Driver Compliance and Records Management; and
- Bringing the 800 MHz radio system into P25 compliance, a nationwide interoperability platform for radio systems.

## **Savings, Efficiencies and Shared Services:**

- Utilized zero-based budgeting techniques;
- Reduced payroll costs through voluntary buy outs and attrition; and
- Initiated a zero-bridge strike program for oversize loads, resulting in a success rate of 98%.

# Department of Rehabilitation Services

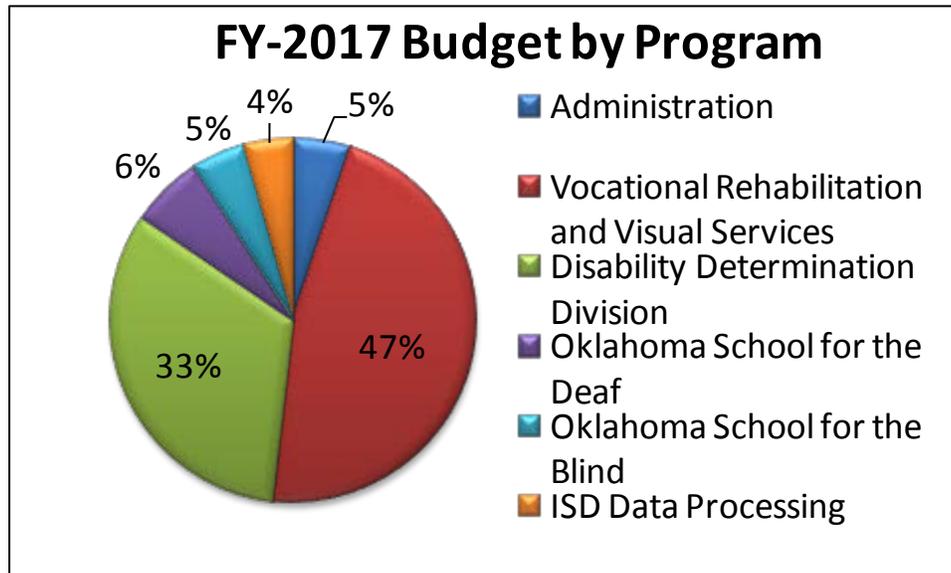


## Mission:

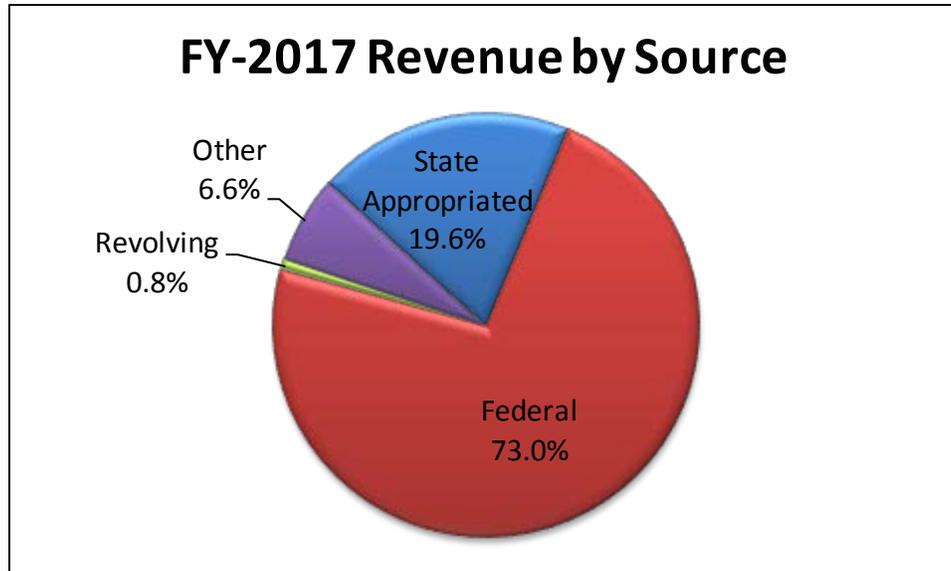
The mission of the Department of Rehabilitation Services is to empower Oklahomans with disabilities.

## Programs:

- Vocational Rehabilitation and Visual Services Division (VR/VS)
- Disability Determination Division (DDD)
- Oklahoma School for the Blind (OSB)
- Oklahoma School for the Deaf (OSD)



## Department of Rehabilitation Services



### Accomplishments Over The Past Year:

- Kept all priority groups open this year which allowed DRS to provide services to all consumers;
- Maintained 100% graduation rates at the Oklahoma School for the Blind and the Oklahoma School for the Deaf;
- Disability Determination Division continued to excel nationally in all standards; and
- Maintained a wide array of partnerships to maximize opportunities to bridge gaps and improve opportunities.

### Goals For The Upcoming Year:

- Meet or exceed federal program standards and indicator guidelines for all programs and activities;
- Continue to be a core partner with Department of Commerce to expand the Local Workforce Boards to improve access for all consumers;
- Work to implement the Governor's initiative regarding Oklahoma's five goals of government to adequately illustrate DRS's contribution to State goals;
- Increase community and statewide awareness of the programs and services offered by DRS;
- Maintain a work environment that allows DRS to recruit and maintain the highest quality staff; and
- Expand and maintain partnerships that increase the employment opportunities available for individuals with disabilities.

### Major Agency Projects:

- Working locally, regionally, and nationally with partners to interpret and implement new regulations resulting from the reauthorization in June 2014 of the Workforce Improvement and Opportunity Act (WIOA);
- Implementing, in conjunction with Oklahoma Works, the American Job Center requirements of the WIOA which enables six core programs, the Adult, Dislocated Workers, and Youth Programs, the Wagner-Peyser Act Employment Service Program, the Adult Education and Family Literacy Program, and the Vocational Rehabilitation Program, to be collocated in a manner that provides easier access to consumers;
- Applying new program performance measures in the DRS Vocational Rehabilitation program as

## Department of Rehabilitation Services

required by WIOA which are designed to better reflect performance across a spectrum of programs in a common and equal manner;

- Vocational Rehabilitation and Visual Services Return on Investment (ROI) project to identify benefits and costs for participation of all applicants with a full accounting of purchased and in-house service costs as well as to assess impacts of services on employment probability and earnings of program participants; and
- Working to adapt AWARE, DRS' client management software, to the new WIOA required data elements, expand the usage of Tableau beyond the client service data sets, and increase accessibility to the information for all staff.

### **Savings, Efficiencies and Shared Services:**

- Continued to build upon and utilize new and existing services to maximize the economic impact of the programs;
- Partnered with other entities to reduce redundancy of services to consumers;
- Participated in the e-rate program to provide technology, at a reduced rate, for the OSD and OSB schools;
- Took advantage of the P-card program to maximize rebate incentives which can create savings that can be used to provide services to individuals with disabilities; and
- Continued to be an active partner in the OMES DISCUSS initiative.

# Retirement Systems

The state retirement system consists of the following six defined benefit pension plans:

- Oklahoma Firefighters Pension and Retirement System (Firefighters)
- Oklahoma Law Enforcement Retirement System (OLERS)
- Oklahoma Police Pension and Retirement System (Police)
- Oklahoma Public Employees Retirement System (OPERS) and Uniform Retirement System for Justices and Judges (URSJJ)
- Oklahoma Teachers Retirement System (TRS)
- Retirement Plan for Full-time Employees of the Department of Wildlife (Wildlife)

Systems are funded with employee contributions, employer contributions, return on investments and, in some cases, dedicated revenue streams.

There are three types of plans in the system. One type includes police, firefighters, and OLERS, which are referred to as “twenty and out” plans. Within the structure of OPERS, a “twenty and out” plan is maintained for correctional officers, probation and parole officers and fugitive apprehension officers in the Department of Corrections, as well as for firefighters in the Military Department.

The “twenty and out” plans are aimed at public safety services where it is in the interest of the public to have the active members made up of younger, healthier individuals. These individuals often serve in areas that are defined as hazardous duty. These plans are extremely generous in their benefits and are designed to allow retired members to go on to other careers.

The next type of plan includes OPERS, URSJJ, TRS and Wildlife. These plans have a guaranteed benefit that is a function of years of service and salary. In order to be entitled to these benefits, there is a requirement for a certain number of years of service before a member becomes vested.

Finally, OPERS also administers a defined contribution plan called Pathfinder. Pathfinder is the mandatory defined contribution plan for eligible state employees who first become employed by a participating employer on or after November 1, 2015, and have no prior participation in OPERS. Under this plan, members will choose a contribution rate which will be matched by their employer up to 7%, and members have the freedom to select and change their investments.

The relative size of the systems can best be understood by looking at their membership numbers. The overwhelming size of TRS compared to the other systems becomes readily apparent when viewed in this context.

The simplest way to understand the health of any retirement system is to view its funding ratio, which is a ratio of debt to assets. The term “fully-funded” applies to a retirement system in which contributions are sufficient to pay for the benefits of existing and new employees.

*Comparison of Liabilities and Assets with Funding Ratio Included (In Millions)*

2016	Accrued Liability	Actuarial Assets	Unfunded Accrued Liability	Funded Ratio
Firefighters	\$3,478	\$2,293	\$1,185	65.9%
OPERS	\$9,428	\$8,791	\$637	93.2%
OLERS	\$1,043	\$911	\$131	87.4%
Police	\$2,355	\$2,323	\$31	98.7%
TRS	\$22,193	\$14,578	\$7,615	65.7%
Wildlife	\$119	\$103	\$16	86.3%
URSJJ	\$276	\$306	-\$30	110.8%
<b>TOTAL</b>	<b>\$38,891</b>	<b>\$29,305</b>	<b>\$9,586</b>	<b>75.4%</b>

# Retirement Systems

A sensible combination of asset classes is another determinant for soundness of retirement funds. The allocation by asset class of the Oklahoma retirement funds are within prudent guidelines. OTRS, OPERS, Firefighters, and Police account for 95% of invested assets of the retirement systems.

## **Dedicated Revenues:**

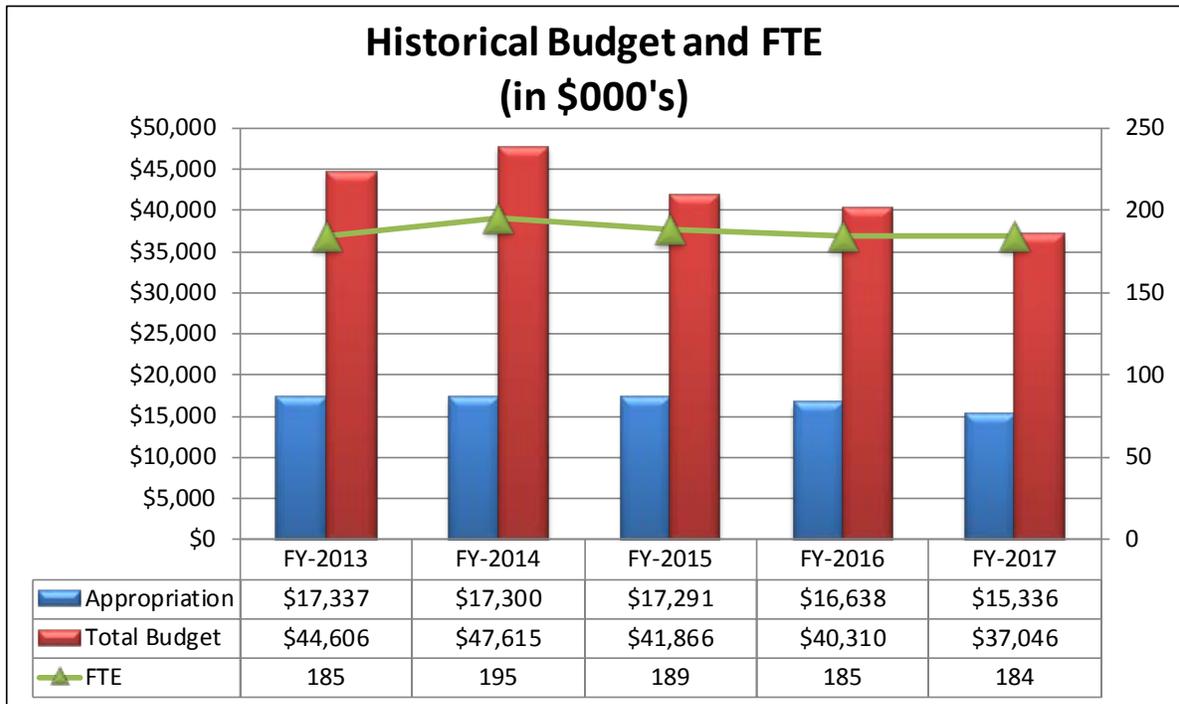
The state systems differ from many other defined benefit retirement plans since several of the systems receive contributions other than employer and employee contributions. TRS, Firefighters, OLERS, and Police are all recipients of dedicated revenue streams.

The insurance premium tax provides all the dedicated revenue for Firefighters and Police and approximately half of the dedicated revenue to OLERS. These state revenues flow to police and firefighters although the members are employed primarily by cities and counties rather than the state.

The retirement systems exist for the benefit of employees and their beneficiaries. All of the systems provide a benefit for their members, with varying provisions for their beneficiaries, in the event of the death of the member.

Spouse beneficiaries generally receive a lifetime benefit which varies from being the same amount as the employee would receive to half of the employee benefit. Minor children beneficiaries receive a benefit as long as they are minors or, in some cases, while enrolled in higher education.

# Supreme Court of Oklahoma



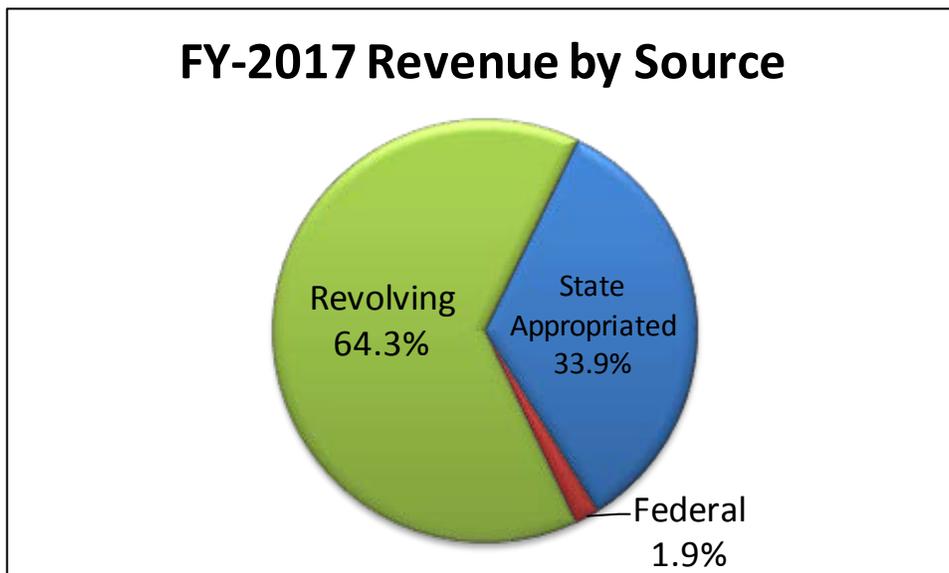
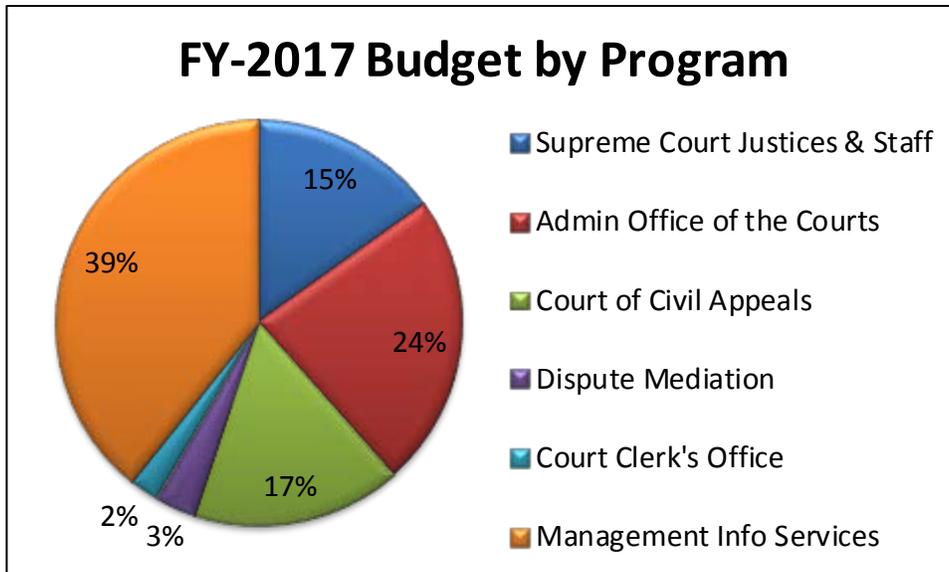
## Mission:

The Supreme Court has a constitutional mandate to exercise supervisory control over the state judiciary and insure that justice is fairly, equally, and impartially administered.

## Programs:

- Supreme Court Justices & Staff
- Administrative Office of the Courts
- Court of Civil Appeals
- Dispute Mediation
- Court Clerk's Office
- Management Information Services

# Supreme Court of Oklahoma



#### Accomplishments Over the Past Year:

- Designed and implemented an improved case management system for the trial and appellate courts.
- Implemented case search and e-payment pilot programs in 49 counties.

#### Goals For The Upcoming Year:

- Continue implementation of case management system improvements;
- Implement video conferencing in courtrooms to provide statewide court reporter and language interpreter services; and
- Continue the development of a new court fund accounting system.

# Supreme Court of Oklahoma

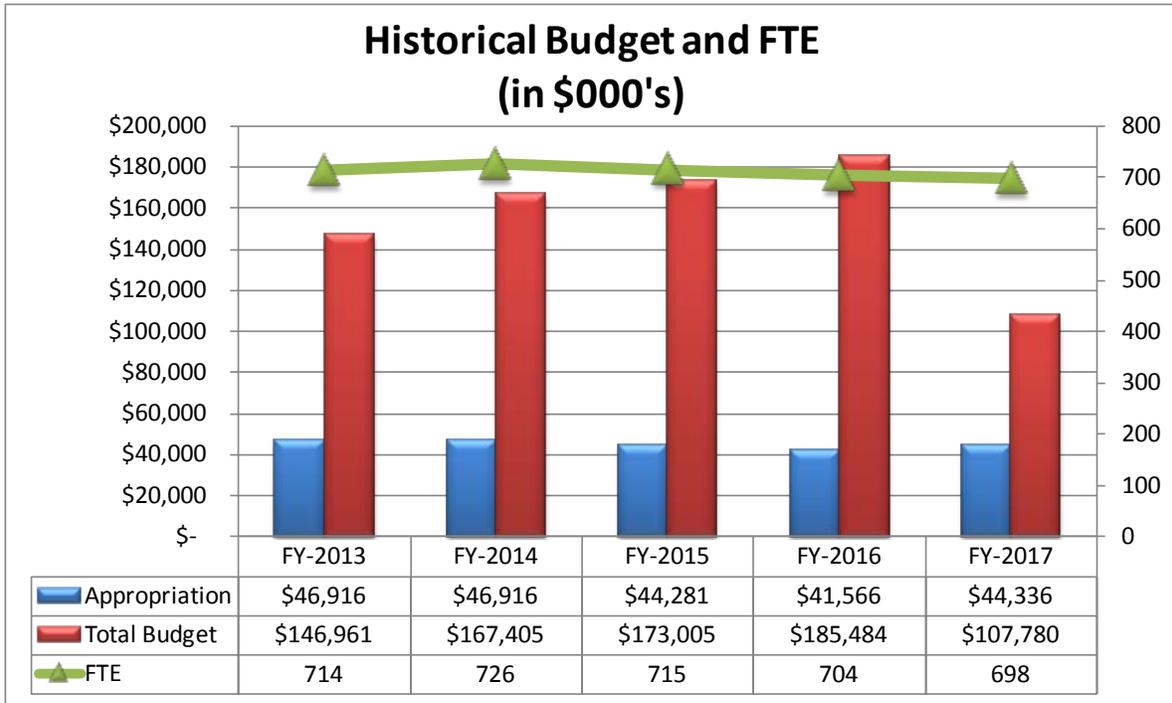
## **Major Agency Projects:**

- OCIS Case Management System;
- Jury Management System;
- Court Fund Project;
- Courtroom Automation Project; and
- Online Payment Project.

## **Savings, Efficiencies and Shared Services:**

- Restricted the use of Active Retired Judges in the District Courts;
- Implemented a 30-day hiring freeze for replacement of district court personnel; and
- Decided to develop a new or improved case management system in-house following cancellation of vendor contract.

# Oklahoma Tax Commission



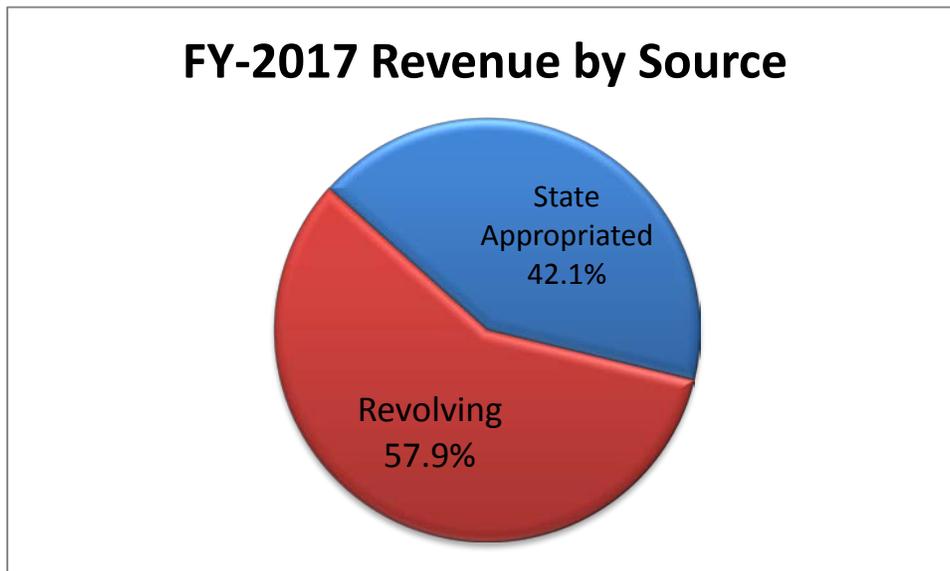
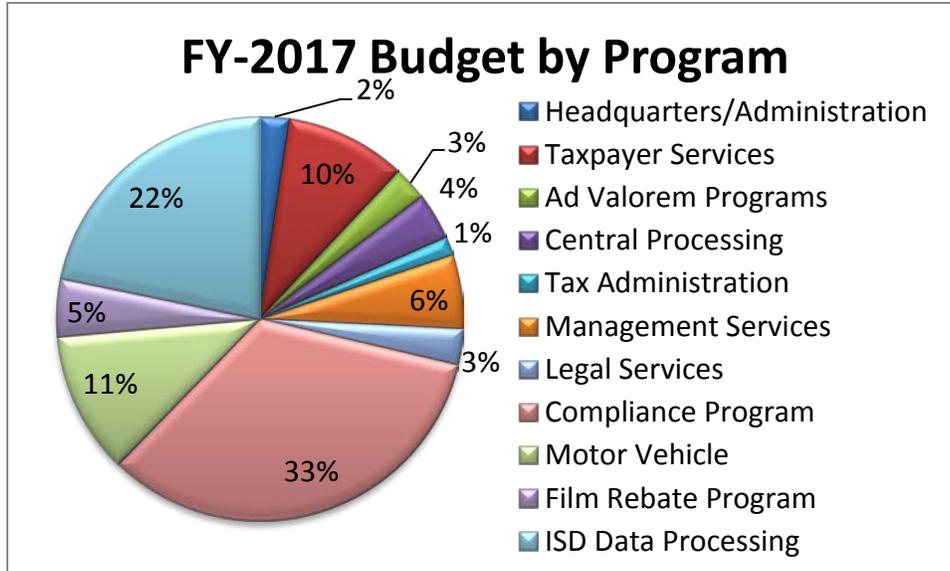
**Mission:**

To serve the people of Oklahoma by promoting tax compliance through quality service and fair administration.

**Programs**

- Taxpayer Services
- Ad Valorem Programs
- Central Processing
- Tax Policy
- Compliance Program
- Motor Vehicle
- Film Rebate Program

# Oklahoma Tax Commission



#### Accomplishments Over The Past Year:

- Provided additional dealer education programs for licensed used motor vehicle dealers;
- Audited all manufactured home dealers; and
- Continued a comprehensive audit program of retail used motor vehicle dealers.

#### Goals For The Upcoming Year:

- Continue to audit retail used motor vehicle dealers; and
- Begin auditing automotive rebuilders.

#### Major Agency Projects:

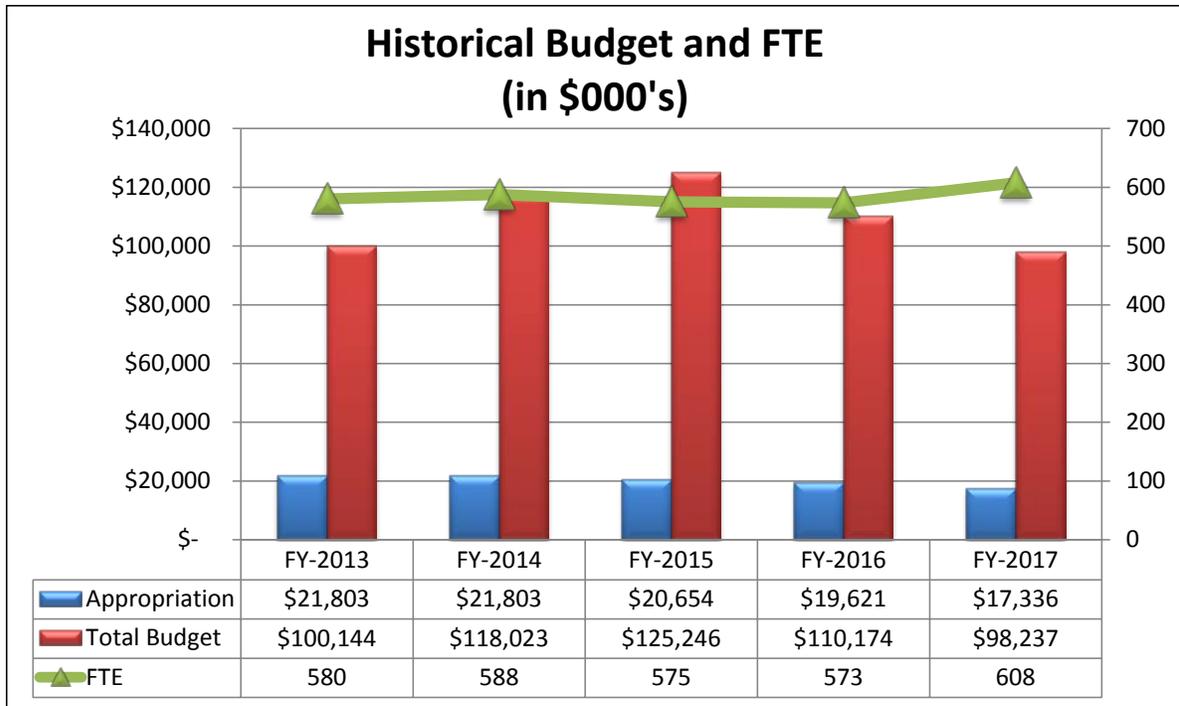
Commission personnel will continue to work with OMES to improve our website and to move to the database being constructed by OMES IT.

# Oklahoma Tax Commission

## **Savings, Efficiencies and Shared Services:**

The Commission began two year licensing for licenses issued as of January 1, 2016. Renewal of licenses will take place only every other year hereafter. This has freed Commission staff for other projects for extended periods of time, in addition to saving all the expenses related to renewals such as postage and printing expenses.

# Tourism and Recreation Department



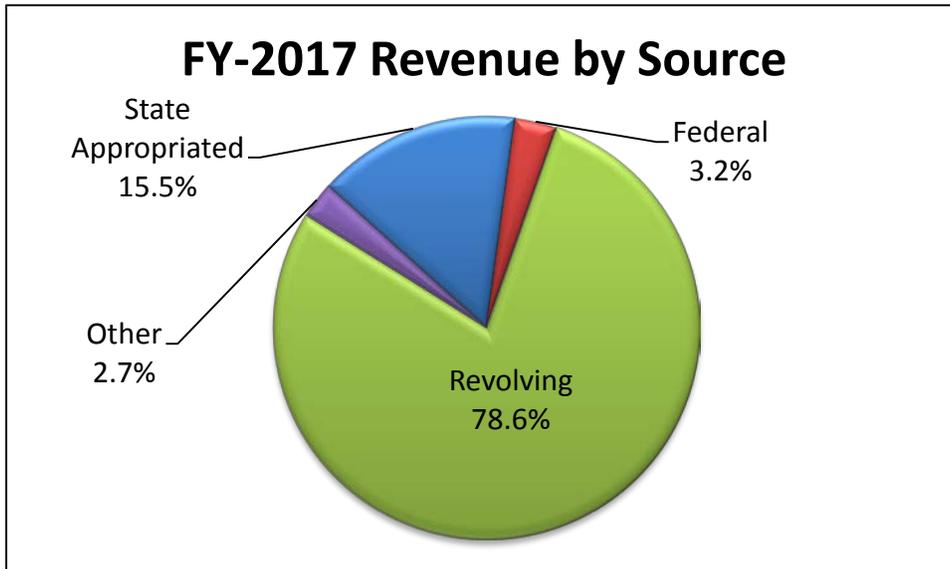
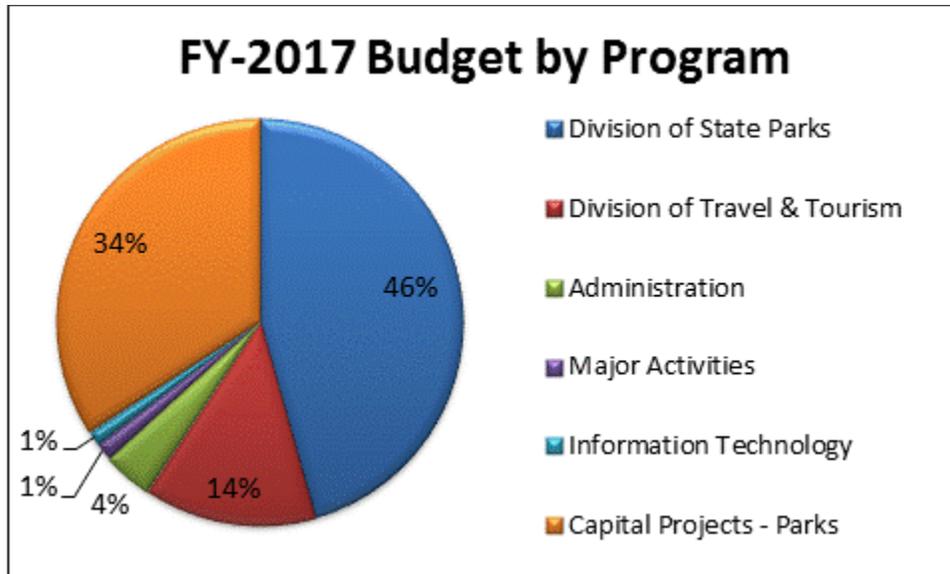
## Mission:

The mission of the Oklahoma Tourism and Recreation Department (OTRD) is to advance the exceptional quality of life in Oklahoma by preserving, maintaining and promoting the state's natural assets and cultural richness. As the steward of the state park system, OTRD is the caretaker of Oklahoma's diverse, magnificent natural resources. OTRD also plays a critical role in enhancing the state's economy through the promotion of Oklahoma as a destination and provides leadership and guidance to communities across the state by working together to propel the state forward.

## Programs:

- Division of State Parks
- Division of Travel & Tourism
- Administration
- Major Activities
- Information Technology
- Capital Projects – Parks

# Tourism and Recreation Department



## Accomplishments Over The Past Year:

### State Parks:

- Expansion of special hunts to assist in reduction of nuisance resident waterfowl;
- Developed new programs including movie nights, family game nights and expanded geo-caching at Sequoyah and Murray lodges and Lake Thunderbird State Park and science camps at Greenleaf, Sequoyah and Bernice State Parks; and
- Expanded private businesses in state parks to include amphibious watercraft (duck boat) tours, a zip line with six runs, paddle boarding and kayak rentals.

### Travel Promotion:

- Developed and produced a brochure highlighting western and frontier history and culture of the State of Oklahoma;

# Tourism and Recreation Department

- Expanded year-round marketing plan to enhance lodge, park and golf course usage;
- Redesigned the Discover Oklahoma Destination Dining Guide with new content and advertising opportunities to generate additional revenue; and
- Participated in organized travel shows/conventions that enable OTRD to market Oklahoma to group tour travel professionals.

## **Film & Music:**

- Redesigned and structured OF+MO's website to highlight Oklahoma's vast location settings, filmmakers, music venues, musicians and information regarding our rebate program; and
- Grew the number of registrants for both the Production and Music guides by 40% which allows OTRD to support and promote available jobs to those in the music industry.

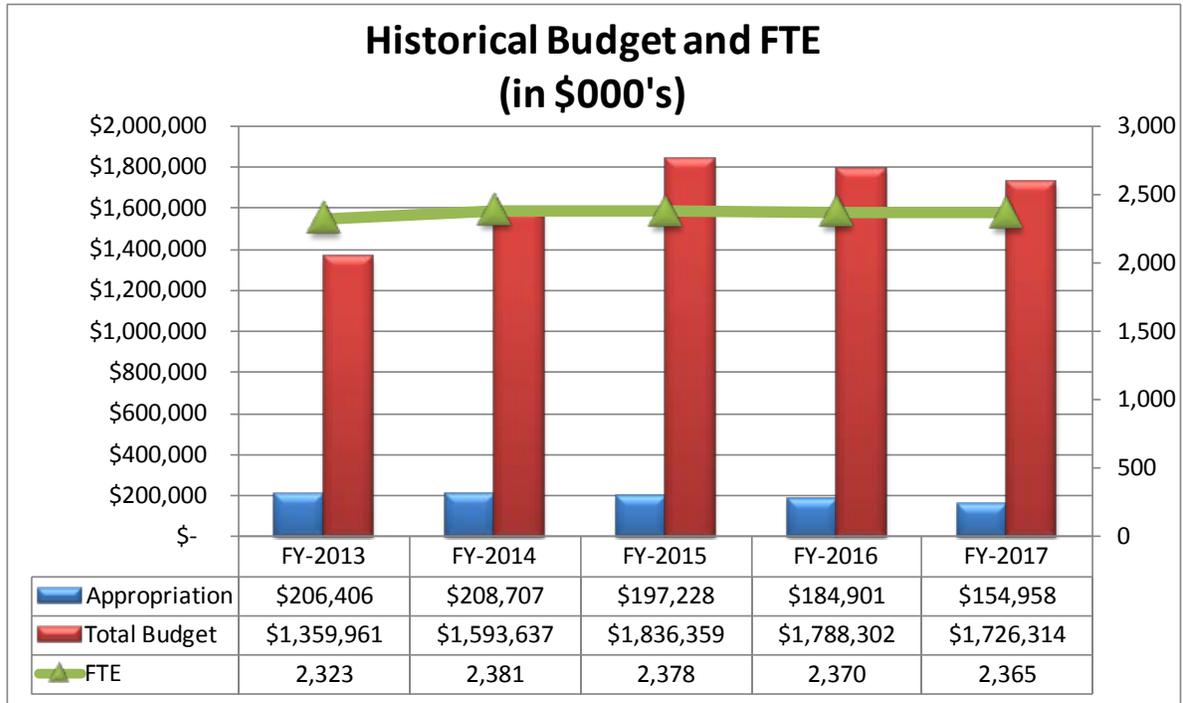
## **Goals for Upcoming Year**

- Connect the citizens of Oklahoma to Oklahoma State Parks during its 80<sup>th</sup> anniversary year (2017);
- Redesign the TravelOK.com, OklahomaToday.com, and DiscoverOklahoma.com websites;
- Continue to increase the economic impact of the Oklahoma Film Enhancement Rebate Program through the creation of jobs and increased entrepreneurship opportunities;
- Continue recruitment efforts for productions to bring their feature and television projects to the state;
- Continue to encourage the development of industry infrastructure in the state by building Oklahoma's production facilities, crew/talent base and overall network;
- Expand awareness about Oklahoma's Music Trail, Rhythm & Routes, by creating marketing campaigns to support and highlight the Music Trail, which will accent locations of significance to Oklahoma's music heritage and create bridges to new artist growth;
- Engage with corporate and community partners to co-host an Oklahoma venue at future film and music festivals to include the Sundance Film Festival in Park City, Utah, AFCI Locations trade show, and 'Oklahoma Expat Round Up' in Los Angeles, California and others;
- Elevate interest and advocacy through strategic marketing planning for both film and music industry – to include social media platforms: Facebook, Twitter, Instagram, etc.; and
- OF+MO will connect with and offer educational and networking opportunities with Oklahoma's film and music industry professionals including the collegiate level by hosting two to four mentor and networking events in Oklahoma each year.
- Begin a process to get the divisions and facilities to come into compliance with records disposition and create a records management plan and process.

## **Major Agency Projects:**

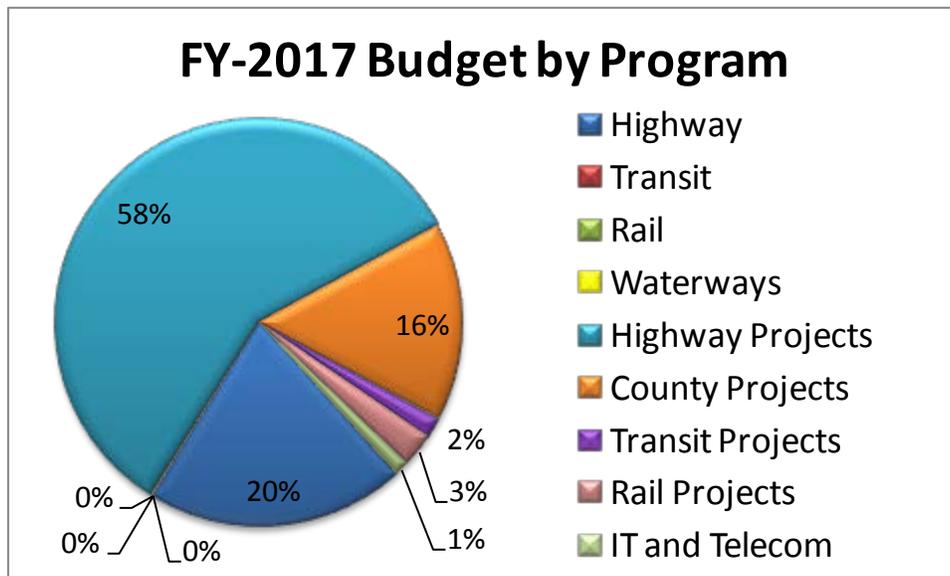
- Completing the construction of the new lodge, renovation of the golf course irrigation and the pool complex at Lake Murray State Park.

# Department of Transportation

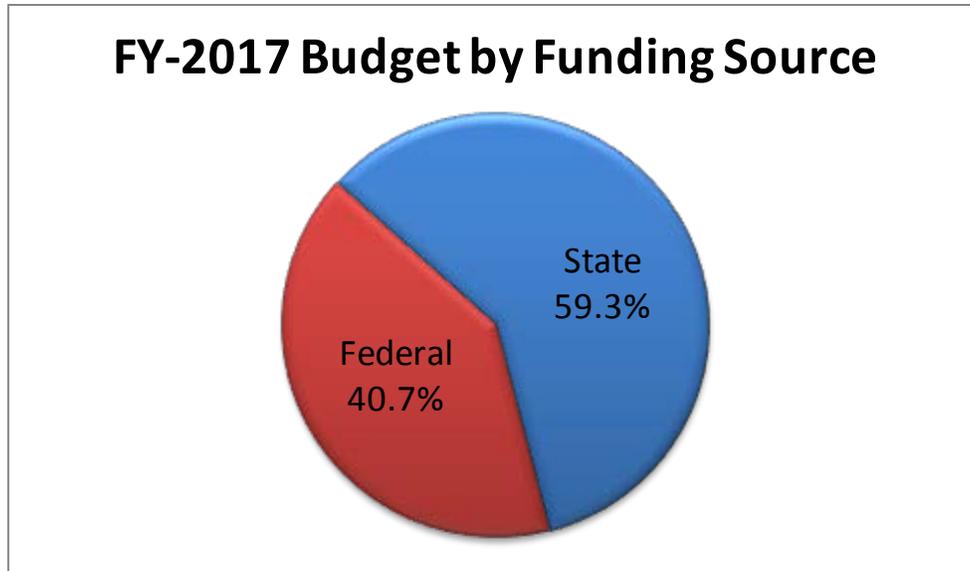


## Mission:

The mission of ODOT is to provide a safe, economical and effective transportation network for the people, commerce and communities of Oklahoma.



## Department of Transportation



### Accomplishments Over The Past Year:

- The percentage of structurally deficient bridges was reduced from 5.5% in 2015 to 4.7% in FY-2016.
- The number of miles of rural highways without shoulders dropped from 4,598 in 2014 to 4,571 in 2016.
- The number of lane miles that are in critical or inadequate condition dropped from 3,820 in 2015 to 3,687 in 2016.

### Goals For The Upcoming Year:

- Reduce the percentage of structurally deficient on-system bridges from 321 in FY-2016 to fewer than 200 by FY-2018;
- Reduce the number of two lane rural highways without shoulders throughout the state to increase safety; and
- Continue installation of cable barriers and concrete barriers throughout the state. As a result, the number of crossover fatalities is expected to decline to near zero in future years.

### Major Agency Projects:

- Continued focus on structurally deficient and “at-risk” bridges;
- Pavement reconstruction on US-69 from the Pittsburg County line north five miles;
- I-40 Interchange at US 64 in Sallisaw;
- Construction of over six miles of highway and a bridge replacement on SH-16 between Okay and Wagoner;
- Bridge construction on SH-99/US-377 over Lake Texoma (Willis Bridge);
- Construction of over two miles of highway and a bridge replacement on US-70 west of Valliant;
- Bridge construction on US-270 over Wewoka Creek and railroad in Seminole;
- Construction of interchange improvements on I-35 in the Norman area;
- Replacement of the 3,642 foot bridge between Purcell and Lexington on US-77 over the South Canadian River;
- Six lane reconstruction of I-40 from MP 165 to 170 including the Choctaw Road Interchange;
- 2.5 miles of highway construction on SH-74 in Northern Oklahoma County;
- Continued construction of the Crosstown Boulevard in Oklahoma City;

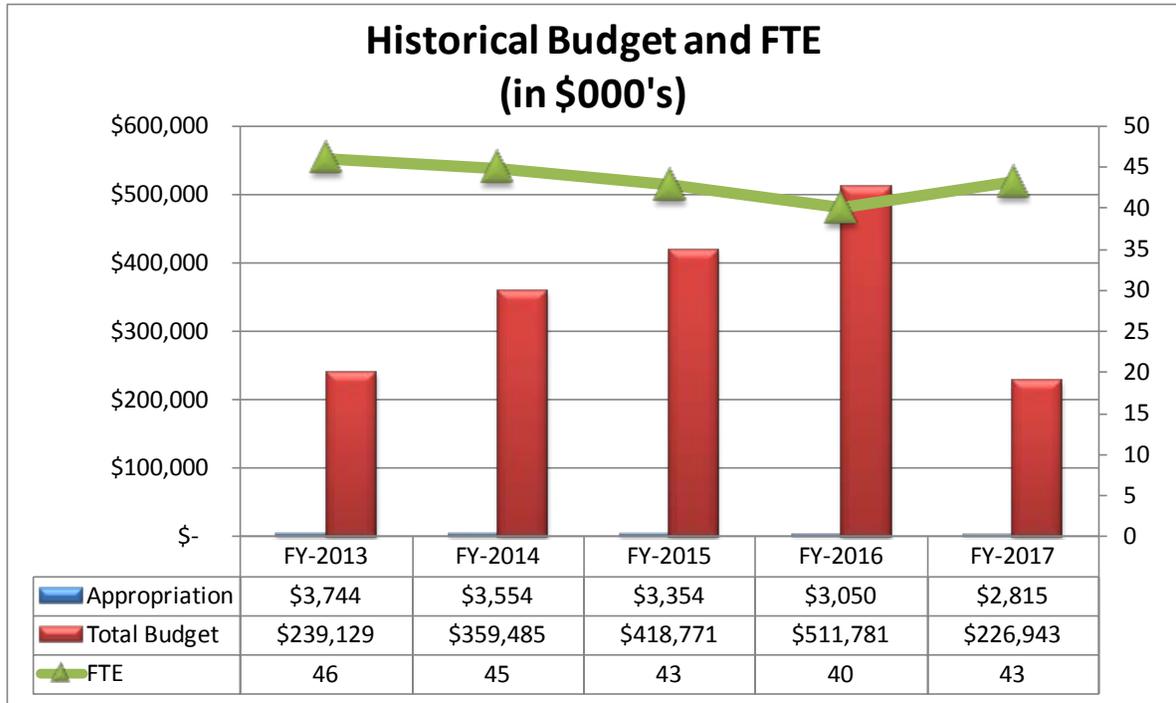
## Department of Transportation

- Bridge construction on I-35 NB & SB over Deep Fork Creek and Service Road;
- Replacement of the bridge over Cottonwood Creek in Guthrie;
- Continued construction on the I-235/I-44 Interchange in Oklahoma City;
- Construction of the I-35/I-240 Interchange in south Oklahoma City;
- Bridge construction on I-40B over the North Fork of the Red River and Short Creek in Sayre;
- Continued construction of four-lane divided on SH-3/US-270 in Dewey and Woodward Counties;
- Construction of the South Connection Bypass in Duncan;
- Bridge construction on SH-79 over Red River at the Texas State Line;
- Four miles of reconstruction of SH-20 in Collinsville;
- Pavement rehabilitation of the south leg of the IDL in Tulsa; and
- Continued reconstruction and rehabilitation of over 21 miles of rural interstate highways.

### **Savings, Efficiencies and Shared Services:**

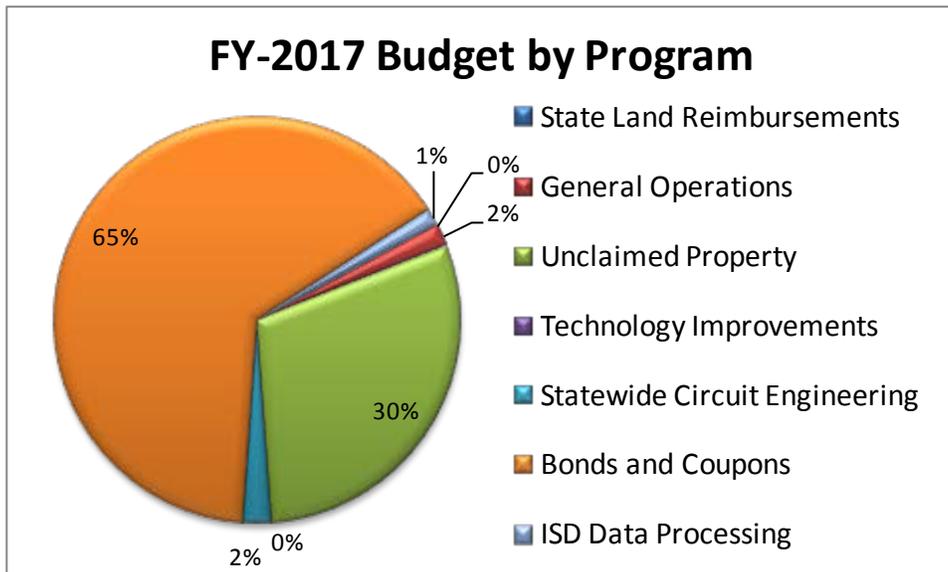
The highly successful implementation of relying on private sector experience and technologies has allowed the Department to streamline its business practices. These practices will continue along with the adoption of practical innovations. There are several technological advances that the Department continues to enhance which greatly increase productivity. These advances prevent redundancies, reduce customer wait time and help provide real time information. In addition, the Department recently completed consolidation efforts with the Office of Management and Enterprise Services moving all servers and basic operating systems under the state's central control.

# Treasurer

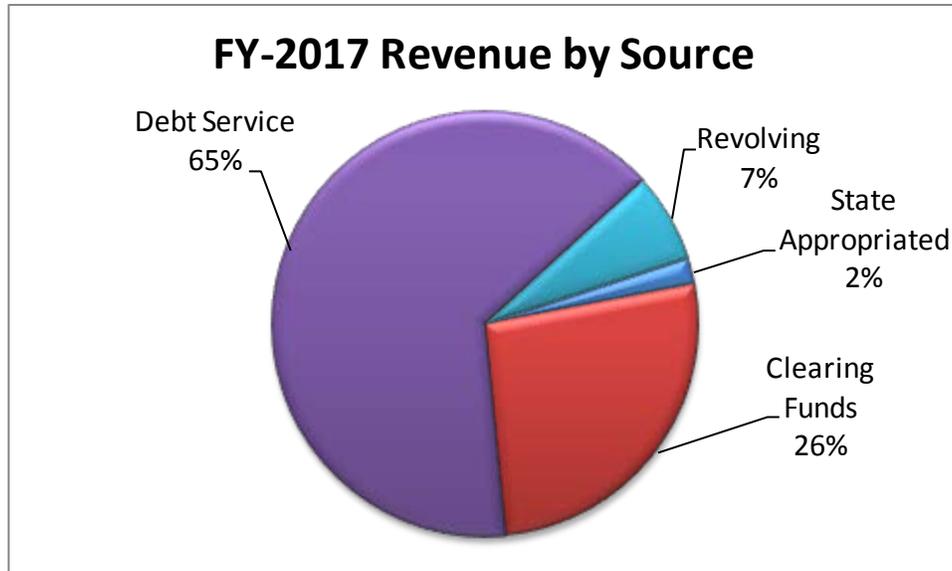


## Mission:

The mission of the Office of the State Treasurer (OST) is to serve the people of Oklahoma by providing sound banking and investment services, reuniting individuals and businesses with their unclaimed property and promoting economic opportunities in a fiscally responsible and efficient manner while adhering to the highest professional and ethical standards.



## Treasurer



### Accomplishments Over The Past Year:

- Continued pay-for-performance program increasing the return of unclaimed property to rightful owners from \$18.8 million in FY-2013 to \$30.2 million in FY-2014 and to \$38.7 million in FY-2015. In spite of a 75% turnover in claims processing personnel, returns in FY-2016 totaled \$31.1 million.
- Substantially completed migration of data to new web-based investment portfolio management application.
- Maintained operations during period of 31% turnover, continuing emphasis on cross training and use of one-time funding to recruit staff early allowing for mentoring and on-the-job training when turnover could be anticipated.
- Launched an aggressive unclaimed property marketing and advertising program that has resulted in increased use of the program's searchable owner database. During advertising flights on television and the internet, claims submitted online have increased by more than 400%.

### Goals For The Upcoming Year:

- Continue succession efforts to address prospect of continued turnover, maintaining key positions and developing bench strength;
- Continue systems development efforts to replace unsupported disbursement and reconciliation applications;
- Complete implementation, training and assumption of responsibilities for new web-based investment portfolio application, streamline and enhance investment performance reporting;
- Migrate collateral securities portfolio to new web-based investment portfolio application to replace outdated and unsupported collateral pricing application;
- Transition master custody and securities lending services to new service provider for State's \$5.7 billion investment portfolio;
- Maintain consumer protections afforded by Uniform Unclaimed Property Act; and
- Work with state agencies, OMES ISD and consultants supporting efforts to maintain compliance with payment card industry data security standards.

### Major Agency Projects:

- Implement and optimize services of investment software service provider;

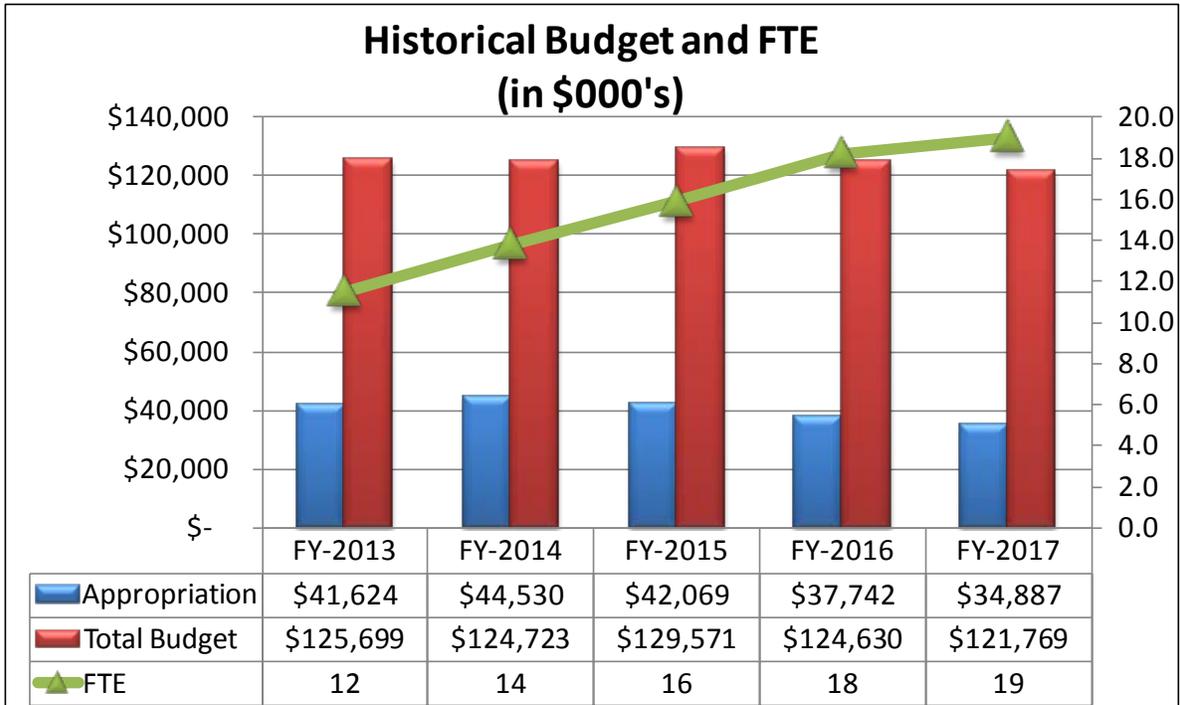
## Treasurer

- Replace outdated and unsupported computer systems; and
- Increase citizens' financial awareness laying the foundation for increased prosperity.

### **Savings, Efficiencies and Shared Services:**

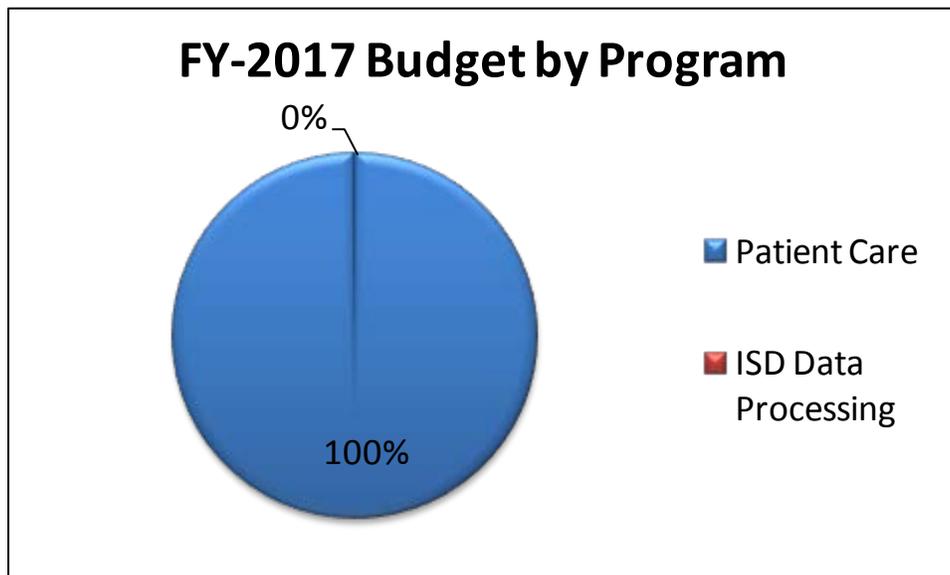
- Reduction of \$1.9 million (41%) in appropriations from FY-2007 to FY-2017, reduction of 25% during the last 5 years;
- Utilization of shared services for legal counsel, information systems, purchasing, payables and payroll processing;
- Provide banking and treasury services statewide minimizing costs and leveraging economies of scale;
- Invest \$5.7 billion including funds in more than 300 accounts on behalf of participating state agencies;
- Provide administrative, investment and accounting support services to the Board of Investors of the Tobacco Settlement Endowment Trust Fund; and
- Double the return of unclaimed property to its rightful owner from \$18.8 million in 2013 to \$38.7 million in 2015 and returned \$31.1 million in 2016 despite excessive turnover.

# University Hospitals Authority

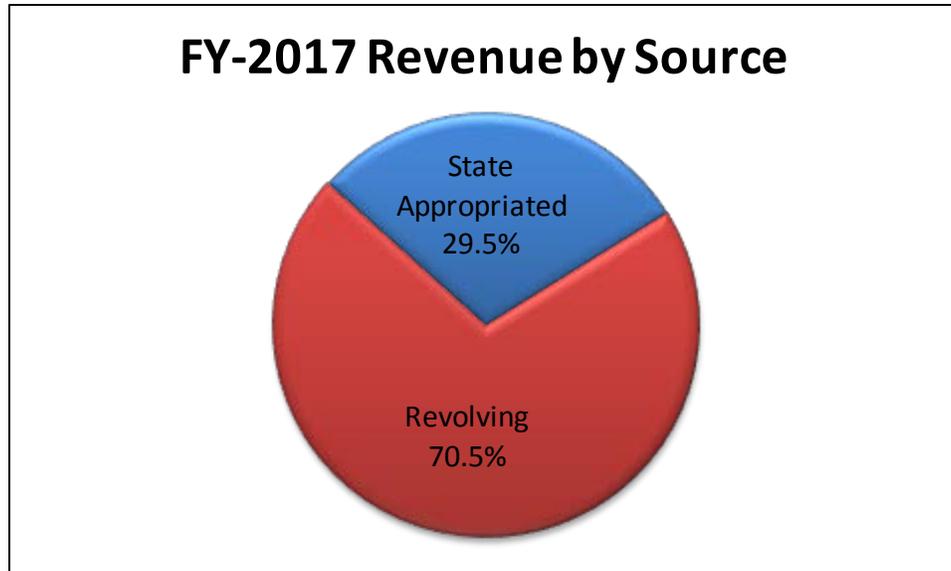


## Mission:

The mission of the University Hospitals Authority (UHA) is to be a catalyst for medical excellence, to support medical education and clinical research and to ensure the best care available to all Oklahoma citizens while growing essential alliances and maximizing utilization of state and federal resources.



# University Hospitals Authority



## Accomplishments Over The Past Year:

- Provided \$99.2 million of state and federally matched funds to Oklahoma's College of Medicine and College of Osteopathic Medicine, supporting resident and intern education, with \$70 million distributed to Oklahoma State University (OSU) and the University of Oklahoma in Tulsa (OU-Tulsa) as well as \$22.4 million to the OU campus in Oklahoma City;
- Provided \$38.8 million of state and federally matched funds to 13 Oklahoma hospitals, supporting 872 total resident positions with \$3.1 million distributed to rural hospitals, \$23.2 million to Oklahoma City hospitals, and \$12.5 million to Tulsa hospitals;
- Provided \$43 million of state and federally matched funds to OU Medical Center hospital, supporting 160,700 inpatient and outpatient occasions of service to the medically indigent and 3,106 Department of Corrections inmate occasions of service;
- Assisted in recruitment of oncology physicians, faculty and researchers at the Peggy and Charles Stephenson Oklahoma Cancer Center;
- Completed the Samis Education Center, supporting clinical medical education on the Oklahoma University Health Sciences Center (OUHSC) campus;
- Provided a facility and operational support to the Department of Pediatrics Child Study Center and Center on Child Abuse and Neglect;
- Completed construction on the College of Medicine facility on the OUHSC campus in support of graduate medical education;
- Assisted in operational support for the Oklahoma Institute for Disaster and Emergency Medicine, Dental College loan program, hearing services for deaf and/or hard of hearing children at the Oklahoma Tisdale Specialty Clinic in Tulsa as well as the mobile dental services program and area health centers; and
- Constructed and placed into service an inpatient Ebola isolation unit.

## Goals For The Upcoming Year:

- Increase support levels to provide medical care to the state's indigent population and regain compliance with the indigent care agreement;
- Complete the installation of the proton accelerator and begin treating Oklahoma's pediatric cancer patients; and
- Achieve Centers for Disease Control and Prevention (CDC) designation for Ebola isolation unit.

# University Hospitals Authority

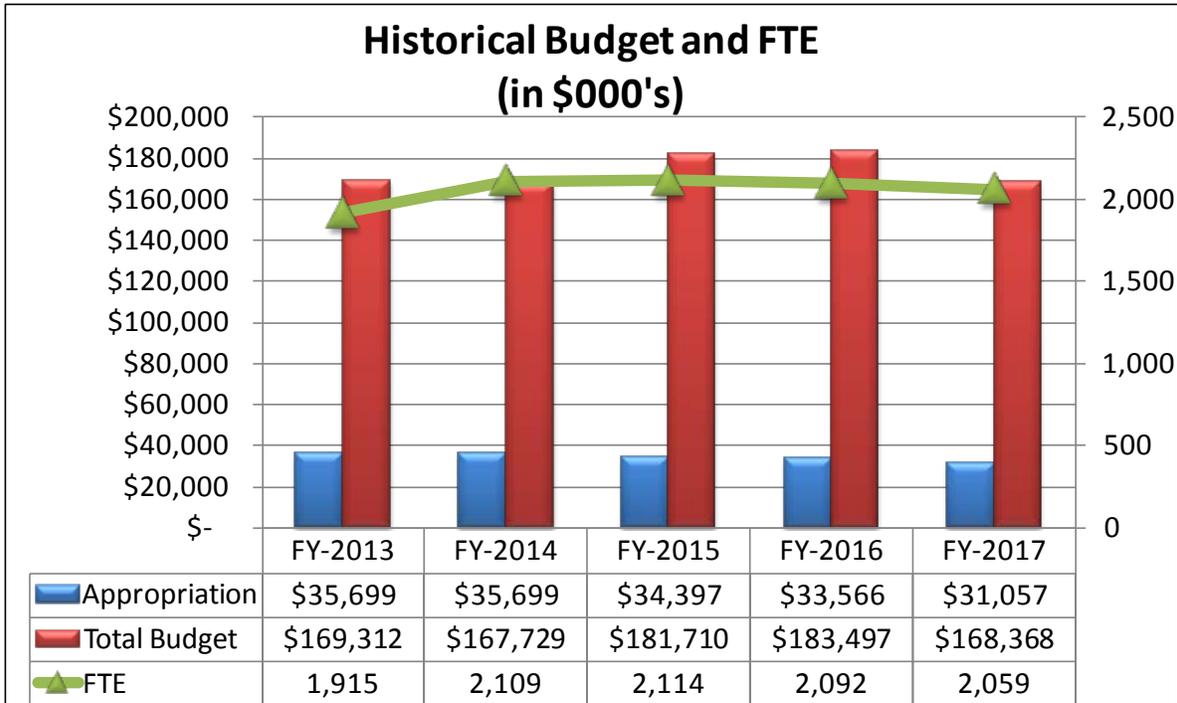
## **Major Agency Projects:**

- Increasing oncology patient care and research;
- Recruiting faculty and research personnel;
- Expanding the hospital bed tower for inpatient services to include cancer inpatient beds, Intensive Care Unit (ICU) beds and operating rooms;
- Increasing campus way-finding and hospital parking to accommodate demand; and
- Continuing facility energy savings plan.

## **Savings, Efficiencies and Shared Services:**

- Implemented an aggressive energy savings plan designed to achieve the goals of Senate Bill 1096 and the Governor's energy savings efficiency initiative:
  - Loaded each building into the Energy Star portfolio and created a utility database;
  - Centralized the building automation system and installed sub-meters on main electricity, steam and chilled water lines for accurate monitoring and control of utility consumption;
  - Upgraded to high-efficiency equipment as building components need to be replaced; and
  - Began implementing energy conservation strategies that are compliant with IPMVP (International Performance Measurement and Verification Protocol);and
  - Realized \$710,000 in energy savings to date.
- UHA upgraded the agency website to improve services to both citizens and businesses by designing portals, links and agency contact features including assistance with access to physician care and hospital services, assistance with billing issues, employment opportunities, and notifications to businesses of requests for qualifications, proposal, and competitive bids.

# Oklahoma Department of Veterans Affairs



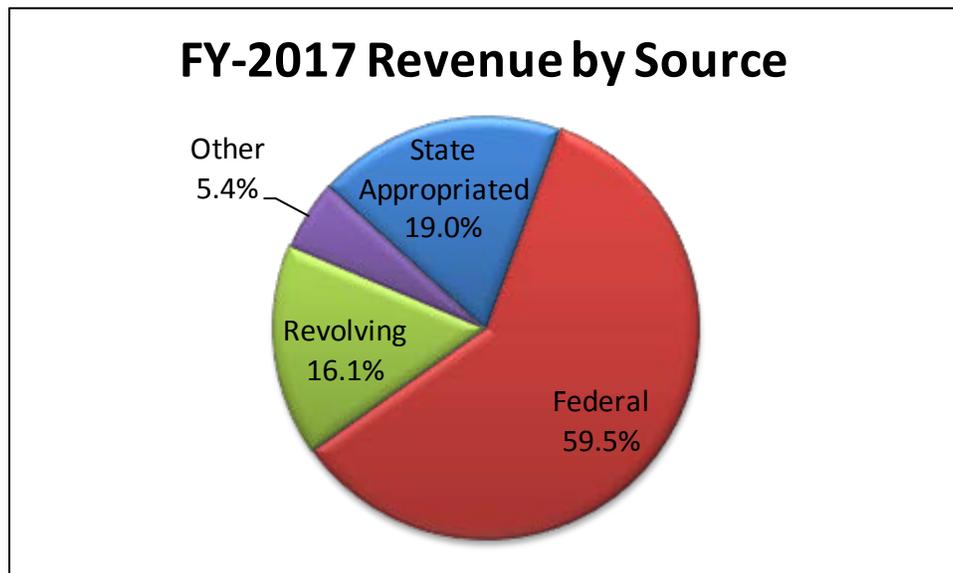
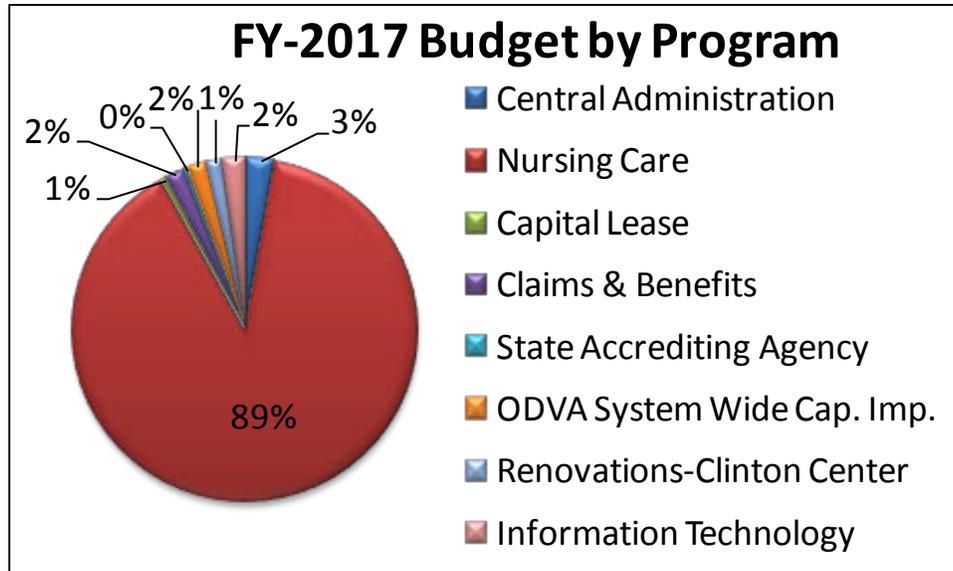
**Mission:**

In partnership with the Secretary of Veterans Affairs, the Oklahoma Department of Veterans Affairs, State and Local Agencies, and Veterans Service Organizations, the State of Oklahoma will facilitate in providing to the Veterans residing in the State of Oklahoma the highest quality support and care available anywhere in the nation.

**Programs:**

- Long-Term Care Center Operations (Located in Norman, Clinton, Ardmore, Sulphur, Claremore, Tahihina and Lawton)
- Veterans Claims and Benefits Administration
- State Accrediting Agency

# Oklahoma Department of Veterans Affairs



## Accomplishments Over The Past Year:

- Partnered, through ODVA-Education, with the Oklahoma State Board of Regents for Higher Education to hold a military-connected conference for schools throughout Oklahoma, as well as an education fair for veterans to be connected with quality schools.
- Held the first workgroup together with schools and other state departments to discuss programs and services for veterans at their respective sites; and
- Achieved passage of SB877 (2016) which gave ODVA the ability to retain direct, in-house legal representation, thus providing cost savings, efficiency, and continuity of counsel.

## Goals For The Upcoming Year:

- Increase efficiency and productivity through the use of an automated veterans claims management system;
- Create and maintain a consolidated resource guide for Oklahoma veterans and their families;

# Oklahoma Department of Veterans Affairs

- Increase ODVA participation in veterans courts, other specialty courts, and outreach to justice involved veterans;
- Implement Automated Point Click Care (PCC) for activities of daily living; and
- Work with career technical schools in order to help more veterans use their GI Bill benefits who aren't interested in attending a four-year institution.

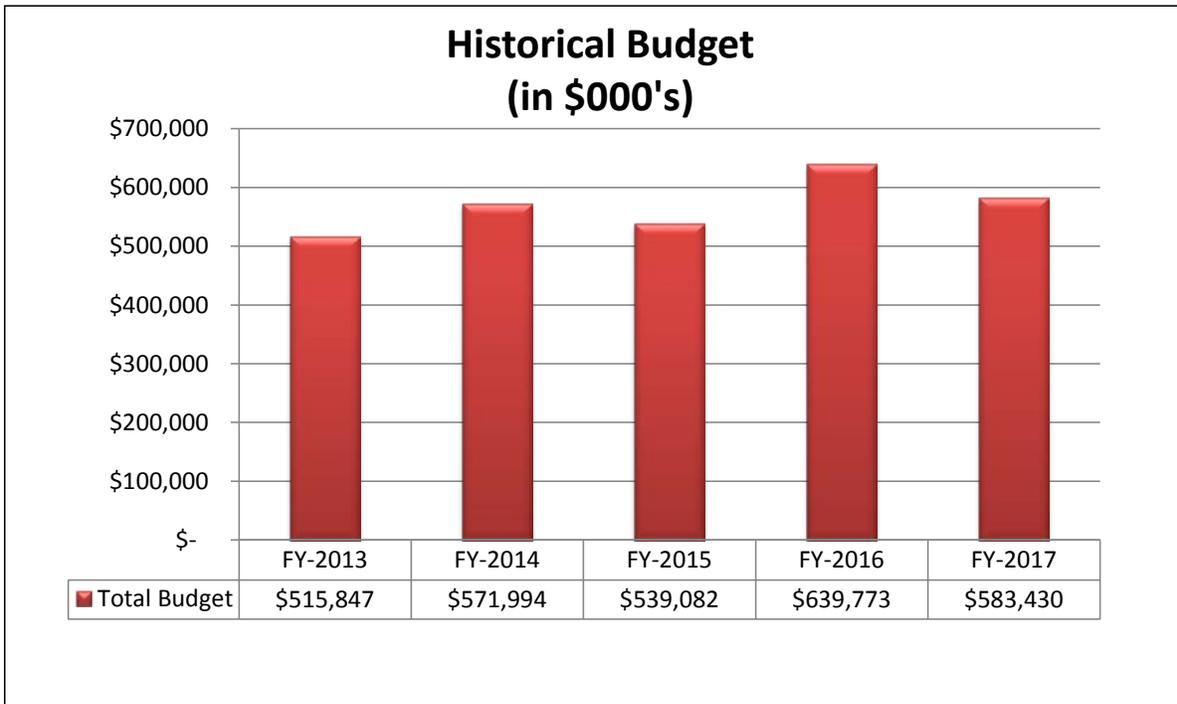
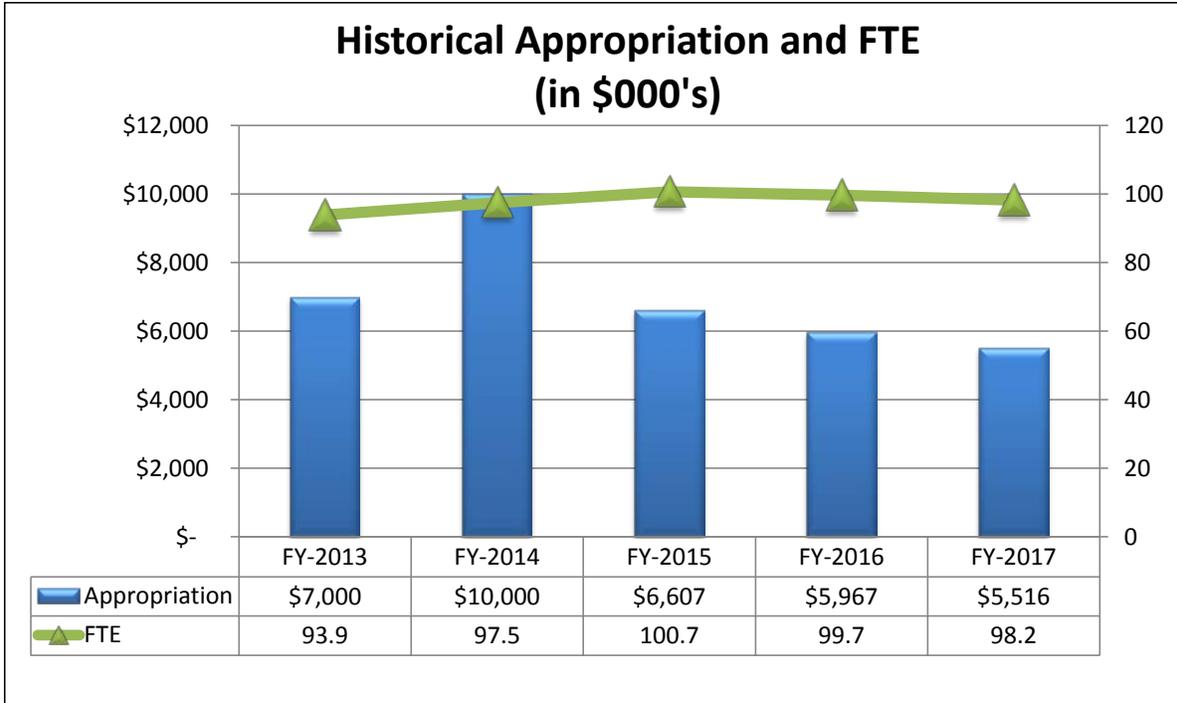
## **Major Agency Projects:**

- Collaborating with the Department of Public Safety to create a statewide Veterans Registry which would provide a voluntary option for self-identification with the ODVA to confirm their veteran status and eligibility for benefits, expanding the scope of ODVA's outreach to Oklahoma veterans;
- Seeking online payments capability to allow the Oklahoma Department of Veterans Affairs (ODVA) to obtain authorization from our nursing home residents to initiate scheduled/recurring drafts from the resident's bank accounts on a monthly basis for maintenance charges payable; and
- Replacing a large portion of the Lawton Center's roof to stop leakage-a very complex job because of the design of the roof.

## **Savings, Efficiencies and Shared Services:**

- Continued savings in workers compensation expenditures;
- Developed the ability to perform medical reviews accurately online, leading to a reduced need for pharmacy staff in two veterans centers; and
- Increased P-card use.

# Water Resources Board



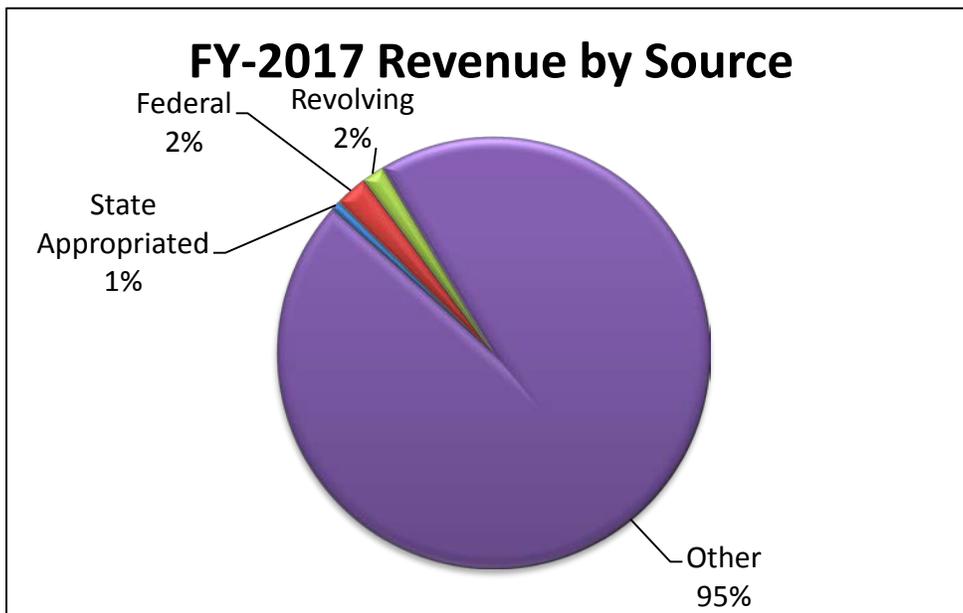
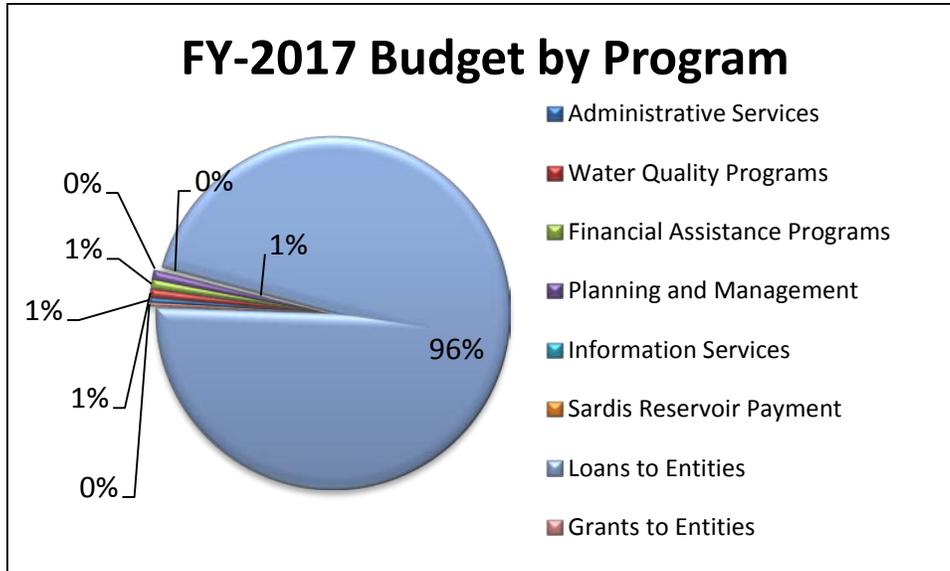
**Mission:**

To protect and enhance the quality of life for Oklahomans by managing and improving the state's water resources to ensure clean and reliable water supplies, a strong economy, and a safe and healthy environment.

# Water Resources Board

## Programs:

- Administrative Services
- Water Quality Programs
- Financial Assistance Programs
- Planning and Management
- Information Services
- Sardis Reservoir Payment
- Loans to Entities
- Grants to Entities



# Water Resources Board

## Accomplishments Over the Past Year:

- Aided the State of Oklahoma in reaching a final and lasting agreement to settle the tribal water rights claims of the Choctaw and Chickasaw Nations;
- Provided \$1.5 million in funds for the Water for 2060 Grant Program, and saved over 23 million gallons of water with four communities receiving these grants: Boise City Public Works Authority, Fort Supply Public Works Authority, Frontier Development Authority, and the Town of Shattuck;
- OWRB was honored to be selected as one of Oklahoma's "Top Workplaces."
- Addressed Priority Water Infrastructure Financing of Oklahoma's \$82 billion water and wastewater infrastructure needs by 44 grants totaling \$4,467,501.98 and 15 loans totaling \$185,596,000 which saved Oklahoma systems an estimated \$26.8 million compared to traditional financing options;
- Completed the North Canadian Alluvium & Terrace Scientific Investigation in partnership with the USGS;
- Conducted several workshops for more than 300 real estate agents regarding dam safety, floodplain management, and well driller programs in cooperation with Oklahoma Real Estate Commission (OREC);
- Issued 124 new permits, processed 62 water right amendments, processed 239 change of ownerships & splits, and issued 1,335 90-Day provisional temporary permits;
- Floodplain Staff completed 16 Community Assistance Visits (CAV) and 50 Community Assistance Contacts (CAC);
- Collected high water mark data and created inundation mapping for communities to use as a historic best available data planning tool and launched on the OWRB FPM Website;
- Delivered mapping products in three watersheds as part of FEMA's RiskMAP ;
- Developed and implemented aquifer storage and recovery rules with the Oklahoma Department of Environmental Quality, Oklahoma Conservation Commission, Oklahoma Department of Agriculture, Food, and Forestry;
- Developed "Sensitive Water Supply-Reuse" designation;
- Initiated the Produced Water Working Group (PWWG) to analyze alternatives to deep well injection of produced water;
- Pilot study with public participation completed, to assess recreation, fish and other instream flow needs within part of the Illinois River watershed; and
- Secured funding from USACE and the Grand River Dam Authority (GRDA) to develop a surface water permitting system and comprehensive water plan for the Grand River.

## Goals for the Upcoming Year:

- Educate and promote the need for increased water conservation, reuse and recycling ;
- Continue to address Oklahoma's \$82 billion water and wastewater infrastructure needs through continued leveraging of FAD Loan Programs;
- Coordinate with local, state and federal stakeholders to complete the Illinois River Instream Flow Pilot Study in an effort to protect recreation, fishing and other flow-based water needs in Oklahoma's Scenic Rivers;
- Transition permitting and environmental project reviews to a paperless process and continue development of a data viewer that allows for quick retrieval of community data;
- Implement an updated comprehensive database to store water quality and quantity data and make water information more readily available to the public;
- Continue implementation of new groundwater monitoring program;
- Continue work on the Nutrient-Limited Watershed Study on Crowder Lake;
- Continue cooperative monitoring and assessment efforts with GRDA on Grand Lake;
- Carry out wetland sampling and assessment activities across Oklahoma;
- Continue cooperative efforts with the Central Oklahoma Master Conservancy District (COMCD) on monitoring and assessing water quality of Lake Thunderbird and effectiveness of in-lake remediation;

# Water Resources Board

- Complete in-house groundwater projects on the Enid Isolated Terrace, Rush Springs, and Gerty Sand aquifers; and
- Complete contracted work to the USGS on the Canadian River Alluvium & Terrace and North Fork of the Red River Alluvium & Terrace groundwater projects.

## **Major Agency Projects:**

- Implementing the Water for 2060 Advisory Council's final recommendations to the Governor, Speaker of House and President Pro Tempore delivered in late 2015;
- Implementing tools to assist Oklahoma communities and rural water/sewer districts in making educated social, economic, environmental, and sustainable decisions regarding their water and wastewater infrastructure;
- Crafting recommendations for the most efficient and feasible method for balancing the water needs of consumptive users with those that rely upon water flowing in streams and lakes for economic development and recreation;
- Continuing to support Oklahoma's most comprehensive stream, lake and groundwater monitoring program to improve our knowledge of the condition of these important water resources; and
- Evaluate and consider rulemaking to develop drought resiliency in the WQS program by modifying the Groundwater Quality Standards and Surface Water Quality Standards to promote reuse, recycling and reclamation.

## **Savings, Efficiencies, and Shared Services:**

- Greatly enhanced staff productivity through document imaging, providing improved access to critical information and streamlining workflow, which resulted in savings of time, money and space;
- Continued enhancements within OWRB's Infrastructure Financing Software, which tracks the agency's complex funding programs including more than \$3.4 billion in approved projects to date;
- Used tablet computers and applications in the floodplain management program to completely streamline the development and distribution of field inspection reports with documents distributed electronically to communities, reducing printing, production, and mailing costs; and
- Expanded adoption of tablet computers, tablet-based applications, and other technology has helped coordinate, refine, and reduce fieldwork activities, as well as reduce travel costs associated with dam and floodplain management inspections, complaint investigations, geo-location of dam sites and water wells, and other required tasks.

# **State Budget Information**

**Oklahoma State Budget Process  
State Revenues  
Constitutional Reserve Fund  
Appropriation History  
Higher Education Allocation  
Non-Appropriated Agency Budget and FTE**



## Oklahoma State Budget Process – State Fiscal Year is July 1 through June 30.

1. **Agencies review** program performance and financial needs for preparation of their Budget Request and Strategic Plan.
2. The **Budget Request** is the legal document which contains all financial and program information for each agency including a listing of all requests for additional state funds and changes in revolving or federal funds. Budget Requests must be submitted October 1 of every year under Section 34.36 of Title 62.  
  
**Agency Strategic Plans** include each agency's mission, goals, indicators used to measure outputs and outcomes of agency programs, and other information as required by the Office of Management and Enterprise Services within a five year time line. Section 45.3 of Title 62 requires strategic plans to be submitted October 1 of every even-numbered year.
3. The **Office of Management & Enterprise Services Budget Division** reviews agency budget requests and holds agency budget request hearings for development of the Executive Budget.
4. **December Equalization Board Meeting** – The Equalization Board is the constitutional body responsible for setting revenue and expenditure authority for the Governor and Legislature (Section 23, Article 10 of the *Oklahoma Constitution*). The expenditure authority approved at this meeting is the amount used for development of the Executive Budget Book.
5. **Submission of Executive Budget** – The Governor is required to submit an Executive Budget to the Legislature on the first Monday of each regular legislative session. The budget must be balanced using the December Equalization Board amounts.
6. **February Equalization Board Meeting** – The Board is constitutionally required under Section 23 of Article 10 of the *Oklahoma Constitution* to meet again and incorporate economic adjustments to the revenue and expenditure authority. The limit approved at this meeting constitutes the limit for Legislative appropriations.
7. **Legislative Appropriations Process** – The appropriations subcommittees and legislative staff of each house review agency budgets and budget requests and pass appropriation bills.
8. **Governor acts**, within constitutional time lines set forth in Sections 11 and 12 of Article 6 of the *Oklahoma Constitution*, to sign, veto or pocket veto appropriation bills.
9. **June Equalization Board Meeting** – The Board is authorized in Section 23 of Article 10 of the *Oklahoma Constitution* to meet and incorporate statutory changes that increase or decrease revenue and expenditure authority for the coming fiscal year.
10. **Agency Budget Work Programs** are required under Section 34.42 of Title 62 and serve as the official plan of how the agency intends to utilize available funds to accomplish statutory duties and responsibilities. The document is due on June 1, or as close thereafter as possible, and is approved by July 1.

# Oklahoma State Budget Process

## State Equalization Board

The *Oklahoma Constitution* provides for a number of checks and balances to ensure the Governor and Legislature maintain a balanced budget every year. One of the most important provisions is Section 23 of Article 10, which outlines the framework for how Oklahoma sustains a balanced budget. This section designates the State Board of Equalization as the body responsible for establishing expenditure limits for the Governor and the Legislature. The State Board of Equalization is comprised of the Governor, Lieutenant Governor, Treasurer, Auditor and Inspector, Attorney General, Superintendent of Public Instruction and Secretary of Agriculture.

Pursuant to Section 23, the State Equalization Board must meet at least two times every fiscal year:

- “no more than 45 days but no less than 35 days before the start of the legislative session” (sometime in late December or early January); and
- “within five days after the monthly apportionment in February of each year”.

The Board can only meet again and adjust revenue estimates if the Legislature and Governor enact laws during regular or special session that reduce or increase revenue certified by the Board, transfer cash from one fund to another or establish a new certified, appropriated fund. In practice, the State Equalization Board meets in June to incorporate legislative changes enacted during the session and to re-certify revenue available for the coming fiscal year.

The benefit of this approach is that both the executive branch and legislative body are required to use the same revenue estimate and expenditure limit. State expenditures passed by the Legislature and enacted by the Governor cannot exceed the amount of funds certified and authorized by the Board.

The Office of Management & Enterprise Services (OMES), which staffs the Board, compiles revenue projections from various revenue collecting agencies throughout the state, analyzes the information and presents the information to the Board for its consideration and approval. Projections for the General Revenue Fund, which makes up more than 80% of total state appropriated spending, are estimated utilizing a state economic model developed by Oklahoma State University, modified to fit the state’s customized needs by Tax Commission staff, with additional resources provided by RegionTrack, an Oklahoma City based research firm. Revenue estimates presented to the Board are based on current and prior year collection trends, economic forecasts, federal and state tax law changes, and other foreseeable factors.

Revenue certified and authorized at the December Board meeting serves as the basis for the Governor’s Executive Budget. The Board considers possible revisions to the December estimate at the February meeting. Revisions to the December estimate are based on economic changes that have been noted since that time, which may increase or decrease anticipated revenue collections. The estimate approved at this meeting sets the limit on which legislative appropriations are based.

## State Revenues and Expenditures

### Spending Limits

Oklahomans believe in responsible budgeting and limiting state expenditure growth to reasonable levels. This philosophy is cemented in Paragraph 1 of Section 23 in Article 10 of the *Oklahoma Constitution*. Increases in legislative appropriations in any year are limited to no more than 12% more than the preceding year’s level, adjusted for inflation.

Paragraph 1 of Section 23 provides an additional limit for Oklahoma's state budget. This paragraph limits expenditures of certified funds to 95% of the State Equalization Board estimate. This internal safeguard protects agency budgets from mild fluctuations in revenues in the event revenues do not meet the 100% estimate.

Certain statutory revolving funds are also included in the executive and legislative expenditure authority considered by the State Equalization Board. Estimates for revolving funds are included for informational purposes. The Board does not have to approve expenditures from those funds, since they are not certified funds. Unlike certified funds, the Governor and Legislature can spend 100% of the revolving fund estimates. There are seven revolving fund estimates that are included in the executive and legislative expenditure authority. Revenues from four of the seven funds are specifically dedicated to education purposes. Funds from the Tobacco Settlement Fund are directed for health services; the Judicial Fund is directed to district court operations; and the State Transportation Fund is directed to the Oklahoma Department of Transportation.

## **Cash Management**

Another internal budget control is provided in Section 34.54 of Title 62 of the Oklahoma Statutes which creates the Cash Flow Reserve Fund (CFRF). The CFRF is used for two purposes: (1) to make allocations to agencies in July since the General Revenue Fund (GRF) for that year has no collections until the end of July, and (2) to ensure that each monthly allocation of revenue to agencies is equal to one-twelfth of the money appropriated by the Legislature. This second purpose is intended to protect state agencies from variation in monthly revenue collection patterns and in practice the CFRF is used to make up the difference between actual collections in a month and the required allocations for that month.

Money is deposited into the CFRF for the next fiscal year from current year General Revenue Fund collections that are in excess of the amount appropriated from the General Revenue Fund. The limit on deposits into the fund is 10% of the amount certified by the State Board of Equalization as available for appropriation from the General Revenue Fund for the next fiscal year. At the end of each fiscal year any monies remaining in the CFRF which are not necessary for current year cash-flow needs are available for legislative appropriation or are returned to the General Revenue Fund. This provision was affirmed and strengthened by passage of HB 3206 in the 2016 legislative session, requiring the Office of Management and Enterprise Services to analyze and submit to the State Board of Equalization the amount of monies available for appropriation.

Any excess certified General Revenue Fund collections for the current year, after the CFRF for the next year has been funded, are carried forward as cash that is available for future certification and appropriation by the Legislature. General Revenue Fund collections that are in excess of the total certified estimate are considered "surplus funds" and cannot be used to make deposits to the CFRF as those monies are directed elsewhere according to the State Constitution.

## **Budget Stabilization**

A portion of the revenue collected in excess of 100% of the certified GRF estimate is deposited in the Constitutional Reserve Fund (CRF), known as the Rainy Day Fund, at the end of the fiscal year. Deposits into the CRF are limited to 15% of the certified actual collections to the GRF for the preceding fiscal year. The CRF can be accessed for three different and distinct purposes: emergencies, future year budget stabilization, and current year budget stabilization. Up to 25% of the fund may be appropriated upon a declaration of an emergency by the Governor with two-thirds legislative concurrence or three-fourths of both the House and Senate. Up to three-eighths of the CRF may be appropriated to make up any decline in revenue certified as available for appropriation by the State Board of Equalization from one year to the next. The amount can not exceed the decline in certified revenue. The final three-eighths of the CRF may be appropriated to address a current year revenue shortfall. To access this money, the BOE must determine that a revenue failure has occurred in the GRF and appropriations from the CRF for this purpose are limited to the amount of the shortfall. A Constitutional provision also exists to

provide incentive payments of up to \$10 million to support retention of at-risk manufacturing entities under carefully limited circumstances.

A new "Revenue Stabilization Fund" (RSF) was established with the signing of House Bill 2763 which took effect November 1, 2016. This fund provides a process whereby above-average revenues from highly volatile sources will be saved and later made available to supplement revenues during times of recession or other economic downturns. Additionally, a long-term effect will be increased stabilization of the state budget overall. The State Board of Equalization is required to certify five-year average annual apportionments to the General Revenue Fund of collections from gross production and corporate taxes beginning in February of 2017. Once total collections to the General Revenue Fund have reached \$5.7 billion for the prior fiscal year, monies above the certified averages from each source, respectively, will be directed into the stabilization fund and the state's Rainy Day Fund (Constitutional Reserve Fund) by specific percentages. Other provisions suspend deposits to the RSF during periods of declared revenue failure or projected downturns in an upcoming fiscal year and detail mechanisms to access the fund.

## **Revenue Shortfalls**

The Director of the Office of Management & Enterprise Services (OMES) is statutorily charged with making allotments to agencies to control expenditures. State law also requires the State's budget to remain in balance every fiscal year. Oklahoma is barred from expending more money than it collects in a given year.

To ensure that revenues are sufficient to meet the appropriations specified by the Legislature, OMES closely monitors collections throughout the year. The allocation of appropriated monies to agencies occurs on the Tuesday following the second Monday of every month during a fiscal year.

During times of economic recession or distress state revenue collections can fall below the level of appropriations. Thus, limiting appropriations to only 95% of estimated collections is an insufficient measure to ensure the state maintains a balanced budget and can fully fund all appropriations.

Title 62, Section 34.49 of the Oklahoma Statutes reads, in part:

"At the end of any fiscal year, the entire amount appropriated to any agency must be allotted to the agency by the Director of the Office of Management and Enterprise Services, except where the estimated budget resources during any fiscal year are insufficient to pay all of the appropriations of the state in full for such year. The Director of the Office of Management and Enterprise Services shall not allot to any agency during any fiscal year, an amount which will be in excess of the amount of revenue collected and allocated to appropriations made to such agency. In the event of a failure of revenue, the Director of the Office of Management and Enterprise Services shall control the allotment to prevent obligations being incurred in excess of the revenue to be collected. However, within each state fund where a revenue failure occurs, the Director of the Office of Management and Enterprise Services shall make all reductions apply to each state agency or special appropriation made by the State Legislature, in the ratio that its total appropriation for that fiscal year bears to the total of all appropriations for that fiscal year, as provided in Section 23 of Article X of the Oklahoma Constitution."

This directs OMES to allocate all of the money appropriated to state agencies, unless revenue collections are less than the amount appropriated. When this occurs, OMES is required by this statute to reduce the allocations to agencies to no more than the amount of revenue collected. Further, the reduction in allocations is to be effected upon all agencies receiving money from the fund in which the failure occurs. Each agency receives a proportional share of the reduction based on their share of appropriations compared to the total appropriations from the fund.

## **Executive and Legislative Appropriations Process**

### **Executive Budget**

The Governor sets the tone for state budget recommendations with the submission of the Executive Budget on the first Monday in February of each regular legislative session. Section 34.37 of Title 62 requires the Governor to submit a balanced budget with detailed revenue and expenditure proposals to the presiding officer of each house. The Director of the Office of Management & Enterprise Services is required to prepare the document after reviewing state agency budgets and budget requests and developing recommendations. The proposals outlined in the Governor's Executive Budget Book serve as the Governor's fiscal and policy priorities for the year.

### **Legislative Process**

The Legislature reviews the Executive Budget and works with the Governor throughout each session to enact a balanced budget. Establishing the state budget is the responsibility of the appropriations committees of the Senate and the House of Representatives. The committees of each house work through appropriation subcommittees which are categorized by specific budget areas such as general government, education, health, and safety and security. Subcommittees review agency budgets, requests for additional funding, and the Governor's recommendations.

The General Appropriations (GA) Bill is a method to provide a base level of funding. This provision is a safeguard to ensure state government programs and services do not shut down in the event the Legislature and the Governor are unable to agree on a budget. Historically, general appropriation bills are passed in March or April of the regular legislative session.

Section 34.86 of Title 62, passed during the 2003 session, requires the Legislature to present an appropriation bill to fully fund common education to the Governor at least 25 days prior to April 10 (subsection E of Section 6-101 of Title 70) but not later than April 1. Adjustments to increase or decrease the amount may still be made by the Legislature.

Appropriation decisions for agencies are typically not finalized until April or May when the General Conference Committee on Appropriations, or GCCA, is convened. The primary difference between an appropriation subcommittee of the House or Senate and the GCCA is that the GCCA is comprised of both House and Senate members. Before beginning the GCCA process, the House and Senate agree to allocate a certain amount of available funding to each GCCA subcommittee. Before a formal appropriations bill is presented to either legislative body, the two houses must work together in GCCA, negotiate spending priorities and produce a unified budget together.

Appropriations bills may be written for individual agencies or groups of agencies that are within the same subject area such as education. In addition to appropriating funds for the coming fiscal year, appropriation bills may also include agency spending limits, total personnel hiring limits, and the maximum salaries of directors.

If the bill is approved by a majority of both houses, the appropriation bill is sent to the Governor. All legislation, excluding any general appropriation bills, becomes effective 90 days after the end of the legislative session or later if a later effective date is specified. Legislation may become effective earlier if passed with an emergency clause. For an emergency clause to be enacted, two-thirds of each body must approve the emergency clause through a separate vote on the bill. A general appropriation bill becomes effective at the beginning of its respective fiscal year unless otherwise specified within the bill.

## Governor's Action

The *Oklahoma Constitution*, Section 11 of Article 6, provides the Governor five working days, excluding Sundays, to enact or veto all or part of an appropriations bill while the Legislature is in regular session. If the Governor does not sign or veto a bill within five days, the bill automatically becomes law. The Governor has 15 working days to sign or veto a bill after the regular session has adjourned. Any bill presented to the Governor within five days of the end of the regular legislative session must be acted upon within the 15 days also. In contrast to actions taken during session, if the Governor does not sign or veto a bill within the 15 working days after session, the bill fails to become law. This is referred to as a pocket veto.

In addition to these powers, Section 12 of Article 6 of the *Oklahoma Constitution* gives the Governor the authority to disapprove an entire appropriations bill or any item or single appropriation within the bill. This line-item veto power is one manner by which the Governor exercises control of state budget appropriations.

Vetoes may be overridden by two-thirds majority of each house for bills with no emergency clause and by three-fourths majority of each house for bills with an emergency clause.

## Funds Subject to Appropriation

The State Board of Equalization, in accordance with Section 23, Article X of the *Oklahoma Constitution*, annually certifies the following funds as available for appropriation. Each of these funds is identified in the accounting structure with a three-digit code. The first two digits uniquely identify the fund. The last digit represents the year the funds were collected (e.g. "197" would be the General Revenue Fund monies collected in FY-2017).

### **General Revenue Fund (Fund 19X):**

Income to this fund is from state taxes, fees, regulatory functions, and income on money and property. Approximately one-half of all state revenue is deposited to this fund. Funds are appropriated for the operation of state government and other purposes specified by the Legislature. (Article 10, Section 2)

**Council on Law Enforcement Education and Training (CLEET) Fund (Fund 58X):** Income is derived from a penalty assessment fee. Any person penalized for violating Oklahoma law pays a penalty assessment. Income is dedicated to peace officer training. (Title 20, Section 1313.2; effective November 1, 1988)

**Commissioners of the Land Office Fund (Fund 51X):** This fund was created to receive revenue collected from surface leasing of lands managed by the Commissioners of the Land Office and 6 percent of the revenue generated from the Common School Fund, the Education Institutions Fund, the University of Oklahoma Fund, the University Preparatory School Fund, the Oklahoma State University Fund, the Public Building Fund, and the Greer 33 Fund. Funds are used for administrative costs of the Commissioners of the Land Office. Funds not used for administrative costs of the Commissioners of the Land Office are allocated to public schools. (Title 64, Section 1009; effective July 1, 1992)

**Mineral Leasing Fund (Fund 55X):** Income to this fund is from a share of lease sales and royalty payments on oil and gas production on federal lands within the state. Funds are used for the financial support of public schools. (Title 62, Section 34.48; effective 1920)

**Special Occupational Health and Safety Fund (Fund 54X):** Each insurance carrier writing Workers' Compensation Insurance in this state, the State Insurance Fund, and each self-insured employer authorized to make workers compensation payments directly to employees pay a sum equal to three-fourths of 1 percent of the total workers compensation losses, excluding medical payments and temporary total disability compensation. Funds are used exclusively for the operation and administration of the Occupational Health and Safety Standards Act of 1970 and other necessary expenses of the Department of Labor. (Title 40, Section 417.1; effective July 1, 1986)

**Public Building Fund (Fund 11X):** Income to the fund is from portions of leases, sales, rentals and royalties of lands set aside for public building purposes by the state's Enabling Act (Section 33) and lands granted in lieu thereof, under the management of the Commissioners of the Land Office. Funds are appropriated for major maintenance and capital improvements of public facilities. (Title 64, Section 1079; effective 1910)

**Oklahoma Education Lottery Trust Fund (Fund 38X):** In November of 2004, voters passed State Question 706 which established this fund as one available for appropriation by the Legislature for the purposes of common education, higher education, and career technology education. Revenue deposited in the fund comes from net proceeds generated by the Oklahoma Lottery. (Title 3A, Section 713)

**State Public Safety Fund (14X):** House Bill 3208, passed in the 2016 legislative session, established this fund for the Department of Public Safety subject to legislative appropriation. Its initial funding is limited to receipts from a motor vehicle tag re-issuance contained in the bill. (Title 47, Section 2-147 & Title 47, Section 1113.2)

## Agency Budgets

### Performance Informed Budgeting

As a part of the budget cycle, agencies are aligning their budgets to statewide programs - strategic priorities of the state. The programs are in turn aligned to high-level objectives. By aligning budget to performance, dollars spent and progress made can be seen in the same place at the same time. The first dashboard with both statewide performance and financial information will be released in 2017.

Within the state's five statewide goals, OKStateStat will report on the progress of over 50 statewide programs and more than 160 strategic objectives. Beginning in 2017, Oklahoma will report financial information alongside the programs.

Oklahoma's Performance Informed Budgeting process provides an informed perspective, integrating program performance into budget development and the appropriations process.

For the first time, Oklahomans will have a global picture of how state government is using their resources to achieve meaningful results.

### Budget Work Programs

Oklahoma statutes provide the legal framework under which state agencies budget and expend funds in a responsible manner. Section 34.42 of Title 62 requires every agency to submit a balanced budget on the first day of June or soon thereafter. Funds must be budgeted by program category and must conform to program categories and expenditure limits placed in law.

Appropriation bills set maximum limits on the amount of state appropriated funds, revolving funds, and federal funds that each program may budget and spend for the fiscal year. Maximum limits for personnel or full-time-equivalent (FTE) personnel, lease-purchase expenditures, and director salaries may also be defined in statute. Budget work programs must work within these parameters to provide a plan on how the agency will utilize all state, revolving, and federal funds for the fiscal year.

Work programs are reviewed by the Budget Division of the Office of Management & Enterprise Services and the approved work program serves as a basis for the subsequent allotment of funds. Certified funds such as the General Revenue Fund are allotted to agencies on a monthly basis and cash appropriations are allocated in a lump sum. Budget Work Programs can be revised at any time during the fiscal year if justified. Revisions can be incorporated within various expenditure, full-time-equivalent employee, and transfer limits.

Agencies are allowed under law (Section 34.52 of Title 62) to request to transfer up to 25% of funds between line-items of appropriation, allotment or budget category within the same agency. The Joint Legislative Committee on Budget and Program Oversight and the Director of the Office of Management & Enterprise Services can further approve transfers between line-items up to 40%. All transfers are subject to review by the Joint Legislative Committee on Budget and Program Oversight to determine if the transfer meets legislative intent or subverts the intention and objectives of the Legislature.

Executive and legislative staff review agency budgets and expenditures throughout the year to ensure each agency is meeting program goals and stated legal expenditure limits.

## **Strategic Planning**

While performance informed budgeting looks across the entire enterprise of state government, agencies are still required, by the Oklahoma Program Performance Budgeting and Accountability Act, to submit strategic plans for their internal operations that define their mission, vision, goals and performance measures. Section 45.3 of Title 62 requires every agency to submit five year strategic plans on October 1 of every even numbered year.

Strategic planning helps focus agency leadership and staff on short-term and long-term goals and how to achieve those goals. Outcome measures required in strategic plans and agency budget requests focus agency leadership and staff on monitoring and improving performance. This information is a valuable tool for policymakers. Performance information is also used in routine and special performance evaluations and policy analysis conducted by agencies, the Office of Management & Enterprise Services, legislative staff, the Auditor and Inspector and outside consultants. Evaluating government programs and services using meaningful data allows elected officials to make better, more informed budgeting decisions.

## **Budget Request**

Section 34.36 of Title 62 requires agencies to submit a Budget Request on October 1, of every year. The budget request serves as the financial plan to the agency's strategic plan. This document outlines program funding and performance information and includes a detailed listing of additional state funding requested by each agency.

Copies of each agency's budget request and strategic plan are submitted to the Office of Management & Enterprise Services, House and Senate staff and members of the Legislative Oversight Committee on State Budget and Performance.

## **Financial Tools**

### **Comprehensive Annual Financial Report (CAFR)**

The CAFR is the primary means of reporting the financial activities for all state agencies. Prepared by the Division of Central Accounting and Reporting and in conformance with Governmental Accounting Standards Board (GASB) Statements 34 and 35, this model provides a better picture of the state's financial status as a single, unified entity. Financial statements contained in the CAFR include a Statement of Net Assets and Liabilities, Statement of Activities outlining major state expenditures, and a Statement of Revenues, Expenditures, and Changes in Fund Balances. The CAFR is a valuable tool to use when reviewing and analyzing overall state budget revenue and expenditure trends.

### **Single Audit**

The Single Audit is prepared by the Auditor & Inspector's Office to meet the requirements of the Single Audit Act. The federal funds expended by all state agencies (excluding higher education and civil emergency management)

are included within the scope of the Single Audit. This report provides information on the type of federal funds available for state agencies such as block grants, entitlement programs, and matching grants and reports federal fund expenditures for each agency. This report, required by the federal government, ensures state agencies are properly expending and accounting for federal funds.

## **Financial System**

Daily, monthly and annual reports generated from the Office of Management & Enterprise Services financial systems provide quality agency budgeting and expenditure reports which allow policymakers to track funds by program and object code. Other essential financial reports include budget to actual reports, cash balance, and receipts and disbursements for funds.

The Budget Request and Strategic Plan documents give policymakers the opportunity to review an agency's mission, goals and performance to ensure resources are allocated to specified statutory duties and responsibilities. Not only do these financial tools ensure agencies are spending money appropriately, but wisely. All of the financial tools mentioned can provide policymakers the opportunity to make informed fiscal policy recommendations based on quality financial and performance information.

## **Capital Budget**

### **The Capital Budget Process**

The State of Oklahoma's Capital Improvement Plan (CIP) and the Long-Range Capital Planning Commission were established in 1992. This provided the infrastructure for state and local governments to perform comprehensive capital plans. Capital projects are defined as one-time projects costing at least \$25 thousand with a useful life of at least five years.

The CIP development process begins early in the calendar year. July 1 is the official deadline for agencies, boards, commissions, trusts, colleges and universities to input their Capital Budget Requests into a web-based system hosted by the Office of Management & Enterprise Services. Once received, the Commission separates requests into two broad categories: self-funded and appropriation-funded. Generally, the Commission accepts an applicant's ranking of self-funded projects without further review.

Projects requiring an appropriation are evaluated according to a ranking process to permit the equitable allocation of limited state resources. The ranking system uses the following criteria:

- Impact on operating and capital costs;
- Leverage of state funding with other resources;
- Legal obligations;
- Impact on service to the public;
- Urgency of maintenance needs;
- Completion of prior phases;
- Health and safety; and
- Advancement of the agency's mission

For more information on the Capital Budget process, please contact Ben Davis with OMES – Capital Assets Management, (405) 522-1652.

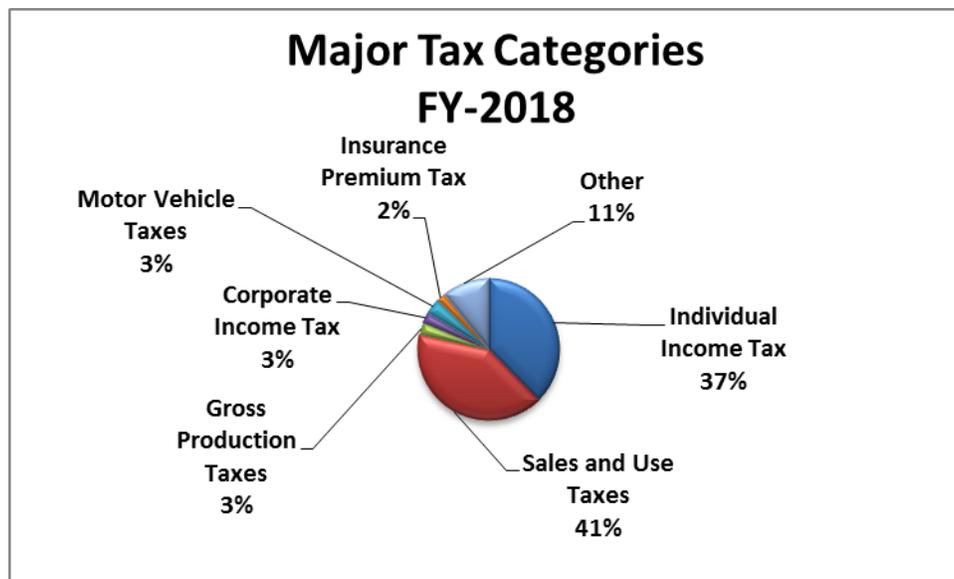
# Oklahoma Revenues and Expenditures

## Major Tax Sources

The single largest source of revenue collected by the state comes from taxes paid by Oklahoma citizens, businesses and others doing business in the state. Tax revenue accounted for approximately 50% of total state revenue collections in FY-2016. Most of the state's appropriated revenue is from general taxes. For FY-2016, tax revenue comprised approximately 87% of total appropriated revenue.

Taxes such as income tax are compulsory payments and cannot legally be avoided. This is in contrast to fees, like fishing licenses, which are discretionary and voluntary to the extent one decides to utilize a state service.

The six major tax categories for FY-2018 (estimated to provide approximately 86% of total appropriated state tax revenues) are shown below:



## Income Taxes

Oklahoma's income tax laws date back to 1915 when an income tax was imposed on the net income of individuals residing in Oklahoma and upon the Oklahoma portion of nonresidents' income. The income tax was extended to corporations and banks in 1931.

The importance of the income tax to state revenues increased when voters approved the 1933 constitutional amendment prohibiting state taxation of property. While there have been numerous changes to the income tax law since its inception, today it is the single most important source of state revenue and represents more than 37% of all state tax revenue collected for the General Revenue Fund.

- **Individual Income Tax:** The Oklahoma individual income tax calculation employed rates from 0.5 percent to 5.50 percent through calendar-year 2011. Effective January 1, 2012 the top rate was reduced to 5.25 percent; and, based on a finding of the State Board of Equalization in December of 2014, have been

further reduced to 5.00 percent beginning January 1, 2016. Federal income taxes paid are not deductible from net income.

In 2006, the Legislature passed and the Governor approved the largest tax cut package in history. House Bill 1172 lowered the individual income tax rate and increased the standard deduction over several years. Based on the amount of growth revenue for the coming fiscal year as required by this legislation, the State Board of Equalization determined on February 22, 2011 that conditions had been met to lower the top income tax rate to 5.25% beginning on January 1, 2012. House Bill 2032, passed in the 2013 legislative session, would have lowered the top rate to 5.0% beginning January 1, 2015 and to 4.85% as of January 1, 2016 contingent upon a determination to be made by the State Board of Equalization pursuant to the enacted statute. This bill was declared unconstitutional by the Oklahoma Supreme Court in December of 2013 because it violated the one-subject rule. Senate Bill 1246 passed during the 2014 Legislative Session implemented a mechanism to reduce the top marginal individual income tax rate to 5.00 percent and further to 4.85 percent contingent upon specific findings required of the State Board of Equalization. On December 18, 2014 the board found that conditions had been met to authorize the first reduction to 5.00 percent for the tax year beginning January 1, 2016. In December of 2016 a required preliminary finding indicated that conditions for the further reduction to 4.85 percent had not yet been met. The reduction to 4.85 percent (for possible implementation for tax year 2018) is now dependent upon a final finding by the state board based to be made in February of 2017.

The increase in the standard deduction has been a gradual increase. By tax year 2011, the standard deduction became equal to the federal standard deduction. The table below shows the individual income tax rates and corresponding standard deduction increase since 2006.

*Standard Deduction*

	Tax Rate	Married Filing Jointly	Head of Household	Single
2007	5.65%	5,500	4,125	2,750
2008	5.50%	6,500	4,875	3,250
2009	5.50%	8,500	6,375	4,250
2010	5.50%	11,400	8,350	5,700
2011	5.50%	Match Federal Deduction		
2012-15	5.25%*	Match Federal Deduction		
2016	5.00%*	Match Federal Deduction		

\*Based on the amount of growth revenue determined by the Board of Equalization.

In addition, the apportionment of individual income tax receipts was changed by the 2006 Legislature. The following table shows those changes through FY-2011. There have been no subsequent effective changes.

**Individual Income Tax Apportionments  
FY-2007 to FY-2011**

	<u>FY-2007</u>	<u>FY-2008</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>FY-2011</u>
<b>General Revenue</b>	86.16%	85.66%	85.66%	85.66%	85.66%
<b>1017 Fund</b>	8.34%	8.34%	8.34%	8.34%	8.34%
<b>Teachers' Retirement Fund</b>	4.50%	5.00%	5.00%	5.00%	5.00%
<b>Ad Valorem Reimbursement Fund</b>	1.00%	1.00%	1.00%	1.00%	1.00%

**Corporate Income Tax:** Like current individual income tax rates, corporate income tax rates were progressive when implemented in 1931 and remained that way until 1935 when a flat, six percent rate was established. The rate was decreased to four percent in 1947. The rate has since been increased to its original and current level of six percent.

The corporate income tax rate is applied to all taxable income. Manufacturers' exemptions and some targeted credits and incentive payments frequently are used as economic development tools which reduce a company's income tax liability. The largest of these targeted incentive programs is the "Quality Jobs" program.

While revenue from the corporate income tax is important to the overall revenue picture, it provides less than 5% of total tax revenue for the General Revenue Fund. That is because corporations subject to the corporate income tax have become, over time, a smaller part of the overall economy. This is due, in part, to the fact that many businesses now organize as subchapter S corporations or limited liability organizations.

Under those classifications, all income immediately goes to the partners or shareholders, and as a result, the companies pay no corporate income tax. The partners or shareholders, however, are taxed on that income, as well as income from other sources, under the individual income tax, rather than under the corporate income tax. Additionally, some businesses may be subject to some other form of taxation, such as the bank privilege tax or the insurance premium tax. Legislation in 2004 changed the apportionment of corporate income tax revenue. The following table shows the change in apportionment through FY-2011. There have been no subsequent effective changes.

<b>Corporate Income Tax Apportionments</b>					
<b>FY-2007 to FY-2011</b>					
	<b>FY-2007</b>	<b>FY-2008</b>	<b>FY-2009</b>	<b>FY-2010</b>	<b>FY-2011</b>
<b>General Revenue</b>	78.00%	77.50%	77.50%	77.50%	77.50%
<b>1017 Fund</b>	16.50%	16.50%	16.50%	16.50%	16.50%
<b>Teachers' Retirement Fund</b>	4.50%	5.00%	5.00%	5.00%	5.00%
<b>Ad Valorem Reimbursement Fund</b>	1.00%	1.00%	1.00%	1.00%	1.00%

### **State Sales and Use Taxes**

The State sales and use tax has varied considerably in both rate and purpose since its initial implementation in 1933 when a temporary one percent tax was dedicated to public schools. Two years later, the tax was renewed, but the revenue from the tax was apportioned to the General Revenue Fund. In 1939, the rate was increased to two percent with 97 percent of the revenue apportioned to the State Assistance Fund or welfare programs administered by what is now the Department of Human Services.

The revenue continued to be dedicated in this manner until the 1980s, when all collections were apportioned to the General Revenue Fund. Since then, the General Revenue Fund has been the primary source of state funds for the Department of Human Services.

When Oklahoma faced a state funding crisis brought on by the decline of the petroleum industry in the 1980s, the state sales tax was increased incrementally to four percent. In 1990, the "Education Reform Act", also known as House Bill 1017, was passed, increasing the sales and use taxes to the current 4.5 percent level.

The sales and use taxes are imposed on sales of tangible personal property and on the furnishing of some services, such as transportation, meals and lodging, as well as telecommunication services. Most services, however, are not subject to the sales and use taxes. Exemptions are also allowed when the product or service is subject to another tax, such as the motor fuels tax. Other specific exemptions are made for governmental and nonprofit entities, agriculture and to certain areas targeted to encourage economic development. The value of some of the larger exemptions from the sales and use tax include an exemption on sales to manufacturers equal to more than \$2 billion in sales tax revenue and sales for resale which total over \$4.6 billion in sales and use tax revenue. During the 2005 legislative session, the apportionment for sales and use tax revenue changed. Now, for each fiscal year the apportionment for use tax is the same as the apportionment for sales tax. The table below shows the change in apportionment through FY-2011. There have been no subsequent changes.

<b>Sales Tax and Use Tax Apportionment FY-2007 to FY-2011</b>					
	<u>FY-2007</u>	<u>FY-2008</u>	<u>FY-2009</u>	<u>FY-2010</u>	<u>FY-2011</u>
<b>General Revenue</b>	85.04%	83.61%	83.61%	83.61%	83.61%
<b>1017 Fund</b>	10.46%	10.46%	10.46%	10.46%	10.46%
<b>Teachers' Retirement Fund</b>	4.50%	5.00%	5.00%	5.00%	5.00%
0.06% to the OK Historical Society Capital Improvement & Operations Revolving Fund Remaining 0.87% to: 36%-OK Tourism Promotion Revolving Fund 64%-OK Tourism Capital Improvement Revolving Fund Amounts to these three funds were capped at FY-2015 revenue levels in the 2015 Legislative session.					

### Motor Vehicle Taxes

Motor vehicle taxes and fees have a long history in Oklahoma. Oklahoma City was the birthplace of the parking meter in 1913 and it was here that "horseless carriages" were tagged before it was required by the State.

Oklahoma's modern day motor vehicle taxes are comprised of a broad category of taxes and fees imposed on the purchase and use of motor vehicles, including an excise tax levied on the purchase of cars, trucks, buses, boats and motors, as well as annual registration fees.

Motor vehicle registration fees, commonly called tag fees, are paid annually in lieu of ad valorem or personal property taxes. Voter's passage of State Question 691 in 2000 tied the cost of registration fees to the age of the vehicle:

Years 1 – 4:	\$91 annually
Years 5 – 8:	\$81 annually
Years 9 – 12:	\$61 annually
Years 13 – 16:	\$41 annually
Years 17 and beyond:	\$21 annually

The question also changed the calculation of the motor vehicle excise tax, which is paid in lieu of state and local sales taxes. Previously, the tax was assessed at 3.25 percent of the factory delivered price and depreciated at a rate of 35 percent annually. The state question's approval left the rate the same, but assessed it against the actual sales price of the vehicle, which is usually lower than the factory delivered price of a new vehicle.

Motor vehicle taxes are collected by independent businesses operating as motor license agents or tag agents. The only exception to this is the taxes and fees imposed on trucks and trailers used in interstate commerce, which are collected by the Oklahoma Tax Commission. HB 2249, passed in the 2012 legislative session and effective January 1, 2013, reapportioned Motor Vehicle taxes previously flowing into the General Revenue Fund to increase funding for the County Improvements for Roads and Bridges Fund. The following chart shows this change in apportionment of motor vehicle taxes and fees.

### Motor Vehicle Tax Apportionment

	<u>FY-2012</u>	<u>FY-2013</u>	<u>FY-2014</u>	<u>FY-2015</u>
General Revenue Fund	29.84%	29.34%	26.84%	24.84%
State Transportation Fund	0.31%	0.31%	0.31%	0.31%
Counties	29.28%	*29.78%	*32.28%	*34.28%
Cities and Towns	3.10%	3.10%	3.10%	3.10%
School Districts	36.20%	36.20%	36.20%	36.20%
Law Enforcement Retirement	1.24%	1.24%	1.24%	1.24%
Wildlife Conservation	0.03%	0.03%	0.03%	0.03%

\*This change increases the apportionment to the County improvements for Roads and Bridges Fund, which is a part of the apportionment to counties. STF, county/city funds & CIRB were capped at FY-2015 revenue amounts in the 2015 Legislative session.

### Motor Fuel Taxes

In 1910, local roadways were maintained by requiring able bodied males to provide four days of labor per year – less if they brought their own horse. By 1916, a two mill tax was levied in townships to supplement the work requirement but both were completely abolished by 1933.

The first gasoline tax become effective in 1923 and was used for the construction and maintenance of roads and bridges. Prior to that time, local governments were responsible for roads and bridges which were supported through ad valorem taxes at the local level.

Motor fuel taxes in Oklahoma are a form of selective sales tax and include the gasoline tax and diesel excise tax, the motor fuel importer use tax and the special fuel use tax. The taxes are levied on the quantity or volume of fuel sold, rather than the price. The state gasoline tax is 16 cents per gallon, plus a 1 cent per gallon special assessment. The state tax on diesel fuel is 13 cents per gallon, plus a 1 cent per gallon assessment.

There are some major exemptions to the payment of motor fuel taxes. All government entities are exempt and the tax paid on diesel fuel used off-road and for agricultural purposes may be refunded upon application to the Oklahoma Tax Commission.

Fuel used by all recognized Indian tribes for tribal governmental purposes may be exempt. Tribes may request a refund for taxes paid on motor fuel used for tribal purposes, or in the alternative, they may enter into a compact with the State to receive a portion of the motor fuels tax collections. If they compact with the State, the tribes must agree not to challenge the constitutionality of the motor fuel tax code. The law permitting the sharing of motor fuels revenue went into effect in 1996.

Motor fuels tax revenue supports road and bridge building, plus maintenance, for both state and local governments. A one cent per gallon special assessment provides for environmental cleanup of leaking petroleum storage tanks. Almost one-third of the total motor fuel revenue is apportioned for local uses with the remainder used for state purposes. According to state statute, motor fuel taxes, like sales taxes, are assessed on the consumer when they purchase fuel. This tax incidence was defined by statute during the 1996 legislative session as the result of a court ruling that required whoever actually paid the tax be specified in the statutes. Yet while the statutes identify the consumer as paying the tax, it is technically collected and remitted at the terminal rack or refinery level. The following chart shows the apportionment of gasoline and diesel taxes, after mandated apportionments to the Public Transit Revolving Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and a specified apportionment “off the top” each month to the State Transportation Fund and to contracted tribes:

<b>Motor Fuels Tax Apportionment</b>		
	<u>Gasoline</u>	<u>Diesel</u>
	<u>Tax</u>	<u>Tax</u>
High Priority State Bridge Fund	1.625%	1.39%
State Transportation Fund	63.75%	64.34%
Counties for Highways	30.125%	30.43%
Cities and Towns	1.875%	-
County Bridge & Road Improvement Fund	2.297%	3.36%
Statewide Circuit Engineering Districts Fund	0.328%	0.48%

### Gross Production Taxes

Gross production or severance taxes are imposed on the removal of natural products, such as natural gas and oil, from land or water and are determined by the value and quantity of the products removed. Gross production taxes placed on the extraction of oil and gas were separated from the ad valorem property tax in 1910. For the first 20 years of statehood, oil and gas gross production and the ad valorem property tax were the major sources of state revenue.

While the ad valorem property tax became strictly a local tax in the 1930s, the oil and gas gross production taxes have continued to be an important source of revenue for state government, schools and road building and maintenance.

Prior to July 1, 2013, oil and natural gas production was subject to a three-tiered tax rate structure that specified a certain tax rate based on the current price of oil or natural gas. For natural gas, if the price per thousand cubic feet (MCF) was equal to or greater than \$2.10, the tax rate was 7%. If the price was less than \$2.10 and equal to or greater than \$1.75 per MCF, then the rate was 4% and any price lower than \$1.75 resulted in a tax rate of 1%. For oil, for prices greater than \$17 per barrel the tax rate was 7%. If the price was between \$17 and \$14 per barrel, the tax rate was 4%, and a price below \$14 per barrel yielded a 1% tax rate. Tables below show apportionment for the revenue from gross production tax on oil and natural gas under this structure. These tables show the apportionment of gross production taxes at the 7% collection rate. At the 4% collection rate, all percentages to state funds are reduced and percentages to cities and counties are increased in an effort to maintain funding to cities and counties. At the 1% collections rate, all collections are divided equally between cities and counties.

During the 2006 Legislative Session, The Rural Economic Access Plan (REAP Fund) apportionment from the Gross Production tax on oil was divided between three new funds. Each of the three funds receives 33.33% of the 4.28% apportioned to the REAP Fund. A cap of \$150 million applies to six of the funds receiving Gross Production oil revenue (identified by an asterisk in the apportionment chart that follows). Oil revenue collected above the \$150 million cap that would have been apportioned to those funds is deposited into the General Revenue Fund after the cap is reached.

Under new legislation passed in the 2014 Legislative Session all new wells spudded beginning July 1, 2015 will be taxed at a 2% rate for 36 months and be subject to the 7% rate thereafter. Collections received at the 2% rate will

be apportioned 50% to the General Revenue Fund, 25% to counties for the County Highway Fund and 25% to counties for individual school districts. Most other special rates and incentives will be phased out over time.

**Gross Production Tax – Oil Apportionment**

*Common Education Technology Fund	25.72%
*OK Student Aid Revolving Fund	25.72%
*Higher Education Capital Fund	25.72%
County Highways	7.14%
School Districts	7.14%
County Roads and Bridges	3.745%
Statewide Circuit Engineering Dist. Fund	0.535%
REAP Fund	4.28%
*Tourism Capital Expenditure Fund	33.33%
*Conservation Commission Fund	33.33%
*Community Water Revolving Fund	33.33%
* Indicates capped funds	

**Gross Production Tax – Natural Gas  
Apportionment**

General Revenue Fund	85.72%
County Highways	7.14%
School Districts	7.14%

Constitutional Reserve "Rainy Day" Fund (CRF) History					
Description	FY-95	FY-96	FY-97	FY-98	FY-99
Beginning RDF Balance	45,574,052	45,574,052	114,300,821	308,906,533	297,360,609
Adjustments to the Balance	0	12,909	388,745	0	1,119,324
Appropriations	0	(22,688,345)	(52,825,496)	(154,444,000)	(148,621,410)
End of FY Deposit	0	91,402,205	247,042,463	142,898,076	0
Ending Balance	45,574,052	114,300,821	308,906,533	297,360,609	149,858,523
Description	FY-00	FY-01	FY-02	FY-03	FY-04
Beginning RDF Balance	149,858,523	157,542,574	340,685,730	72,398,995	136,333
Adjustments to the Balance	28,700	9,826	299,087	0	0
Appropriations	(74,929,261)	(78,771,287)	(268,585,822)	(72,262,663)	0
End of FY Deposit	82,584,612	261,904,617	0	0	217,364,966
Ending Balance	157,542,574	340,685,730	72,398,995	136,333	217,501,299
Description	FY-05	FY-06	FY-07	FY-08	FY-09
Beginning RDF Balance	217,501,299	461,316,574	495,690,168	571,598,627	596,573,270
Adjustments to the Balance	0	268,565	0	0	0
Appropriations	0	0	0	0	0
End of FY Deposit	243,815,275	34,105,029	75,908,459	24,974,643	0
Ending Balance	461,316,574	495,690,168	571,598,627	596,573,270	596,573,270
Description	FY-10	FY-11	FY-12	FY-13	FY-14
Beginning RDF Balance	596,573,270	249,143,318	249,203,157	577,460,132	535,185,888
Adjustments to the Balance	0	0	0	0	0
Appropriations	(347,429,952)	(249,143,316)	0	(45,000,000)	0
End of FY Deposit	0	249,203,155	328,256,975	2,725,756	0
Ending Balance	249,143,318	249,203,157	577,460,132	535,185,888	535,185,888
Description	FY-15	FY-16	FY-17	FY-18	FY-19
Beginning RDF Balance	535,185,888	385,185,888	240,741,180		
Adjustments to the Balance	0	0	0		
Appropriations	(150,000,000)	(144,444,708)	Undetermined		
End of FY Deposit	0	0	Undetermined		
Ending Balance	385,185,888	240,741,180	Undetermined		

**FY-2015 through FY-2017 APPROPRIATION HISTORY**

Agency/Cabinet Name	FY-2015 Appropriation	Percent Change	Percent of Total	*FY-2016 Appropriation	Percent Change	Percent of Total	FY-2017 Appropriation	Percent Change	Percent of Total
<b>SUMMARY BY CABINET</b>									
Governor	\$2,105,143	-3.12%	0.03%	\$1,815,844	-13.74%	0.03%	\$1,725,051	-5.00%	0.02%
Lieutenant Governor	478,145	-5.62%	0.01%	412,435	-13.74%	0.01%	391,814	-5.00%	0.01%
Agriculture	38,183,258	-0.68%	0.53%	34,182,931	-10.48%	0.50%	32,842,866	-3.92%	0.48%
Commerce & Tourism	79,951,805	32.75%	1.11%	71,267,728	-10.86%	1.05%	66,488,796	-6.71%	0.96%
Education & Workforce Dev	3,639,389,382	2.11%	50.46%	3,433,673,089	-5.65%	50.45%	3,379,608,000	-1.57%	48.90%
Energy & Environment	25,393,590	-18.77%	0.35%	23,582,411	-7.13%	0.35%	22,461,762	-4.75%	0.32%
Finance, Admin & Info Tech	105,770,005	-10.30%	1.47%	96,339,101	-8.92%	1.42%	95,092,224	-1.29%	1.38%
Health & Human Services	2,155,511,087	-0.42%	29.88%	2,080,393,226	-3.48%	30.57%	2,182,644,344	4.91%	31.58%
Military	11,856,826	0.93%	0.16%	10,499,679	-11.45%	0.15%	10,035,604	-4.42%	0.15%
Safety & Security	603,899,462	2.34%	8.37%	585,951,509	-2.97%	8.61%	605,485,161	3.33%	8.76%
Science & Technology	17,183,727	-5.62%	0.24%	15,174,030	-11.70%	0.22%	14,415,329	-5.00%	0.21%
Secretary of State	89,116,437	195.66%	1.24%	79,148,656	-11.19%	1.16%	71,287,299	-9.93%	1.03%
Transportation	197,228,227	-5.50%	2.73%	184,901,463	-6.25%	2.72%	154,958,361	-16.19%	2.24%
Veterans	34,396,750	-3.65%	0.48%	32,705,562	-4.92%	0.48%	31,057,287	-5.04%	0.45%
Maint of State Bldgs Rev Fund	15,000,000	-50.00%	0.21%	0	-100.00%	0.00%	0	N/A	N/A
<b>Total Executive Branch</b>	<b>7,015,463,845</b>	<b>1.62%</b>	<b>97.26%</b>	<b>6,650,047,663</b>	<b>-5.21%</b>	<b>97.71%</b>	<b>6,668,493,898</b>	<b>0.28%</b>	<b>96.48%</b>
The Legislature	33,003,250	-17.63%	0.46%	31,623,023	-4.18%	0.46%	35,725,647	12.97%	0.52%
The Judiciary	69,264,250	-19.72%	0.96%	75,249,756	8.64%	1.11%	73,966,466	-1.71%	1.07%
<b>Total Legis. &amp; Judic.</b>	<b>102,267,500</b>	<b>-19.06%</b>	<b>1.42%</b>	<b>106,872,779</b>	<b>4.50%</b>	<b>1.57%</b>	<b>109,692,113</b>	<b>2.64%</b>	<b>1.59%</b>
<b>Total Excl. Sups./Ret.</b>	<b>7,117,731,345</b>	<b>1.25%</b>	<b>98.68%</b>	<b>6,756,920,442</b>	<b>-5.07%</b>	<b>99.28%</b>	<b>6,778,186,011</b>	<b>0.31%</b>	<b>98.07%</b>
Supplementals & Emerg. Fd. (I)	95,124,017	424.17%	1.32%	48,762,889	-48.74%	0.72%	133,731,831	174.25%	1.93%
<b>Total</b>	<b>\$7,212,855,362</b>	<b>2.34%</b>	<b>100.00%</b>	<b>\$6,805,683,331</b>	<b>-5.6%</b>	<b>100.00%</b>	<b>\$6,911,917,842</b>	<b>1.6%</b>	<b>100.00%</b>

**GOV. AND LT. GOV.**

Governor	2,105,143	-3.12%	0.03%	1,815,844	-13.74%	0.03%	1,725,051	-5.00%	0.02%
Lieutenant Governor	478,145	-5.62%	0.01%	412,435	-13.74%	0.01%	391,814	-5.00%	0.01%

**AGRICULTURE**

Agriculture	25,842,914	-0.26%	0.36%	23,086,278	-10.67%	0.34%	22,059,218	-4.45%	0.32%
Conservation Commission	10,366,565	-0.91%	0.14%	9,261,039	-10.66%	0.14%	9,039,814	-2.39%	0.13%
Horse Racing Commission	1,973,779	-4.75%	0.03%	1,835,614	-7.00%	0.03%	1,743,834	-5.00%	0.03%
<b>TOTAL AGRICULTURE</b>	<b>38,183,258</b>	<b>-0.68%</b>	<b>0.53%</b>	<b>34,182,931</b>	<b>-10.48%</b>	<b>0.50%</b>	<b>32,842,866</b>	<b>-3.92%</b>	<b>0.48%</b>

**COMMERCE & TOURISM**

Arts Council	3,784,911	-5.62%	0.05%	3,264,770	-13.74%	0.05%	2,938,293	-10.00%	0.04%
Commerce, Dept. of (b)	28,234,481	-13.32%	0.39%	22,181,311	-21.44%	0.33%	21,611,249	-2.57%	0.31%
REAP - local gov'ts thru commerce	10,884,894	-5.62%	0.15%	10,122,951	-7.00%	0.15%	9,658,172	-4.59%	0.14%
Historical Society	12,005,595	-3.97%	0.17%	10,767,553	-10.31%	0.16%	11,005,649	2.21%	0.16%
J. M. Davis Memorial Commission	288,826	-5.62%	0.00%	255,178	-11.65%	0.00%	242,420	-5.00%	0.00%
Labor Department	3,129,046	-5.50%	0.04%	4,185,013	33.75%	0.06%	3,697,459	-11.65%	0.05%
Scenic Rivers Commission	270,984	-0.12%	0.00%	252,015	-7.00%	0.00%	0	-100.00%	0.00%
Tourism & Recreation (j)	20,654,161	-5.27%	0.29%	19,621,453	-5.00%	0.29%	17,335,554	-11.65%	0.25%
Will Rogers Memorial Comm.	698,906	-5.62%	0.01%	617,484	-11.65%	0.01%	0	-100.00%	0.00%
<b>TOTAL COMMERCE</b>	<b>79,951,805</b>	<b>32.75%</b>	<b>1.11%</b>	<b>71,267,728</b>	<b>-10.86%</b>	<b>1.05%</b>	<b>66,488,796</b>	<b>-6.71%</b>	<b>0.96%</b>

Agency/Cabinet Name	FY-2015 Appropriation	Percent Change	Percent of Total	*FY-2016 Appropriation	Percent Change	Percent of Total	FY-2017 Appropriation	Percent Change	Percent of Total
<b>EDUCATION &amp; WORKFORCE DEVELOPMENT</b>									
Career. & Technology Education (e)	138,727,945	0.42%	1.92%	124,893,064	-9.97%	1.84%	118,276,325	-5.30%	1.71%
Education, Dept. of (c)	2,484,873,132	3.21%	34.45%	2,375,721,434	-4.39%	34.91%	2,426,721,434	2.15%	35.11%
Educational TV Authority	3,607,696	-5.62%	0.05%	3,153,848	-12.58%	0.05%	2,838,163	-10.01%	0.04%
Educational Quality & Accountability	1,928,916		0.03%	1,739,197		0.03%	1,677,237	-3.56%	0.02%
Higher Educ., Regents for (d)	987,523,284	-0.10%	13.69%	907,212,825	-8.13%	13.33%	810,022,109	-10.71%	11.72%
OSU Medical Authority	12,270,020	N/A	0.17%	10,697,924	-12.81%	0.16%	10,163,028	-5.00%	0.15%
Phys. Manpower Trng. Comm.	4,133,837	-5.60%	0.06%	3,680,245	-10.97%	0.05%	3,484,558	-5.32%	0.05%
Private Vo-Tech Schools Board									
School of Science & Math	6,324,553	-0.12%	0.09%	6,574,553	3.95%	0.10%	6,425,146	-2.27%	0.09%
Teacher Preparation Comm.		-100.00%	0.00%		N/A	0.00%		N/A	0.00%
<b>TOTAL EDUCATION &amp; WORKFORCE DEV</b>	<b>3,639,389,382</b>	<b>2.11%</b>	<b>50.46%</b>	<b>3,433,673,089</b>	<b>-5.65%</b>	<b>50.45%</b>	<b>3,379,608,000</b>	<b>-1.57%</b>	<b>48.90%</b>
<b>ENERGY &amp; ENVIRONMENT</b>									
Corporation Commission (f)	10,775,325	-4.85%	0.15%	10,182,682	-5.50%	0.15%	10,182,682	0.00%	0.15%
Environmental Quality, Dept. of	7,133,575	-21.25%	0.10%	6,776,896	-5.00%	0.10%	5,987,388	-11.65%	0.09%
Mines, Department of	878,067	-0.12%	0.01%	816,602	-7.00%	0.01%	775,772	-5.00%	0.01%
Water Resources Board	6,606,623	-33.93%	0.09%	5,806,231	-12.12%	0.09%	5,515,920	-5.00%	0.08%
<b>TOTAL ENERGY &amp; ENVIRONMENT</b>	<b>25,393,590</b>	<b>-18.77%</b>	<b>0.35%</b>	<b>23,582,411</b>	<b>-7.13%</b>	<b>0.35%</b>	<b>22,461,762</b>	<b>-4.75%</b>	<b>0.32%</b>
<b>FINANCE, ADMIN &amp; INFO TECH</b>									
Auditor & Inspector (g)	4,442,678	-5.62%	0.06%	3,867,143	-12.95%	0.06%	3,640,536	-5.86%	0.05%
Bond Advisor, State	135,075	-5.62%	0.00%	116,512	-13.74%	0.00%	110,687	-5.00%	0.00%
Consumer Credit, Dept. of	0	-100.00%	0.00%	0	N/A	0.00%	0	N/A	0.00%
Insurance Department (a)	1,768,980	-5.50%	0.02%	1,546,442	-12.58%	0.02%	0	-100.00%	0.00%
Land Office, Commissioners of the	8,538,600	-43.31%	0.12%	8,538,600	0.00%	0.13%	8,538,600	0.00%	0.12%
Management and Enterprise Services, Office of	42,785,331	-5.20%	0.59%	38,402,228	-10.24%	0.56%	35,271,208	-8.15%	0.51%
Central Services, Dept. of	0	N/A	0.00%	0	N/A	0.00%	0	N/A	0.00%
Personnel Management	0	N/A	0.00%	0	N/A	0.00%	0	N/A	0.00%
Merit Protection Commission	463,398	-5.62%	0.01%	399,716	-13.74%	0.01%	379,730	-5.00%	0.01%
Tax Commission	44,281,506	-5.62%	0.61%	40,498,165	-8.54%	0.60%	44,336,000	9.48%	0.64%
Treasurer	3,354,437	-5.61%	0.05%	2,970,295	-11.45%	0.04%	2,815,463	-5.21%	0.04%
<b>TOTAL FINANCE, ADMIN &amp; INFO TECH</b>	<b>105,770,005</b>	<b>-10.30%</b>	<b>1.47%</b>	<b>96,339,101</b>	<b>-8.92%</b>	<b>1.42%</b>	<b>95,092,224</b>	<b>-1.29%</b>	<b>1.38%</b>
<b>HEALTH &amp; HUMAN SERVICES</b>									
Children & Youth Commission	2,127,076	4.93%	0.03%	1,834,763	-13.74%	0.03%	1,743,024	-5.00%	0.03%
Disability Concerns	299,773	-5.62%	0.00%	258,576	-13.74%	0.00%	245,647	-5.00%	0.00%
Health Care Authority	905,365,450	-5.07%	12.55%	907,224,477	0.21%	13.33%	991,050,514	9.24%	14.34%
Health Department	60,632,476	-3.73%	0.84%	56,388,203	-7.00%	0.83%	54,978,498	-2.50%	0.80%
Human Services Dept. (h)	674,869,684	6.96%	9.36%	635,200,262	-5.88%	9.33%	651,500,262	2.57%	9.43%
Indian Affairs	0	N/A	0.00%	0	N/A	0.00%	0	N/A	0.00%
J.D. McCarty Center	4,412,206	6.57%	0.06%	4,023,154	-8.82%	0.06%	3,895,191	-3.18%	0.06%
Office of Juvenile Affairs	96,499,033	-1.72%	1.34%	92,069,101	-4.59%	1.35%	92,069,101	0.00%	1.33%
Mental Health Department	338,691,562	0.56%	4.70%	317,893,153	-6.14%	4.67%	324,823,085	2.18%	4.70%
Rehabilitation Svcs., Dept. of	30,544,807	-1.31%	0.42%	28,778,671	-5.78%	0.42%	27,452,297	-4.61%	0.40%
University Hospitals Authority	42,069,019	-5.53%	0.58%	36,722,868	-12.71%	0.54%	34,886,725	-5.00%	0.50%
<b>TOTAL HEALTH &amp; HUMAN SERVICES</b>	<b>2,155,511,087</b>	<b>-0.42%</b>	<b>29.88%</b>	<b>2,080,393,226</b>	<b>-3.48%</b>	<b>30.57%</b>	<b>2,182,644,344</b>	<b>4.91%</b>	<b>31.58%</b>
<b>MILITARY</b>									
Military Department	11,856,826	0.93%	0.16%	10,499,679	-11.45%	0.15%	10,035,604	-4.42%	0.15%
<b>TOTAL MILITARY</b>	<b>11,856,826</b>	<b>0.93%</b>	<b>0.16%</b>	<b>10,499,679</b>	<b>-11.45%</b>	<b>0.15%</b>	<b>10,035,604</b>	<b>-4.42%</b>	<b>0.15%</b>

Agency/Cabinet Name	FY-2015 Appropriation	Percent Change	Percent of Total	*FY-2016 Appropriation	Percent Change	Percent of Total	FY-2017 Appropriation	Percent Change	Percent of Total
<b>SAFETY &amp; SECURITY</b>									
A.B.L.E. Commission	3,051,222	-2.84%	0.04%	2,631,907	-13.74%	0.04%	2,500,312	-5.00%	0.04%
Human Rights Commission	0	N/A	0.00%	0	N/A	0.00%	0	N/A	0.00%
Corrections Department	470,900,943	1.55%	6.53%	457,321,323	-2.88%	6.72%	484,900,943	6.03%	7.02%
Emergency Management	614,614	-5.62%	0.01%	530,150	-13.74%	0.01%	503,643	-5.00%	0.01%
Fire Marshal	1,746,235	-2.81%	0.02%	1,520,259	-12.94%	0.02%	1,430,946	-5.87%	0.02%
Investigation, Bureau of	14,353,361	0.49%	0.20%	12,991,627	-9.49%	0.19%	12,392,064	-4.61%	0.18%
Law Enf. Educ. & Training	3,554,021	-5.42%	0.05%	3,296,355	-7.25%	0.05%	2,912,329	-11.65%	0.04%
Medicolegal Investigatons Board	10,207,414	17.35%	0.14%	9,018,250	-11.65%	0.13%	8,749,068	-2.98%	0.13%
Narc. & Dang. Drugs Control	3,762,276	4.03%	0.05%	3,498,917	-7.00%	0.05%	3,091,293	-11.65%	0.04%
Public Safety Department	95,709,377	5.85%	1.33%	95,142,721	-0.59%	1.40%	89,004,563	-6.45%	1.29%
<b>TOTAL SAFETY &amp; SECURITY</b>	<b>603,899,462</b>	<b>2.34%</b>	<b>8.37%</b>	<b>585,951,509</b>	<b>-2.97%</b>	<b>8.61%</b>	<b>605,485,161</b>	<b>3.33%</b>	<b>8.76%</b>
<b>SCIENCE &amp; TECHNOLOGY</b>									
Center for Advan. of Science & Tech	16,811,295	-5.62%	0.23%	14,852,779	-11.65%	0.22%	14,110,140	-5.00%	0.20%
Space Industry Development	372,432	-5.62%	0.01%	321,251	-13.74%	0.00%	305,189	-5.00%	0.00%
<b>TOTAL SCIENCE &amp; TECHNOLOGY</b>	<b>17,183,727</b>	<b>-5.62%</b>	<b>0.24%</b>	<b>15,174,030</b>	<b>-11.70%</b>	<b>0.22%</b>	<b>14,415,329</b>	<b>-5.00%</b>	<b>0.21%</b>
<b>SECRETARY OF STATE</b>									
Attorney General	14,579,934	-4.26%	0.20%	12,930,542	-11.31%	0.19%	6,326,057	-51.08%	0.09%
District Attorneys Council	39,139,475	-1.38%	0.54%	36,127,418	-7.70%	0.53%	34,468,685	-4.59%	0.50%
Election Board	7,799,338	-0.08%	0.11%	7,205,533	-7.61%	0.11%	7,893,267	9.54%	0.11%
Ethics Commission, Okla.	737,229	-0.12%	0.01%	782,921	6.20%	0.01%	739,754	-5.51%	0.01%
Indigent Defense System (I)	16,079,722	2.42%	0.22%	14,954,141	-7.00%	0.22%	14,954,141	0.00%	0.22%
Libraries, Dept. of	5,567,411	-5.62%	0.08%	4,854,087	-12.81%	0.07%	4,611,382	-5.00%	0.07%
Judicial Complaints, Council on	0	N/A	0.00%	0	N/A	0.00%	0	N/A	0.00%
Pardon & Parole Board	2,466,681	7.60%	0.03%	2,294,013	-7.00%	0.03%	2,294,013	0.00%	0.03%
Workers' Compensation Commission	2,746,647			0			0		
<b>TOTAL SECRETARY OF STATE</b>	<b>89,116,437</b>	<b>195.66%</b>	<b>1.24%</b>	<b>79,148,656</b>	<b>-11.19%</b>	<b>1.16%</b>	<b>71,287,299</b>	<b>-9.93%</b>	<b>1.03%</b>
<b>TRANSPORTATION</b>									
Transportation Department (k)	197,228,227	-5.50%	2.73%	184,901,463	-6.25%	2.72%	154,958,361	-16.19%	2.24%
<b>TOTAL TRANSPORTATION</b>	<b>197,228,227</b>	<b>-5.50%</b>	<b>2.73%</b>	<b>184,901,463</b>	<b>-6.25%</b>	<b>2.72%</b>	<b>154,958,361</b>	<b>-16.19%</b>	<b>2.24%</b>
<b>VETERANS AFFAIRS</b>									
Veterans Affairs Department	34,396,750	-3.65%	0.48%	32,705,562	-4.92%	0.48%	31,057,287	-5.04%	0.45%
<b>TOTAL VETERANS AFFAIRS</b>	<b>34,396,750</b>	<b>-3.65%</b>	<b>0.48%</b>	<b>32,705,562</b>	<b>-4.92%</b>	<b>0.48%</b>	<b>31,057,287</b>	<b>-5.04%</b>	<b>0.45%</b>
<b>MAINT OF STATE BLDGS REV FUND</b>	<b>15,000,000</b>			<b>0</b>			<b>0</b>	<b>N/A</b>	<b>N/A</b>
<b>TOTAL EXECUTIVE BRANCH</b>	<b>7,015,463,845</b>	<b>1.62%</b>	<b>97.26%</b>	<b>6,650,047,663</b>	<b>-5.21%</b>	<b>97.71%</b>	<b>6,668,493,898</b>	<b>0.28%</b>	<b>96.48%</b>
<b>LEGISLATURE</b>									
House of Representatives	15,663,074	-7.89%	0.22%	15,496,659	-1.06%	0.23%	12,497,306	-19.35%	0.18%
Legislative Service Bureau	4,892,835	-50.54%	0.07%	4,550,337	-7.00%	0.07%	13,892,835	205.31%	0.20%
Senate	12,447,341	-5.50%	0.17%	11,576,027	-7.00%	0.17%	9,335,506	-19.35%	0.14%
<b>TOTAL LEGISLATURE</b>	<b>33,003,250</b>	<b>-17.63%</b>	<b>0.46%</b>	<b>31,623,023</b>	<b>-4.18%</b>	<b>0.46%</b>	<b>35,725,647</b>	<b>12.97%</b>	<b>0.52%</b>
<b>JUDICIARY</b>									
Court of Criminal Appeals	3,630,199	-0.12%	0.05%	3,376,085	-7.00%	0.05%	3,630,199	7.53%	0.05%
District Courts	55,596,305	-6.72%	0.77%	55,414,564	-0.33%	0.81%	55,000,000	-0.75%	0.80%
Supreme Court	7,291,099	-57.85%	0.10%	16,459,108	125.74%	0.24%	15,336,267	-6.82%	0.22%
Workers' Compensation Court Of Existing	2,746,647	-52.21%	0.04%	0	-100.00%	0.00%	0	N/A	0.00%

Agency/Cabinet Name	FY-2015 Appropriation	Percent Change	Percent of Total	*FY-2016 Appropriation	Percent Change	Percent of Total	FY-2017 Appropriation	Percent Change	Percent of Total
<b>TOTAL JUDICIARY</b>	<b>69,264,250</b>	<b>-19.72%</b>	<b>0.96%</b>	<b>75,249,756</b>	<b>8.64%</b>	<b>1.11%</b>	<b>73,966,466</b>	<b>-1.71%</b>	<b>1.07%</b>
<b>TOTAL EXCL. SUPPS./ &amp; RETIREMENT SYSTEMS</b>	<b>7,117,731,345</b>	<b>1.25%</b>	<b>98.68%</b>	<b>6,756,920,442</b>	<b>-5.07%</b>	<b>99.28%</b>	<b>6,778,186,011</b>	<b>0.31%</b>	<b>98.07%</b>
<b>TOTAL SUPPLEMENTALS &amp; EMERGENCY FUND (I)</b>	<b>95,124,017</b>	<b>424.17%</b>	<b>1.32%</b>	<b>48,762,889</b>	<b>-48.74%</b>	<b>0.72%</b>	<b>133,731,831</b>	<b>174.25%</b>	<b>1.93%</b>
<b>TOTAL APPROPRIATIONS (m)</b>	<b>\$7,212,855,362</b>	<b>2.34%</b>	<b>100.00%</b>	<b>\$6,805,683,331</b>	<b>-5.65%</b>	<b>100.00%</b>	<b>\$6,911,917,842</b>	<b>1.56%</b>	<b>100.00%</b>

**SUMMARY OF OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION ALLOCATIONS (2016-2017)**

<u>Regents' Allocation</u>	<b>ORIGINAL ALLOCATION</b>	<b>% OF ORIGINAL ALLOCATION</b>
<b>Universities, Colleges &amp; Constituent Agencies</b>	<b>\$699,856,557</b>	
University of Oklahoma	110,903,238	12.63%
OU Law Center	4,859,509	0.55%
OU Health Sciences Center	75,741,959	8.63%
OU Tulsa	6,654,451	0.76%
Oklahoma State University	99,480,630	11.33%
OSU Agriculture Experiment Station	21,659,538	2.47%
OSU Agriculture Extension Division	23,635,900	2.69%
OSU Technical Branch, Okmulgee	11,803,113	1.34%
OSU College of Veterinary Medicine	8,842,676	1.01%
OSU, Oklahoma City	9,459,370	1.08%
OSU Center for Health Sciences	11,512,468	1.31%
OSU Tulsa	9,160,774	1.04%
University of Central Oklahoma	43,262,907	4.93%
East Central University	14,313,006	1.63%
Northeastern State University	30,096,890	3.43%
Statewide Literacy Program - NSU	52,678	0.01%
Northwestern Oklahoma State University	8,306,425	0.95%
Southeastern Oklahoma State University	15,283,674	1.74%
Southwestern Oklahoma State University	18,525,041	2.11%
Cameron University	17,667,421	2.01%
Langston University	15,218,408	1.73%
Oklahoma Panhandle State University	5,899,501	0.67%
University of Science & Arts of Oklahoma	6,052,933	0.69%
University of Science & Arts - Jane Brooks	19,450	0.00%
Rogers State University	11,459,194	1.31%
Carl Albert State College	5,262,512	0.60%
Connors State College	5,562,912	0.63%
Eastern Oklahoma State College	5,308,722	0.60%
Murray State College	4,726,690	0.54%
Northeastern Oklahoma A&M College	7,275,867	0.83%
Northern Oklahoma College	8,347,795	0.95%
Oklahoma City Community College	20,652,763	2.35%
Redlands Community College	5,219,356	0.59%
Rose State College	17,008,184	1.94%
Seminole State College	4,887,462	0.56%
Tulsa Community College	29,965,039	3.41%
Western Oklahoma State College	4,712,159	0.54%
University Center of Southern OK, Ardmore	525,062	0.06%
Ponca City Learning Site	530,880	0.06%

**SUMMARY OF OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION ALLOCATIONS (2014-2015)**

	<b>ORIGINAL ALLOCATION</b>	<b>% OF ORIGINAL ALLOCATION</b>
State Regents' Operations Budget	\$8,188,250	0.93%
OneNet Higher Education User Fees	\$2,530,583	0.29%
Capital and One-Time Allocations	\$779,002	0.09%
Quartz Mountain	\$909,349	0.10%
OSF CORE Assessment Fees	\$113,430	0.01%
<b>Special Programs:</b>		
Section 13 Offsets	\$7,612,023	0.87%
Endowed Chairs Program	\$9,956,726	1.13%
Grants Programs/Econ Dev/OEIS	\$317,996	0.04%
Summer Academies Program	\$431,620	0.05%
Student Preparation Program	\$845,047	0.10%
Adult Degree Completion Program	\$359,683	0.04%
Teacher Shortage Incentive Program	\$289,683	0.03%
OCIA Debt Service	\$43,045,385	4.90%
Scholar-Enrichment Program	\$220,041	0.03%
EPSCoR	\$1,982,341	0.23%
National Lambda Rail	\$1,100,091	0.13%
Academic Library Databases	\$294,940	0.03%
<b>Student Assistance Programs:</b>		
Oklahoma Tuition Aid Grant Program (OTA)	\$16,065,846	1.83%
Oklahoma Academic Scholars Program	\$6,755,414	0.77%
Oklahoma Higher Learning Access Program	\$67,800,000	7.72%
Oklahoma National Guard Waiver Program	\$1,551,393	0.18%
Oklahoma Tuition Equalization Act	\$2,812,462	0.32%
Regional University Scholarships	\$799,737	0.09%
Prospective Teacher Scholarships	\$75,840	0.01%
Chiropractic Scholarships	\$30,336	0.00%
Tulsa Reconciliation Scholarship Program	\$37,920	0.00%
George and Donna Nigh Scholarship Progr	\$53,088	0.01%
Concurrent Enrollment Waiver Reimburser	\$2,910,001	0.33%
International Scholars Program	\$97,324	0.01%
<b>TOTAL ALLOCATIONS OF APPROPRIATIONS *</b>	<b>\$877,822,108</b>	<b>100.00%</b>

\* Includes \$41,168,478 from the Higher Education Capital Revolving Fund, \$41,168,478 from the Student Aid Revolving Fund, \$20,538,032 from the Lottery Trust Fund, \$67,800,000 designated General Revenue for OK Promise, \$50,000,000 from Special Cash, \$4,000,000 from the OSRHE 210 Revolving Fund, and \$653,147,121 from the General Revenue Fund.

## FY-2017 Nonappropriated Agency Budgets and FTE

<u>Agency Number and Name</u>	<u>FY-2017 Budget</u>	<u>FY-2017 FTE</u> <u>YTD Average</u>
20 Accountancy Board, OK State Bd. of	\$3,956,234	11
22 Oklahoma Abstractor Board	\$240,636	2
39 Boll Weevil Eradication	\$697,408	4
45 Licensed & Landscape Architects, Bd.	\$659,406	3
60 Aeronautics Commission, Oklahoma	\$8,025,605	9
65 Banking Department, State	\$8,038,460	43
92 Tobacco Settlement Trust Board	\$56,388,941	23
140 Podiatry Board, State Board of	\$18,700	0
145 Chiropractic Examiners Board	\$283,539	3
148 Board of Behavioral Health Licensure	\$573,028	3
170 Construction Industries Board	\$4,257,644	33
190 Cosmetology, State Board of	\$1,791,464	10
215 Dentists, Bd. of Governors of Regis.	\$1,128,727	6
285 Funeral Board	\$505,949	3
290 Employment Security Commission, OK	\$62,300,011	583
307 Interstate Oil Compact Commission	\$14,459,061	5
315 Firefighters Pension & Retirement	\$21,491,617	11
320 Wildlife Conservation Commission	\$71,421,669	351
343 Perfusionists Board	\$16,700	0
370 Industrial Finance Authority	\$22,151,535	5
385 Insurance Department	\$15,668,125	118
416 Law Enforcement Retirement	\$5,102,980	5
435 Lottery Commission	\$155,372,429	28
445 Liquefied Petroleum Gas Board	\$897,648	7
448 Licensed Alcohol & Drug Counselors, Board of	\$208,852	2
450 Medical Licensure & Supervision, Bd.	\$5,280,209	23
475 Motor Vehicle Commission, Oklahoma	\$542,437	4
509 Nursing Homes Administrators Board	\$490,505	3
510 Nursing, Board of	\$3,972,060	28
515 Public Employees Retirement Sys., OK	\$8,076,416	54
520 Optometry Board	\$337,109	2
525 Osteopathic Examiners Board	\$764,451	7
557 Police Pension & Retirement Board	\$2,906,978	11
560 Pharmacy Board	\$3,306,248	11
570 Engineers & Land Surveyors	\$1,443,607	8
575 Psychologist Examiners Board	\$254,473	1
588 Real Estate Commission	\$1,597,460	14
622 Social Workers Board	\$334,896	2
625 Secretary of State	\$5,044,584	28
630 Securities Commission	\$6,537,056	27
632 Speech Pathology & Audiology Board	\$166,046	2
678 Council on Judicial Complaints	\$501,116	2
715 Teachers Retirement System	\$321,930,939	35
755 Used Motor Vehicle & Parts Comm.	\$910,734	9
772 Chem. Tests for Alcohol & Drug Infl.	\$581,071	5
790 Veterinary Medical Examiners Board	\$586,219	4
978 Oklahoma Transportation Authority	\$38,412,211	542
<b>Total:</b>	<b>\$859,633,193</b>	<b>2089</b>

## FY-2016 Nonappropriated Agency Budgets and FTE

<u>Agency Number and Name</u>	<u>FY-2016 Budget</u>	<u>FY-2016 FTE</u>
		<u>YTD Average</u>
20 Accountancy Board, OK State Bd. of	3,956,234	11
22 Oklahoma Abstractor Board	311,275	2
39 Boll Weevil Eradication	616,383	5
45 Licensed & Landscape Architects, Bd.	1,434,162	3
60 Aeronautics Commission, Oklahoma	8,112,155	10
65 Banking Department, State	7,531,768	43
92 Tobacco Settlement Trust Board	62,352,651	22
140 Podiatry Board, State Board of	13,700	0
145 Chiropractic Examiners Board	293,133	3
148 Board of Behavioral Health Licensure	554,869	4
170 Construction Industries Board	3,836,108	32
190 Cosmetology, State Board of	1,457,017	11
215 Dentists, Bd. of Governors of Regis.	1,040,921	5
285 Funeral Board	411,841	3
290 Employment Security Commission, OK	81,247,627	608
307 Interstate Oil Compact Commission	3,018,995	5
315 Firefighters Pension & Retirement	21,973,477	11
320 Wildlife Conservation Commission	63,425,119	350
343 Perfusionists Board	31,700	0
370 Industrial Finance Authority	22,133,860	5
416 Law Enforcement Retirement	5,295,696	5
435 Lottery Commission	174,517,056	28
445 Liquefied Petroleum Gas Board	885,118	7
448 Licensed Alcohol & Drug Counselors, Board of	198,100	2
450 Medical Licensure & Supervision, Bd.	5,079,416	22
475 Motor Vehicle Commission, Oklahoma	514,067	4
509 Nursing Homes Administrators Board	518,716	3
510 Nursing, Board of	4,039,666	28
515 Public Employees Retirement Sys., OK	8,147,967	53
520 Optometry Board	306,077	2
525 Osteopathic Examiners Board	749,091	7
557 Police Pension & Retirement Board	2,913,985	11
560 Pharmacy Board	3,080,702	11
570 Engineers & Land Surveyors	1,423,802	9
575 Psychologist Examiners Board	265,674	1
588 Real Estate Commission	1,838,109	14
622 Social Workers Board	328,599	2
625 Secretary of State	4,701,688	26
630 Securities Commission	5,710,700	28
632 Speech Pathology & Audiology Board	168,215	2
678 Council on Judicial Complaints	433,003	2
715 Teachers Retirement System	409,054,837	35
755 Used Motor Vehicle & Parts Comm.	880,155	10
772 Chem. Tests for Alcohol & Drug Infl.	629,033	5
790 Veterinary Medical Examiners Board	615,294	4
978 Oklahoma Transportation Authority	37,971,703	542
<b>Total:</b>	<b>\$954,019,464</b>	<b>1995</b>

# Appendix

**Budget and Fiscal/Research Staff**  
**State Organization Chart**  
**State Agencies Indexed by Cabinet**  
**Historical FTE by Cabinet and Agency**  
**Glossary**

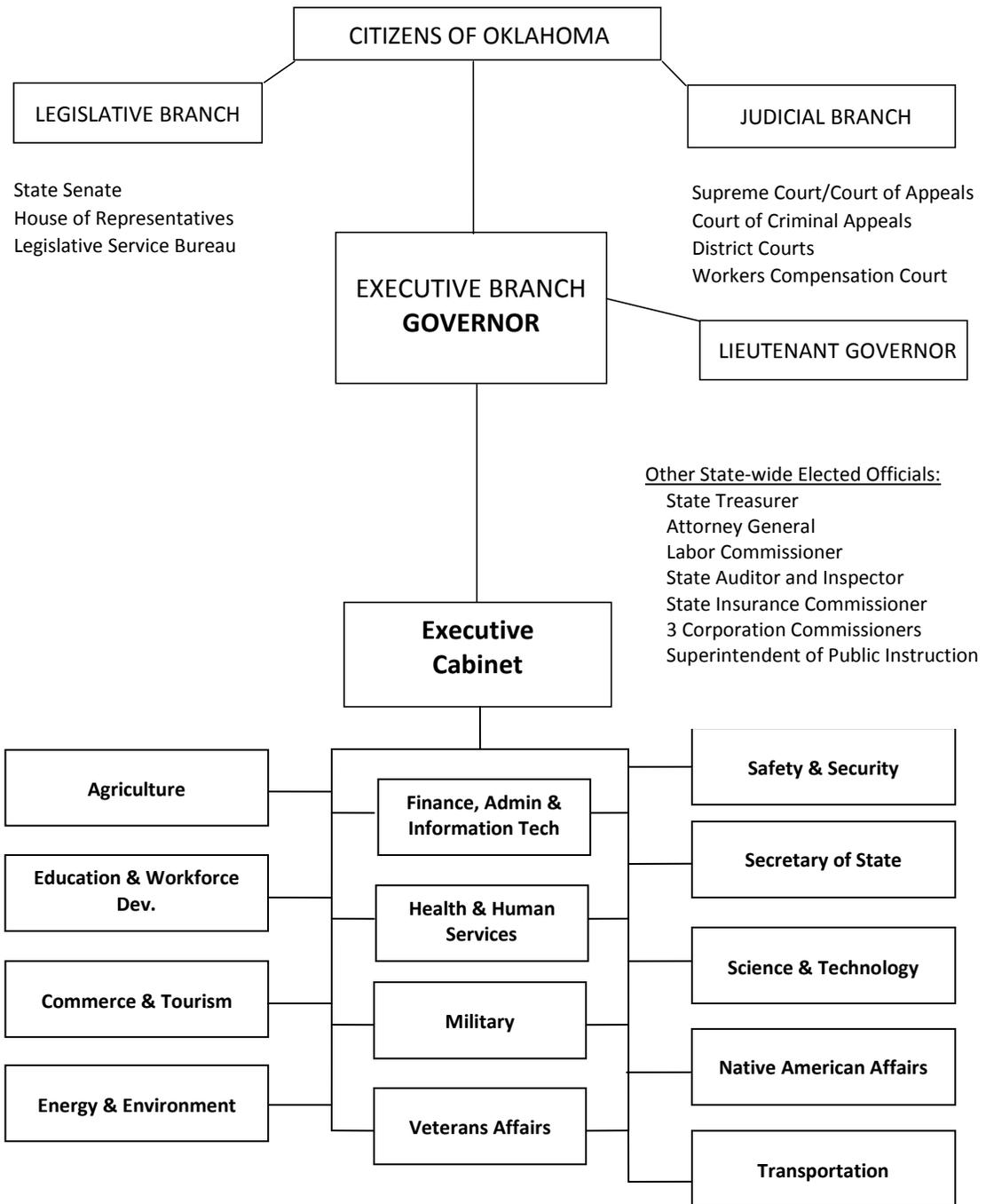
**Office of Management and Enterprise Services  
Budget Division**

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The Cabinet Secretaries are appointed by the Governor with the approval of the Senate. Many of the Secretaries are also heads of Executive Branch agencies. Most state agencies have a controlling board or commission which appoints a chief operating officer. Most board and commission members are appointed by the Governor, some requiring Senate approval. Some agencies do not have a controlling board, and most of those agency heads are appointed by the Governor with Senate approval. State agencies are assigned to a cabinet department by the Governor. The specific agency assignments to each cabinet are shown on the next page.

## State Agencies Indexed by Cabinet

Office of the Governor  
 Office of the Lieutenant Governor  
**Agriculture**  
 Agriculture, Food and Forestry, Department of  
 Boll Weevil Eradication Org.  
 Conservation Commission  
 Horse Racing Commission  
 Peanut Commission  
 Veterinary Medical Examiners, Board of  
 Wheat Commission  
**Commerce & Tourism**  
 Arts Council  
 Commerce, Department of  
 Employment Security Commission  
 Historical Society  
 Housing Finance Authority  
 Industrial Finance Authority  
 J.M. Davis Memorial Commission  
 Labor, Department of \*  
 Qtz Mtn. Arts/Conf. Cntr/Nat. Pk  
 Tourism & Recreation, Dept. of  
**Education & Workforce Development**  
 Anatomical Board  
 Career & Technology Education, State Board of  
 Education Department \*  
 Educational TV Authority, Oklahoma  
 Educational Quality & Accountability  
 Physician Manpower Training Comm.  
 Private Vocational School, Board of  
 School of Science & Mathematics  
 Student Loan Authority  
 Virtual Charter School Board, Statewide  
**Colleges and Universities**  
 Cameron University  
 Carl Albert State College  
 Connors State College  
 East Central University  
 Eastern Oklahoma State College  
 Langston University  
 Murray State College  
 Northern Oklahoma State College  
 Northeastern Okla. A & M College  
 Northeastern Oklahoma State University  
 Northwestern Oklahoma State Univ.  
 Oklahoma City Community College  
 Oklahoma Panhandle State Univ.  
 Oklahoma State University  
 OSU -College of Osteopathic Medicine  
 OSU -College of Veterinary Medicine  
 OSU -Experiment Station  
 OSU -Extension Division  
 OSU-Medical Authority  
 OSU -School of Tech. Training  
 OSU -Technical Institute of OKC  
 OSU -Tulsa  
 Okla. University Health Science Ctr.  
 OU Health Sci. Ctr. Prof. Prac. Plan.  
 Oklahoma University Law Center  
 Redlands Community College  
 Regents for A&M Colleges  
 Regents for Higher Education  
 Regional University System of OK  
 Rogers State University  
 Rose State College  
 Seminole State College  
 Southeastern Oklahoma State Univ.  
 Southwestern Oklahoma State Univ.  
 Tulsa Community College  
 University of Central Oklahoma  
 University of Oklahoma

University Center at Ponca City  
 University Center of Southern Oklahoma  
 Univ. of Science and Arts of Okla.  
 Western Oklahoma State College  
**Energy & Environment**  
 Corporation Commission \*  
 Energy Resources Board  
 Environmental Quality  
 Grand River Dam Authority  
 Interstate Oil Comp. Com.  
 LPG Board  
 LPG Research, Marketing and Safety  
 Mines, Department of  
 Municipal Power Authority  
 Water Resources Board  
 Wildlife Conservation, Dept. of  
**Finance, Admin & Info Tech**  
 Abstractors Board  
 Accountancy Board  
 Auditor & Inspector \*  
 Banking Department  
 Bond Advisor  
 Building Bonds Commission  
 Capitol Improvement Authority  
 Capital Investment Board  
 Construction Industries Board  
 Consumer Credit, Department of  
 Development and Finance Authority  
 Insurance Department \*  
 Land Office, Commissioners of the  
 Lottery Commission  
 Management & Enterprise Services, Office of  
 Merit Protection Commission  
 Motor Vehicle Commission  
 Securities Commission  
 Tax Commission  
 Treasurer \*  
 Uniform Building Code Commission  
 Used Motor Vehicle & Parts  
**Health & Human Services**  
 Alcohol and Drug Coun., Bd. of Lic.  
 Board of Behavioral Health Licensure, State  
 Children & Youth, Commission on  
 Chiropractic Examiners Board  
 Cosmetology, Barbering,  
 and Massage Therapy Board  
 Dentistry, Board of  
 Disability Concerns, Office of  
 Funeral Board  
 Health Care Authority  
 Health, Department of  
 Human Services, Department of  
 J.D. McCarty Center  
 Juvenile Affairs, Office of  
 Long Term Care Admin, Bd of Exam. for  
 Medical Licensure & Supv., Bd. of  
 Mental Health and Sub. Abuse Svc.  
 Nursing Board  
 Optometry Board  
 Osteopathic Examiners Board  
 OSU Medical Authority  
 Perfusionists, State Board of Examiners  
 Pharmacy Board  
 Podiatric Medical Examiners, Bd. Of  
 Psychologists, Bd. of Examiners  
 Rehabilitative Services  
 Social Workers Board, Bd. of Lic.  
 Speech-Lang. Pathology & Aud. Bd.  
 Tobacco Settle. End. Trust Bd. of Dir.  
 University Hospitals Authority

**Military**  
 Military Department  
**Native American Affairs**  
 Native American Cultural and Educational Authority  
 Native American Liaison  
**Safety and Security**  
 ABLE Commission  
 CLEET  
 Chem. Tests for Alc/Drug Infl., Bd. of  
 Corrections Department  
 Emergency Mgmt, Dept. of  
 Fire Marshal, State  
     Investigation, Bureau of  
 Medicolegal Investigations, Bd. of  
 Narcotics & Dang. Drugs, Bureau of  
 Public Safety, Department of  
**Science and Technology**  
 Center f/t Adv. of Sci. & Technology  
 Space Industry Development Auth.  
**Secretary of State**  
 Attorney General \*  
 Architects Board  
 District Attorney's Council  
 Election Board  
 Engineers & Land Surveyors  
 Ethics Commission  
 Indigent Defense System  
 Judicial Complaints, Council on  
 Libraries, Department of  
 Pardon and Parole Board  
 Real Estate Commission  
 Secretary of State  
 Self Insurance Guaranty Fund Board  
 Workers Compensation Commission  
**Transportation**  
 Aeronautics Commission  
 Okla. Turnpike Authority  
 Transportation, Department of  
**Veterans Affairs**  
 Veterans Affairs, Department of  
**Judiciary**  
 Court of Criminal Appeals  
 District Courts  
 Supreme Court  
 Worker's Compensation Court of Existing Claims  
**Legislature**  
 House of Representative  
 Oklahoma State Senate  
 Legislative Service Bureau  
**Retirement System**  
 Firefighters Pension and Retirement System  
 Justices and Judges Retirement Systems  
 Law Enforcement Retirement System  
 Police Pension and Retirement System  
 Public Employees Retirement System  
 Teachers Retirement System  
 Wildlife Department Retirement Plan

\* Agency is headed by a statewide elected official or their controlling board is made up of elected officials. They are assigned to a cabinet department for purposes of coordinating services and programs only.

		Average FY-13	Average FY-14	Average FY-15	Average FY-16	Average YTD FY-17
<b>Summary by Executive Cabinet Departments</b>						
305	<b>Governor</b>	28.7	27.0	25.8	22.2	19.5
440	<b>Lieutenant Governor</b>	4.5	3.9	4.2	4.7	4.9
	<b>Agriculture</b>	467.4	493.1	471.9	443.9	429.2
	<b>Commerce &amp; Tourism</b>	1,791.2	1,715.6	1,668.3	1,639.1	1,596.6
	<b>Education (excl. Higher Education)</b>	805.0				
	<b>Education &amp; Workforce Development (excl.HigherEd)</b>		758.7	719.8	700.7	694.3
	<b>Energy*</b>	983.4				
	<b>Energy &amp; Environment</b>		2,025.6	2,084.8	2,128.0	2,147.0
	<b>Environment*</b>	944.7				
	<b>Finance &amp; Revenue*</b>	2,820.4				
	<b>Finance, Administration &amp; Information Technology</b>		2,722.6	2,686.1	2,655.9	2,635.6
	<b>Health</b>	4,161.9				
	<b>Health &amp; Human Services</b>		13,508.3	13,725.4	13,750.1	12,786.5
	<b>Human Resources and Administration*</b>	236.3				
	<b>Human Services*</b>	9,110.0				
	<b>Military</b>	350.3	335.8	337.2	330.4	329.3
	<b>Safety &amp; Security</b>	7,721.5	7,783.0	7,712.2	7,988.6	7,919.3
	<b>Science &amp; Technology</b>	17.7	22.2	23.2	22.1	21.8
	<b>Secretary of State</b>	57.4	499.6	157.1	159.7	158.4
	<b>Transportation</b>	2,902.5	2,940.5	2,938.1	2,920.6	2,904.3
	<b>Veterans Affairs</b>	1,914.6	2,109.0	2,113.5	2,092.3	2,059.5
	<b>Sub-total</b>	34,317.5	34,944.9	34,667.6	34,858.3	33,706.2
	<b>Regents/RUSO/Quartz Mountain</b>	279.2	281.7	261.0	261.3	257.2
	<b>Colleges and Universities</b>	33,710.7	33,434.1	33,377.8	34,567.7	33,674.3
	<b>Sub-total</b>	33,989.9	33,715.8	33,638.8	34,829.0	33,931.5
<b>Total Executive Branch</b>		<b>68,307.4</b>	<b>68,660.7</b>	<b>68,306.4</b>	<b>69,687.3</b>	<b>67,637.7</b>
	<b>Legislature</b>	394.4	407.1	399.9	397.5	363.9
	<b>Judiciary</b>	903.3	883.0	861.3	858.7	838.0
	<b>Sub-total</b>	1,297.7	1,290.1	1,261.2	1,256.2	1,201.9
<b>Grand Total</b>		<b>69,605.1</b>	<b>69,950.8</b>	<b>69,567.6</b>	<b>70,943.5</b>	<b>68,839.6</b>
<b>Total: Excluding Higher Ed.</b>		<b>35,615.2</b>	<b>36,235.0</b>	<b>35,928.8</b>	<b>36,114.5</b>	<b>34,908.1</b>

\* The below total reflect the current cabinet structure. For a detailed view of previous cabinet structures please contact the OMES Budget Division

## State Agencies by Executive Cabinet Department

<b>AGRICULTURE</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
40	Agriculture, Food and Forestry, Dept. of	394.8	387.8	373.0	354.8	348.0
	Commercial Pet Breeders Bd	0.0	0.0	0.0	0.0	0.0
39	Boll Weevil Eradication Organization [non-approp]	9.1	6.9	6.0	4.9	4.0
645	Conservation Commission	59.5	54.7	50.4	48.8	45.5
353	Horse Racing Commission	36.6	35.4	34.8	31.6	28.2
535	Peanut Commission [non-approp]	1.0	1.0	0.3	0.0	0.0
790	Veterinary Medical Examiners Bd. [non-approp]	4.9	4.4	4.5	3.8	3.5
875	Wheat Commission [non-approp]	3.1	2.9	3.0	0.0	0.0
	<b>Total</b>	<b>509.0</b>	<b>493.1</b>	<b>471.9</b>	<b>443.9</b>	<b>429.2</b>

<b>COMMERCE &amp; TOURISM</b>						
55	Arts Council	13.9	12.2	13.6	14.1	15.5
160	Commerce, Dept. of	133.2	128.7	116.0	99.5	100.8
290	Employment Security Commission (OESC) [non-approp]	644.4	622.6	613.5	607.6	582.6
350	Historical Society	155.5	155.2	150.2	138.4	130.0
922	Housing Finance Authority [non-approp]	111.3	109.6	95.4	97.9	97.2
370	Industrial Finance Authority [non-approp]	5.2	5.5	5.0	5.0	5.0
204	J.M.. Davis Memorial Commission	5.1	5.4	5.2	5.4	4.5
405	Labor Dept.	75.7	67.6	72.2	77.0	76.1
568	Scenic Rivers Commission	10.1	9.2	8.5	8.5	0.8
566	Tourism & Recreation, Dept. of	580.3	587.8	575.3	573.4	583.2
880	Will Rogers Memorial Commission	11.4	11.9	13.6	12.3	0.8
	<b>Total</b>	<b>1,746.1</b>	<b>1,715.7</b>	<b>1,668.5</b>	<b>1,639.1</b>	<b>1,596.5</b>

<b>EDUCATION &amp; WORKFORCE DEVELOPMENT (excl.HigherEd)</b>						
800	Career & Technology Education, Dept. of	259.9	255.5	245.4	230.9	225.2
275	Education Quality & Accountability, Office of		4.0	10.8	12.0	11.2
265	Education, State Dept. of	289.1	294.6	272.4	271.8	276.8
266	Educational Television Authority (OETA)	57.3	54.9	54.2	48.3	45.5
619	Physician Manpower Training Commission	6.0	6.0	6.0	5.8	5.4
563	Private Vocational Schools, Bd. of [non-approp]	2.0	2.4	2.4	2.6	2.2
629	School of Science & Mathematics (OSSM)	58.6	56.7	53.7	53.0	52.6
618	Student Loan Authority [non-approp]	72.0	78.1	75.0	74.8	72.5
269	Teacher Preparation, Commission on	6.3	6.6	0.0	0.0	0.0
803	Statewide Virtual Charter School Board	0.0	0.0	0.0	3.0	3.0
	<b>Total</b>	<b>751.2</b>	<b>758.7</b>	<b>719.8</b>	<b>702.2</b>	<b>694.4</b>

<b>ENERGY &amp; ENVIRONMENT</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
185	Corporation Commission	423.9	448.6	468.0	467.1	477.5
359	Energy Resources Board (OERB) [non-approp]	0.0	0.0	0.0	0.0	0.0
	Marginal Wells Commission	3.3	0.0	0.0	0.0	0.0
292	Environmental Quality, Dept. of (DEQ)	504.6	512.4	515.3	528.4	531.2
980	Grand River Dam Authority (GRDA) [non-approp]	512.3	525.8	549.8	573.0	577.5
307	Interstate Oil Compact Commission i.e. Secretary of Energy & Environment, Office of the [non-approp]	3.2	4.6	5.2	5.2	5.0
445	Liquefied Petroleum Gas Bd. [non-approp]	9.7	9.3	8.5	7.4	7.2
444	LP Gas Research, Marketing & Safety Commission [non-approp]	0.1	0.1	0.1	0.0	0.0
125	Mines, Dept. of	30.8	31.0	31.2	31.3	32.7
981	Municipal Power Authority [non-approp]	59.1	59.3	63.3	66.2	67.7
835	Water Resources Bd.	93.9	97.5	100.7	99.7	97.6
320	Wildlife Conservation, Dept. of [non-approp]	346.2	337.1	342.6	349.8	350.8
	<b>Total</b>	<b>1,987.1</b>	<b>2,025.6</b>	<b>2,084.8</b>	<b>2,129.4</b>	<b>2,147.2</b>

<b>FINANCE, ADMINISTRATION &amp; INFORMATION TECHNOLOGY</b>						
300	Auditor & Inspector, State	122.9	122.4	117.7	121.3	116.7
582	Bond Advisor, State	2.9	2.7	2.6	2.9	3.0
635	Consumer Credit, Dept. of	22.0	26.3	27.8	30.6	34.4
385	Insurance Dept.	126.0	124.8	121.1	118.9	118.0
410	Land Office, Commissioners of the	56.4	58.3	59.6	61.6	63.6
90	Management and Enterprise Services, Office of *	1,230.2	1,342.0	1,318.2	1,286.4	1,268.3
	Office of State Finance					
	Central Services, Dept. of					
	Employees Benefit Council					
	Group Health Insurance					
	Personnel Management, Office of					
298	Merit Protection Commission	3.9	3.6	3.6	3.9	3.0
695	Tax Commission	713.9	725.5	715.3	704.2	699.1
740	Treasurer, State	46.1	44.9	42.8	40.0	42.9
	<b>Sub-total</b>	<b>2,324.3</b>	<b>2,450.5</b>	<b>2,408.7</b>	<b>2,369.8</b>	<b>2,349.0</b>

<b>FIN, ADMIN &amp; INFO TECH NON-APPROPRIATED</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
22	Abstractor Bd.	3.0	2.7	2.5	1.9	2.0
20	Accountancy Bd.	9.9	10.3	10.8	11.0	10.8
65	Banking Dept., State	40.6	40.6	41.0	43.3	43.1
170	Construction Industries Bd.	32.1	31.4	30.9	32.0	33.0
315	Firefighters Pension & Retirement System	10.1	10.1	10.9	11.0	11.0
416	Law Enforcement Retirement System	5.0	5.0	5.0	5.0	5.0
435	Lottery Commission	28.8	27.5	27.8	28.3	28.4
475	Motor Vehicle Commission	3.4	3.9	4.0	4.0	4.0
557	Police Pension & Retirement System	11.7	10.8	10.4	11.2	11.1
515	Public Employees Retirement System	52.3	52.1	52.1	52.5	53.8
630	Securities, Dept. of	26.1	25.9	27.0	27.9	27.0
715	Teachers Retirement System	33.8	32.3	32.8	35.2	35.3
753	Uniform Building Code Commission	3.3	2.8	2.9	3.0	3.0
391	Multiple Injury Trust Fund			10.0	10.0	10.0
755	Used Motor Vehicle & Parts Commission	9.4	9.9	9.3	9.6	9.0
	<b>Sub-total</b>	269.5	272.1	277.5	285.9	286.6
	<b>Total</b>	2,593.8	2,722.6	2,686.1	2,655.7	2,635.6

<b>HEALTH &amp; HUMAN SERVICES</b>						
127	Children & Youth, Commission on	25.2	25.5	24.1	21.7	21.7
326	Disability Concerns	5.6	6.1	5.7	5.7	4.4
807	Health Care Authority (OHCA)	488.9	521.6	540.3	558.2	563.0
340	Health, Dept. of	1,985.0	1,997.5	2,086.9	2,120.0	2,080.8
830	Human Services, Dept. of	7,187.6	7,305.4	7,339.6	7,286.3	6,406.9
670	J.D. McCarty Center	228.0	228.9	232.9	228.6	226.3
400	Juvenile Affairs, Office of	711.7	715.0	732.5	772.8	750.1
452	Mental Health & Substance Abuse Services, Dept. of	1,635.7	1,653.9	1,668.6	1,668.0	1,635.1
805	Rehabilitative Services, Dept. of	934.4	928.2	953.9	943.5	951.3
825	University Hospitals Authority	11.5	13.8	15.9	18.2	19.4
	<b>Sub-total</b>	13,213.6	13,395.8	13,600.5	13,623.0	12,659.0

<b>HHS NON-APPROPRIATED</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
148	Behavioral Health and Licensure, Board of		2.0	4.0	4.4	3.1
448	Alcohol & Drug Counselors, State Bd. of Licensed	1.7	1.7	1.7	1.5	1.6
145	Chiropractic Examiners, Bd. Of	2.0	2.3	3.1	3.0	3.0
190	Cosmetology, Bd. of	11.6	11.6	11.7	11.2	10.4
215	Dentistry, Bd. of	4.0	4.8	4.6	5.1	5.5
285	Funeral Bd.	2.5	2.4	2.5	2.6	2.7
622	Licensed Social Workers, Bd. of	1.5	1.5	1.6	1.9	1.8
509	Long Term Care Administrators, State Bd. of Examiners for	3.0	3.0	3.0	3.0	3.0
450	Medical Licensure & Supervision, Bd. of	19.8	20.9	21.3	21.8	22.7
510	Nursing, Bd. of	26.7	26.1	28.0	27.9	27.9
520	Optometry, Bd. of Examiners in	2.1	2.4	2.4	2.3	2.3
525	Osteopathic Examiners, State Bd. of	5.7	5.7	7.0	6.8	7.0
343	Perfusionists, State Bd. of Examiners of	0.0	0.0	0.0	0.0	0.0
560	Pharmacy, State Bd. of	9.5	10.0	10.6	11.0	11.0
140	Podiatry Medical Examiners, State Bd. of	0.0	0.0	0.0	0.0	0.0
575	Psychologists, Bd. of Examiners of	1.9	1.4	1.1	1.0	1.0
632	Speech Pathology & Audiology, Bd. of Examiners for	2.1	1.6	1.5	1.5	1.5
92	Tobacco Settlement Trust Bd.	13.9	16.6	20.9	22.0	22.8
	<b>Sub-total</b>	108.0	112.5	124.9	127.0	127.3
	<b>Total</b>	13,321.6	13,508.3	13,725.4	13,750.0	12,786.3

<b>MILITARY</b>						
25	Military Department	350.3	335.8	337.2	330.4	329.6

<b>SAFETY &amp; SECURITY</b>						
30	Alcoholic Beverage Laws Enforcement (ABLE) Commission	36.8	36.3	34.4	32.1	32.5
772	Alcohol & Drug Influence, State Bd. of Tests for	3.4	5.4	6.0	5.3	4.5
49	Attorney General	173.0	186.7	203.6	206.9	207.9
	Human Rights Commission	0.0	0.0	0		0.0
131	Corrections, Dept. of	4,263.9	4,248.8	4,105.8	4,377.4	4,409.3
220	District Attorneys Council	1,107.1	1,112.8	1,103.6	1,111.7	1,048.7
309	Emergency Management, Dept. of	26.0	27.8	27.8	27.6	28.4
310	Fire Marshal, Office of State	21.8	21.5	21.6	20.3	19.4
47	Indigent Defense System	99.5	101.3	107.4	107.4	105.3
308	Investigation, State Bureau of (OSBI)	295.0	300.7	314.9	308.4	300.2
415	Law Enforce. Ed. & Training, Council on (CLEET)	40.8	41.2	41.2	40.4	39.7
342	Medical Examiner, Office of the Chief	74.8	83.4	87.0	86.8	86.3
477	Narcotics & Dangerous Drugs Control, Bureau of (OBNDD)	138.6	139.7	137.0	135.5	138.7
306	Pardon and Parole Bd.	31.6	26.4	28.9	27.4	26.2
585	Public Safety, Dept. of	1,407.6	1,450.9	1,493.1	1,501.4	1,472.3
	<b>Total</b>	7,719.9	7,783.0	7,712.2	7,988.6	7,919.4

<b>SCIENCE &amp; TECHNOLOGY</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
628	Center for the Advan. of Science & Tech (OCAST)	17.7	17.3	17.9	16.4	15.6
346	Space Industry Development Authority (OSIDA)	4.5	4.8	5.2	5.7	6.2
	<b>Total</b>	<b>22.2</b>	<b>22.2</b>	<b>23.2</b>	<b>22.1</b>	<b>21.8</b>

<b>SECRETARY OF STATE</b>						
390	CompSource Oklahoma [non-approp]	339.7	338.5	1.1	0.0	0.0
270	Election Bd., State	18.5	18.0	19.8	21.6	21.3
570	Engineers & Land Surveyors, State Bd. of Licensure for Professional [non-approp]	9.5	9.4	8.4	8.6	8.4
296	Ethics Commission	4.2	5.1	5.3	6.3	6.4
430	Libraries, Department of	45.9	46.6	42.8	39.4	35.0
45	Licensed Architects, Landscape Architects & Registered Interior Designers, Bd. of [non-approp]	3.0	3.0	3.0	3.0	3.0
678	Judicial Complaints, Council on [non-approp]	2.0	2.0	2.0	2.0	2.0
588	Real Estate Commission [non-approp]	15.4	14.5	14.2	14.1	13.5
865	Workers' Compensation Commission			32.6	38.3	41.1
625	Secretary of State [non-approp]	32.7	28.7	27.9	26.4	27.8
	<b>Total</b>	<b>470.9</b>	<b>499.6</b>	<b>157.1</b>	<b>159.7</b>	<b>158.5</b>

<b>TRANSPORTATION</b>						
60	Aeronautics Commission [non-approp]	10.2	10.6	10.8	10.0	8.9
345	Transportation, Dept. of (ODOT)	2,323.2	2,381.2	2,378.0	2,368.2	2,353.0
978	Turnpike Authority [non-approp]	564.7	548.8	549.3	542.4	542.4
	<b>Total</b>	<b>2,898.1</b>	<b>2,940.5</b>	<b>2,934.4</b>	<b>2,920.6</b>	<b>2,904.3</b>

<b>VETERANS AFFAIRS</b>						
650	Veterans Affairs, Dept. of	1,914.6	2,109.0	2,113.5	2,092.3	2,059.5

**NON-EXECUTIVE ENTITIES**

<b>LEGISLATURE</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
422	House of Representatives	230.8	241.3	235.7	229.6	205.8
423	Legislative Service Bureau	6.2	5.9	6.1	6.2	5.1
421	State Senate	157.4	159.9	158.0	161.7	153.0
<b>Total</b>		<b>394.4</b>	<b>407.1</b>	<b>399.9</b>	<b>397.5</b>	<b>363.9</b>

<b>JUDICIARY</b>						
199	Criminal Appeals, Court of	28.1	28.2	26.9	29.0	28.5
219	District Courts	618.3	616.4	614.7	613.2	599.4
369	Workers' Compensation Court	72.4	43.3	31.0	32.0	27.0
677	Supreme Court/Court of Appeals	184.5	195.0	188.7	184.6	183.0
<b>Total</b>		<b>903.3</b>	<b>883.0</b>	<b>861.3</b>	<b>858.8</b>	<b>837.9</b>

**HIGHER EDUCATION**

<b>State Regents</b>						
620	Quartz Mountain Resort Arts & Conference Center	14.3	38.5	53.5	54.3	54.3
605	State Regents For Higher Education	258.7	237.2	201.5	200.7	195.9
610	Regional University System of Oklahoma	6.2	6.0	6.0	6.3	7.0
<b>Total</b>		<b>279.2</b>	<b>281.7</b>	<b>261.0</b>	<b>261.3</b>	<b>257.2</b>

<b>University of Oklahoma</b>						
760	University of Oklahoma	7,242.9	7,193.9	7,431.9	7,689.7	7,447.4
761	OU - College of Law		0.0	0.0	0.0	0.0
765	OU - Tulsa		0.0	0.0	0.0	0.0
770	OU - Health Science Center	6,224.8	6,365.1	6,335.0	6,455.6	6,471.1
771	OU - Health Science Professional Practice Plans	890.2	948.2	955.4	999.3	987.4
<b>Sub-total</b>		<b>14,357.9</b>	<b>14,507.2</b>	<b>14,722.4</b>	<b>15,144.6</b>	<b>14,905.9</b>

<b>Oklahoma State University</b>						
10	Oklahoma State University (all branches)	8,029.2	7,997.5	7,900.7	8,166.9	8,163.4
<b>Sub-total</b>		<b>8,029.2</b>	<b>7,997.5</b>	<b>7,900.7</b>	<b>8,166.9</b>	<b>8,163.4</b>

<b>Other College and University</b>		<b>FY-13</b>	<b>FY-14</b>	<b>FY-15</b>	<b>FY-16</b>	<b>FY-17</b>
100	Cameron University	624.6	635.8	603.8	616.7	582.3
108	Carl Albert State College	267.3	255.6	258.0	263.5	211.4
165	Connors State College	198.0	181.7	179.5	161.9	186.6
230	East Central University	587.1	581.7	580.3	540.4	422.1
240	Eastern Oklahoma State College	216.2	214.0	217.4	219.8	206.2
420	Langston University	440.4	427.8	438.5	414.5	450.8
470	Murray State College	204.9	207.3	214.8	230.0	212.0
480	Northeastern Oklahoma A & M College	242.0	259.0	249.6	243.5	247.5
485	Northeastern State University	1,185.1	1,158.5	1,182.6	1,158.3	1,121.9
490	Northern Oklahoma College	345.0	323.9	325.6	351.5	335.8
505	Northwestern Oklahoma State Univ.	328.8	322.3	317.3	307.7	292.1
530	Oklahoma Panhandle State University	163.8	165.5	137.5	135.4	162.9
241	Redlands Community College	210.7	182.7	176.5	168.9	149.4
461	Rogers State University	398.1	383.5	398.2	411.6	391.2
531	Rose State College	503.5	508.3	492.2	473.6	427.3
623	Seminole State College	168.8	160.8	154.8	145.3	131.8
633	Oklahoma City Community College	732.6	394.8	328.7	710.3	674.8
660	Southeastern Oklahoma State University	537.2	533.4	548.5	543.4	478.7
665	Southwestern Oklahoma State University	754.6	740.4	732.5	685.0	665.6
750	Tulsa Community College	1,305.1	1,314.8	1,235.0	1,380.7	1,170.2
758	University Center at Ponca City	7.0	8.4	7.9	7.9	7.7
606	University Center of Southern Oklahoma	16.4	15.7	14.6	13.9	11.8
120	University of Central Oklahoma	1,516.5	1,606.4	1,613.5	1,724.2	1,733.7
150	University of Science and Arts of Oklahoma	191.9	188.3	186.2	191.7	191.5
41	Western Oklahoma State College	178.0	158.8	161.3	156.3	139.6
	<b>Sub-total</b>	<b>11,323.6</b>	<b>10,929.3</b>	<b>10,754.8</b>	<b>11,256.0</b>	<b>10,604.9</b>
	<b>Total - College &amp; University</b>	<b>33,710.7</b>	<b>33,434.1</b>	<b>33,377.8</b>	<b>34,567.5</b>	<b>33,674.2</b>
	<b>Grand Total</b>	<b>69,605.6</b>	<b>69,950.9</b>	<b>69,564.1</b>	<b>70,946.0</b>	<b>68,839.9</b>

NOTE: FTE Summary reflects updated cabinet structure per Amended Executive Order 2011-06, effective July 16, 2013

\*HB 2140, effective August 2011, consolidated the Department of Central Services, the Employees Benefit Council, the Office of Personnel Management, and the Oklahoma State Education Employees Group Insurance Board into the Office of State Finance. The consolidated agency is the Office of Management and Enterprise Services.

 Consolidated/otherwise eliminated agency

## GLOSSARY

**Actuarial Accrued Liability (re: retirement):** That portion, as determined by a particular cost method, of the actuarial present value of pension plan benefits and expenses which is not provided for by Normal Cost contributions.

**Actuarial Assumptions (re: retirement):** Assumptions as to the occurrence of future events affecting pension costs, such as: mortality, withdrawal, disablement and retirement; changes in compensation and government provided benefits; rates of investment earnings and asset appreciation or depreciation; procedures used to determine the Actuarial Value of Assets; characteristics of future entrants and other relevant items.

**Annualization:** The computation of costs or revenues for a full year. Usually applied when calculating the full year impact/cost of a program that was funded for a partial year in a previous budget.

**Appropriation:** Legal authorization granted by the Legislature to make expenditures or incur obligations that may be limited by fund, agency, department, program, object, character, time period or amount. Unexpended appropriations lapse back to the original fund after the lapse (expiration) date.

**Appropriations Base:** An agency's previous year appropriation reduced by one-time appropriations.

**Board of Equalization:** A Constitutional body, the State Board of Equalization is made up of the Governor, Lieutenant Governor, State Treasurer, State Auditor and Inspector, Attorney General, Superintendent of Public Instruction, and President of the State Board of Agriculture. The Board annually certifies the amount of state funds available for appropriation. The Board also has duties regarding the equalization of ad valorem taxes among the counties.

**Budgeted Vacancy:** A vacant employee position which is funded in an agency's current budget (in most instances, the vacancy has remained unfilled for an extended period of time).

**Budget Request:** A detailed outline of an agency's financial needs for the next fiscal year.

**Budget Work Program:** An outline of detailed planned expenditures for the ensuing or current fiscal year, which takes into consideration funds appropriated by the Legislature and other funds available to the agency, and any expenditure limitations or directives expressed in legislation.

**Capital Expenditure / Outlay:** Expenditures made for securing capital assets. Capital assets are significant, tangible assets with a value greater than twenty-five thousand dollars (\$25,000) that have a life greater than one year and will be used in providing services.

**Carryover:** This term refers to unobligated monies an agency has available to fund its operations in succeeding fiscal years. Generally, carryover monies are considered non-recurring in nature.

**Cash-flow Reserve Fund:** This fund was established as a fiscal management tool. General Revenue Fund cash is set aside in this fund at the end of each fiscal year. Monies in this fund are used to make cash available for the July allocation of General Revenue funds to state agencies and to provide for monthly cash allocations in those months in which receipts are below needed levels. The use of this fund eliminates the need for "seasonal borrowing."

**Constitutional Reserve Fund (CRF):** Designed to cushion against economic emergencies, this fund, popularly known as the "Rainy Day Fund," was established by constitutional amendment in 1985. All General Revenue Fund receipts collected in excess of the certified estimate are deposited in this fund until the fund is equal to 15% of the certified General Revenue Funds from the preceding fiscal year. Up to three-eighths (3/8) of the balance may be appropriated only in the event that the up-coming year's General Revenue certification is lower than the preceding year's. Up to \$10 million may be expended for incentives to support retention of at-risk manufacturing establishments under certain conditions and after unanimous finding by the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate. Up to three-eighths (3/8) of the balance may be appropriated in the event of a revenue failure, declared by the State Board of Equalization. Up to one-fourth (1/4) of the balance may be appropriated upon the declaration of an emergency by the Governor and approval by 2/3 of both legislative houses; or, absent a gubernatorial declaration of emergency, approval by ¾ of both houses.

**Expenditure:** The disbursement of monies from a state fund for the purchase of goods and services.

**Fiscal Year:** The 12-month period beginning July 1 and ending June 30 used by the state government for accounting purposes. Fiscal year designation depends on the year in which it ends [e.g., fiscal year 2011 (FY-2011) runs from July 1, 2010 to June 30, 2011].

**Fund:** A legal accounting entity with a self-balancing set of accounts. Expenditures from a fund may be restricted to specified purposes.

**General Revenue Fund:** Established by Article 10, Section 2 of the State Constitution, this fund is the principal funding source for state government operations. State taxes, fees and charges, and proceeds from investments make up the revenue to the General Revenue Fund. The fund's resources can be used for any purpose specified by Legislative appropriation. All monies collected that are not dedicated to another fund are deposited in the General Revenue Fund.

**Nonappropriated Funds:** A term sometimes used to refer to agency revolving funds. Since such funds have statutorily established revenue sources and uses, there is no need for them to be appropriated annually. Nonappropriated funds are also called "continuing appropriations." The terms have the same meaning.

**One-time:** Budget items that receive funding for one fiscal year (for example, funding for a feasibility study, funding for the replacement of major equipment items, funding for the purchase of furniture for a new facility, etc.).

**Program Budgeting:** A tool to organize budget data by program, rather than item of expenditure or organizational location (generally an agency or division). Program budgeting seeks to link the expenditure of resources with the original mission or purpose of the appropriation of tax dollars.

**Rainy Day Fund:** See Constitutional Reserve Fund.

**Revolving Fund:** A fund created statutorily or by inference to finance and account for a particular department or division. Fees received, transfers of appropriations, or other fund transfers support expenditures paid from revolving funds. Revolving funds are continuing funds and are not subject to fiscal year limitations. Agencies generally may exercise greater control over the expenditure of revolving funds than they may over appropriated dollars.

**Supplemental Appropriation:** This refers to a subsequent appropriation made to an agency in addition to the agency's initial annual appropriation. Supplemental appropriations are to deal with current year funding issues and may be made for a variety of reasons such as to offset a revenue shortfall or to offset insufficient funds to operate a program effectively. Some observers view supplemental appropriations as a sign of inept management or a means of subverting the State's balanced budget restrictions.

**Unfunded Liability (re: retirement):** The excess of the Actuarial Accrued Liability (that portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Normal Costs) over the Actuarial Value of Assets (the value of cash, investments, and other property belonging to a pension plan, as used by the actuary for the purpose of an Actuarial Valuation).

This Executive Budget was prepared by the Budget Division of the Office of Management and Enterprise Services, under the supervision of the Secretary of Finance, Administration, & Information Technology

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