



State of
OKLAHOMA

Submitted by
Mary Fallin, Governor
To The Second Session of the
54th Oklahoma Legislature

**EXECUTIVE
BUDGET**

For Fiscal Year ending
June 30, 2015

FY-2015

Executive Budget

**Governor
Mary Fallin**

February 3, 2014



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-2015 executive budget. The plan I have put forward is a responsible, transparent budget without gimmicks. It reduces the tax burden on Oklahoma families while continuing to build a smaller, smarter and more efficient government.

The income tax cut proposal submitted within this budget provides immediate relief for hardworking Oklahomans. Lower taxes allow Oklahoma families to invest in their businesses, spend dollars on Oklahoma products, and help to create Oklahoma jobs.

The executive budget also reflects both our desire and the necessity to continue to reduce the size of state government. Many agencies receive cuts of up to 5 percent. Those agencies, including the Office of the Governor, will be asked to find ways to operate more efficiently and effectively.

This budget also seeks to draw attention to our agency revolving funds that contain, on average, \$830 million each year. I am asking agencies and legislators to work with me this year to thoroughly examine these revolving funds and to explore opportunities to return a portion of this money to the general fund. My budget assumes that ten percent of these funds can be returned to the general fund, helping to offset some budget cuts.

Finally, the executive budget for FY-2015 contains targeted increases for a small number of state agencies. Chief among these is the State Department of Education, which receives a \$50 million increase. The increase in resources for K-12 education reflects the belief of this administration that high quality public schools are important for this state's sustained economic success and the individual success of our children. Other agency increases reflect the necessity of increased resources to meet ongoing commitments or to pursue targeted improvements in services.

This is a fiscally conservative, common sense blueprint for the state of Oklahoma. I humbly ask our State Legislature to support these budget priorities and work to build a better and brighter future for our state and its citizens.

Sincerely,

A handwritten signature in black ink that reads "Mary Fallin".

Mary Fallin
Governor



State of Oklahoma
Office of Management and Enterprise Services

February 3, 2014

Governor Fallin:

Please accept this, your executive budget for the FY-2015 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,

A handwritten signature in black ink, appearing to read "Preston L. Doerflinger".

Preston L. Doerflinger, Director

Office of Management and Enterprise Services

OKLAHOMA OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES

February 3, 2014

Citizens of the State of Oklahoma Members of the Second Regular Session of the Fifty-Fourth Legislature

Governor Mary Fallin's FY-2015 budget consists of the following two documents. Both are available on the Internet. You can view them 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>

"FY-2015 EXECUTIVE BUDGET, Volume I"

This document contains Governor Fallin's budget recommendations to the 2014 Legislature. It includes a discussion of state revenues, a summary of her proposed budget and explanations of budget recommendations for state agencies.

"FY-2015 EXECUTIVE BUDGET, Volume II- HISTORICAL DATA"

This document is available online and includes detailed historical financial information about each agency of state government. The information is arranged by Cabinet Department and Branch of Government.

The individual display for each agency/entity of government includes the following:

- Mission of the Agency
- Description of the Board/Commission that governs the agency
- Description of agency Duties/Responsibilities
- Constitutional and Statutory References related to the entity
- Information regarding agency workload
- Expenditure and personnel data for FY-2012, FY-2013 and FY-2014

*2300 North Lincoln Boulevard, Room 122, Oklahoma City, OK 73105-4801
Telephone (405) 521-2141 FAX (405) 521-3902*

Executive Summary

Governor Fallin's FY-2015 Executive Budget

Income Tax

Governor Fallin believes lower taxes lead to job creation, increased productivity and greater prosperity. Keeping with her commitment to further reducing the tax burden on working Oklahomans while stimulating economic growth, Governor Fallin's budget includes a .25 percent personal income tax reduction that lowers Oklahoma's top individual income tax rate from 5.25 percent to 5 percent beginning January 1, 2015. This income tax reduction will impact the state budget by an estimated \$47.4 million in FY-2015 and \$71.1 million in FY-2016.

Funding Changes

Targeted Funding Increases for FY-2015

Department of Human Services – Pinnacle Plan and DDS waiting list

Governor Fallin believes Oklahoma must provide the safest environment possible for children in state custody while seeking to transition them to loving foster families and homes. The \$36 million in additional funding proposed to support the efforts of the Department of Human Services (DHS) in implementing Year Three of The Pinnacle Plan ensures the state continues to meet its obligations to improve and reform child welfare services while giving child welfare workers a deserved pay increase to aid in their recruitment and retention. When combined with the \$25 million Pinnacle Plan appropriation for FY-2013 and the \$30 million appropriation for FY-2014, the Governor's FY-2015 proposed Pinnacle Plan appropriation would result in the Pinnacle Plan being 75 percent funded in year three of its five-year implementation timeline, with two years remaining to achieve 100 percent funding status. In addition to funding for The Pinnacle Plan, an additional \$1 million is proposed to help reduce the waiting list for services from the Developmental Disabilities Services Division.

Education Reform Funding

In the three previous legislative sessions, Governor Fallin has worked with State Superintendent of Public Instruction Janet Barresi and the Legislature to pass critical education reforms that benefit students, empower parents, increase accountability and strengthen our education system and state as a whole. While continuing to provide existing funding for implementation of these reforms, the Governor proposes a \$50 million funding increase for the Department of Education for local school district operations, reading sufficiency programs, charter school building funds and teacher benefits costs.

Department of Public Safety

Governor Fallin recommends \$5 million to provide a pay increase to state troopers with the Oklahoma Highway Patrol beginning January 1, 2015. Pay levels are one reason the Highway Patrol is struggling to recruit trooper candidates, as evidenced by applications declining from 862 in 2005 to 557 in 2013. Even as fewer candidates apply, more current troopers are becoming eligible for retirement, with 27 percent of troopers eligible for retirement today and another 6 percent eligible within two years. These targeted

pay adjustments are necessary for Oklahoma to continue attracting and retaining qualified candidates to protect the public.

Department of Corrections

With new leadership at the Department of Corrections (DOC), the Governor proposes appropriating an additional \$2.4 million for operational needs as determined by the new director. The Governor also proposes maintaining existing funding for DOC's portion of the Justice Reinvestment Initiative, which has received \$1 million annually the past two fiscal years.

Quick Action Closing Fund

Since its creation in 2011, the Quick Action Closing Fund has proven to be an important, successful job creation tool that helps Oklahoma recruit new businesses and retain existing businesses. The fund was instrumental in Oklahoma's recent successful recruitment of major corporations such as General Electric and Macy's that are bringing a combined 2,625 new jobs and \$280 million in new investment to the state. Governor Fallin proposes appropriating an additional \$5 million to the Quick Action Closing Fund in order to continue the state's efforts to attract and retain quality businesses.

Office of the Chief Medical Examiner

With bond funding approved for a new, necessary Office of the Chief Medical Examiner (OCME) headquarters on the University of Central Oklahoma (UCO) campus, the Governor proposes \$2 million for debt service required for the facility's construction. The new facility is critical to the OCME's ongoing efforts to increase its capacity to provide quality, timely autopsies and other services while continuing to seek accreditation from the National Association of Medical Examiners. It will also be a major benefit to UCO's growing criminology degree programs through planned collaborations between OCME and UCO.

Ethics Commission

Because responsible government means ethical government, the Governor proposes appropriating an additional \$780,000 to the Ethics Commission to replace its antiquated campaign, lobbyist and candidate financial reporting software system with a new software system that provides increased transparency, accountability and quality.

Long Range Capital Planning Commission

The Governor supports the newly-configured Long Range Capital Planning Commission's (LRCPC) desire to secure dedicated funding for capital needs for state buildings and other assets as the state moves to a more centralized property management and maintenance model. The Governor proposes \$2 million be appropriated to the LRCPC to begin the process of reforming the state's infrastructure and capital project planning processes.

Capitol Building Repairs

The Capitol building, as the symbolic and operational seat of state government, should be a safe, functional building in which citizens and visitors can take great pride. Unfortunately, this once grand building has lost that status and is now a crumbling safety hazard.

Because the Governor believes the Capitol needs to be fully, properly repaired, she proposes \$7,680,000 be appropriated as first year debt service on a \$120 million bond issue for Capitol repairs. With extremely favorable interest rates being offered in the bond market, now is a proper time to responsibly utilize minimal debt for projects like the Capitol repair. In addition, state government's already low debt – ranked 38th of the 50 states by Moody's – is being repaid very rapidly, with 41.5 percent maturing by the end of 2018 and 85 percent off the books by 2028. Bond funding is necessary because it is financially unrealistic and unsustainable to take a cash-only, pay-as-you-go approach to one-time, nonoperational projects as large and complex as the Capitol building repair.

Continued Funding of Successful Programs

Highway Patrol Trooper Academy

For several years prior to Governor Fallin taking office, the Oklahoma Highway Patrol experienced a considerable decline in state trooper cadet candidates. The Governor has since secured three years of Trooper Academy funding that has led to two academies graduating 70 troopers, with 48 more cadets currently pursuing graduation from a third academy. As a sign of ongoing commitment to the safety of all Oklahomans, the Governor proposes maintaining the \$5 million annual appropriation for a Trooper Academy through the Department of Public Safety.

Mental Health

Since taking office, Governor Fallin has secured an additional \$28.6 million in funding for the Department of Mental Health and Substance Abuse Services (ODMHSAS), which has allowed vital, necessary services to be extended to additional Oklahomans in need. Given the magnitude of need in the areas of mental health and substance abuse, the Governor proposes maintaining current funding levels at ODMHSAS to ensure that the progress made in recent years continues. Included in this funding are resources for jail screenings ODMHSAS conducts as part of the Justice Reinvestment Initiative.

Agency Consolidation

Education Cabinet

Pursuant to SB 1797 passed in the 2012 legislative session, the Governor's budget consolidates the Commission for Teacher Preparation into the Commission for Educational Quality and Accountability and requires the agency realize a 15 percent savings in appropriated dollars in the first year of the consolidation.

Tourism Cabinet

Building on the consolidation success in other agencies with similar missions, the Governor proposes five existing agencies with tourism, recreational or cultural missions be consolidated into the Oklahoma Tourism and Recreation Department. As required and achieved in prior consolidations, this budget projects a 15 percent cost savings in appropriated dollars in the first year of the consolidation among the agencies proposed to be consolidated into OTRD, which are:

- Arts Council

- Historical Society
- J.M. Davis Memorial Commission
- Will Rogers Memorial Commission
- Oklahoma Scenic Rivers Commission

All five agencies recommended for consolidation are reflective of OTRD's strategic mission "to advance the exceptional quality of life in Oklahoma by preserving, maintaining, and promoting our natural assets and cultural amenities," which includes areas such as arts and history. Equally important, OTRD's status as a proven leader in the effort to modernize and reduce the size of state government will help these entities reduce administrative costs while maintaining and improving their core missions by becoming part of a stronger, single agency.

Removal of One-Time Funding

Governor Fallin's budget eliminates the following FY-2014 one-time funding:

- \$1 million from the House of Representatives for renovations;
- \$429,152 from the House of Representatives for statute book costs;
- \$1 million from the Senate for renovations;
- \$5 million from the Legislative Services Bureau for renovations; and,
- \$30 million from the Maintenance of State Buildings Revolving Fund.

Decreased Funding Certification by Board of Equalization

- \$6 million from Commissioners of the Land Office due to decreased certification; and,
- \$2 million from the State Transportation Fund due to decreased certification.

Revenue Adjustments

Cash Transfers

Every year, many state agencies maintain large cash balances in various agency revolving funds and other accounts. A five-year analysis of non-restricted revolving fund balances reveals that, on average, state agencies have \$830 million stored in revolving funds each year. Because that amount far exceeds the amount required for fiscal year expenditures paid out of those funds, the Governor proposes a total reconciliation of non-restricted agency revolving funds, excluding funds for common education. It is estimated that the reconciliation will reveal at least 10 percent of the total dollars in these funds could be reinvested elsewhere without any service interruptions at the originating agency. As a result, the Governor's FY-2015 budget recommends \$83 million be transferred from agency revolving funds to the General Revenue Fund to be appropriated elsewhere.

Going forward, the Governor recommends annual reconciliations of all revolving funds and the placement of limits on the amount of money that can be stored in certain revolving funds in order to prevent agencies from accumulating unnecessarily large revolving fund balances. The Governor believes that, as the designated stewards of taxpayer resources, it is incumbent upon all government officials to

more closely scrutinize and account for all funds in the possession of state agencies, whether those funds are appropriated or non-appropriated.

Increased Authority for 1017 Fund

Based on reconciliation of the cash balance of the Education Reform Revolving Fund in cooperation with the State Department of Education, the Governor proposes to increase the authority to the Education Reform Revolving Fund by \$43.2 million. Over the past three years, this fund has received more revenue than the expenditure authority has allowed schools to spend. This fund provides a dedicated revenue stream to support Oklahoma school district operations, and this increased authority will allow schools to utilize all of the dollars that have been collected for this purpose.

Agency Appropriation Reductions

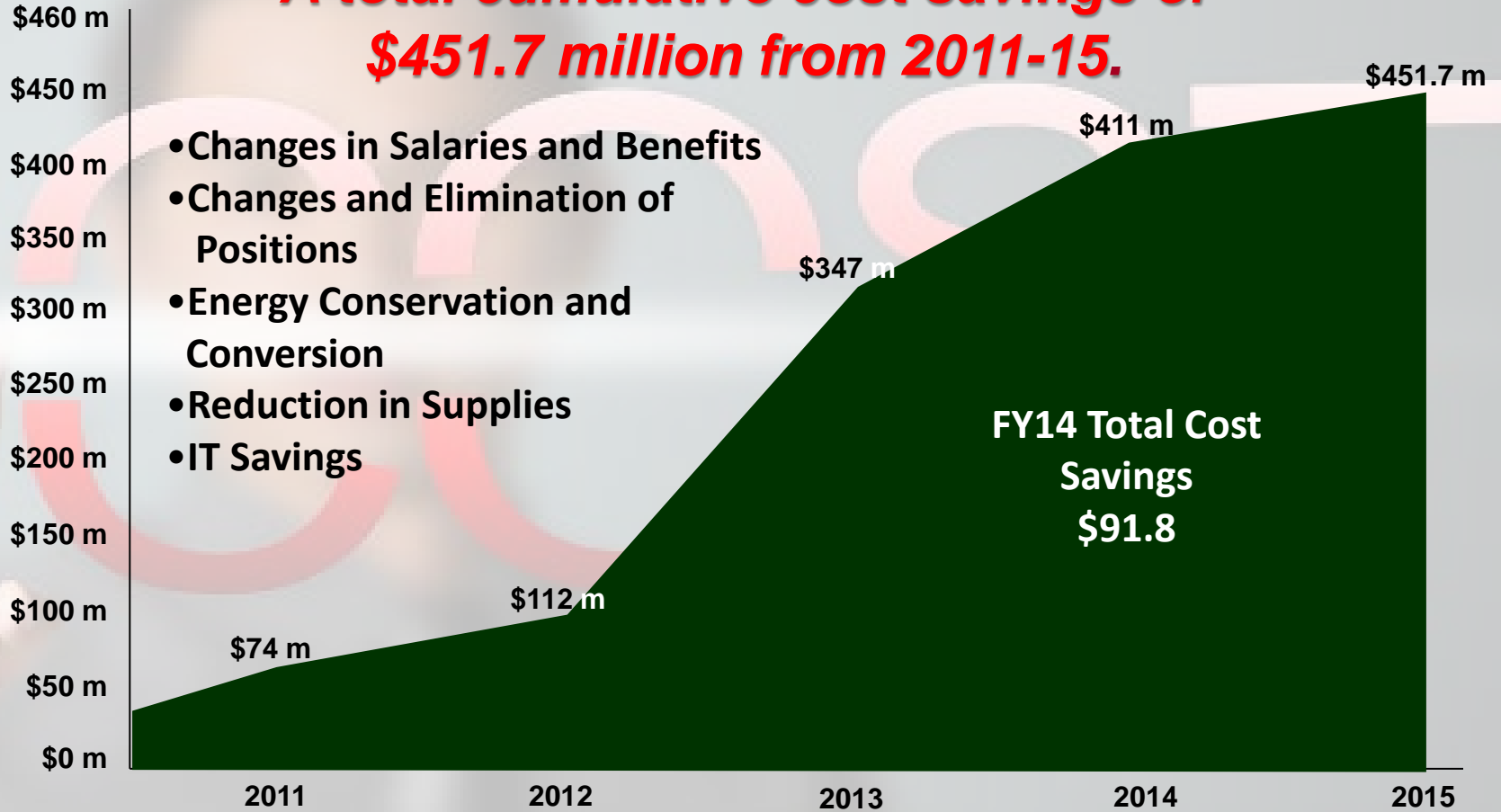
Other than the strategic appropriation proposals outlined above, the Governor proposes a 5 percent appropriation reduction for most agencies, and the removal of all remaining appropriated dollars (\$31,730) from the Consumer Credit Commission – requiring it to be self-funded through fees it collects.

Appropriation reductions are proposed for two reasons. First, the Board of Equalization determined there is \$170.8 million less available for appropriations for the purposes of this budget than was appropriated for the enacted FY-2014 appropriated state budget. Second, agencies have ample room to find efficiencies and utilize other resources, such as revolving funds, to potentially offset reduced appropriations. As long as agencies are committed to efficiency, a reduction as small as five percent is manageable and should not result in service interruptions in most cases.

As evident by the following savings achieved by the State Regents for Higher Education, agencies truly can find major efficiencies as they endeavor to be the best possible stewards of taxpayer resources.

Higher Education Cost Savings

A total cumulative cost savings of \$451.7 million from 2011-15.



FY-2015 Executive Budget

	FY-2014 Appropriation	FY-2014 One-Times	FY-2015 Adjustments	Final FY-2015 Budget Book	FY-2015 % Orig. FY-2014
Governor	\$2,172,900	\$0	-\$108,645	\$2,064,255	-5.0%
TOTAL GOVERNOR	\$2,172,900	\$0	-\$108,645	\$2,064,255	-5.0%
Lt. Governor	\$506,591	\$0	-\$25,330	\$481,261	-5.0%
TOTAL LT. GOVERNOR	\$506,591	\$0	-\$25,330	\$481,261	-5.0%
Agriculture, Department of	\$25,910,247	\$0	-\$1,295,512	\$24,614,735	-5.0%
Conservation Commission	\$10,461,684	\$0	-\$523,084	\$9,938,600	-5.0%
Horse Racing Commission	\$2,072,167	\$0	-\$103,608	\$1,968,559	-5.0%
TOTAL AGRICULTURE	\$38,444,098	\$0	-\$1,922,205	\$36,521,893	-5.0%
Commerce, Department of	\$32,573,212	\$0	-\$1,628,661	\$30,944,551	-5.0%
Labor, Department of	\$3,311,160	\$0	-\$165,558	\$3,145,602	-5.0%
TOTAL COMMERCE	\$35,884,372	\$0	-\$1,794,219	\$34,090,153	-5.0%
Career Technology Education	\$138,142,618	\$0	\$0	\$138,142,618	0.0%
Education, State Department of	\$2,407,604,082	\$0	\$50,000,000	\$2,457,604,082	2.1%
Educational Television Authority	\$3,822,328	\$0	-\$191,116	\$3,631,212	-5.0%
Education Quality & Accountability, Office of	\$661,271	\$0	\$1,198,062	\$1,859,333	181.2%
Higher Education, Regents for	\$988,549,007	\$0	-\$49,427,450	\$939,121,557	-5.0%
Physician Manpower Training	\$4,379,254	\$0	-\$218,963	\$4,160,291	-5.0%
Science and Math, School of	\$6,332,274	\$0	-\$316,614	\$6,015,660	-5.0%
Teacher Preparation, Comm.	\$1,526,179	\$0	-\$1,526,179	\$0	-100.0%
TOTAL EDUCATION and WORKFORCE DEVELOPMENT	\$3,551,017,013	\$0	-\$482,261	\$3,550,534,752	0.0%

FY-2015 Executive Budget

	FY-2014 Appropriation	FY-2014 One-Times	FY-2015 Adjustments	Final FY-2015 Budget Book	FY-2015 % Orig. FY-2014
Corporation Commission	\$11,324,427	\$0	-\$566,221	\$10,758,206	-5.0%
Environmental Quality, Department of	\$9,057,973	\$0	-\$452,899	\$8,605,074	-5.0%
Mines, Department of	\$879,139	\$0	-\$43,957	\$835,182	-5.0%
Water Resources Board	\$9,999,671	-\$3,000,000	-\$349,984	\$6,649,687	-5.0%
TOTAL ENERGY and ENVIRONMENT	\$31,261,210	-\$3,000,000	-\$1,413,061	\$26,848,150	-4.5%
Auditor and Inspector	\$4,706,986	\$0	-\$235,349	\$4,471,637	-5.0%
Bond Advisor	\$143,112	\$0	\$0	\$143,112	0.0%
Consumer Credit, Department	\$31,730	\$0	-\$31,730	\$0	-100.0%
Insurance Commissioner	\$1,871,937	\$0	-\$93,597	\$1,778,340	-5.0%
Land Office, Commissioners of	\$15,062,250	\$0	-\$6,022,050	\$9,040,200	-40.0%
Management and Enterprise Services	\$45,132,347	\$0	-\$2,256,617	\$42,875,730	-5.0%
Merit Protection Commission	\$490,967	\$0	-\$24,548	\$466,419	-5.0%
Tax Commission	\$46,915,944	\$0	-\$2,345,797	\$44,570,147	-5.0%
Treasurer	\$3,553,873	\$0	-\$177,694	\$3,376,179	-5.0%
TOTAL FINANCE, ADMINISTRATION and INFORMATION TECHNOLOGY	\$117,909,146	\$0	-\$11,187,383	\$106,721,763	-9.5%
Children and Youth, Commission	\$2,027,167	\$0	-\$101,358	\$1,925,809	-5.0%
Disability Concerns, Office of	\$317,607	\$0	-\$15,880	\$301,727	-5.0%
Health Care Authority	\$953,701,274	\$0	-\$47,685,064	\$906,016,210	-5.0%
Health, Department of	\$62,983,682	\$0	-\$3,149,184	\$59,834,498	-5.0%
Human Services, Department of	\$630,958,664	\$0	\$37,000,000	\$667,958,664	5.9%
J.D. McCarty Center	\$4,140,338	\$0	-\$207,017	\$3,933,321	-5.0%
Juvenile Affairs	\$98,187,205	\$0	-\$4,909,360	\$93,277,845	-5.0%
Mental Health & Substance Abuse	\$336,821,458	\$0	\$0	\$336,821,458	0.0%
OSU Medical Authority	\$13,000,000	\$0	-\$650,000	\$12,350,000	-5.0%
Rehabilitation Services, Depart.	\$30,949,232	\$0	-\$1,547,462	\$29,401,770	-5.0%
University Hospitals Authority	\$44,530,391	\$0	-\$2,226,520	\$42,303,871	-5.0%
TOTAL HEALTH and HUMAN SERVICES	\$2,177,617,018	\$0	-\$23,491,845	\$2,154,125,173	-1.1%

FY-2015 Executive Budget

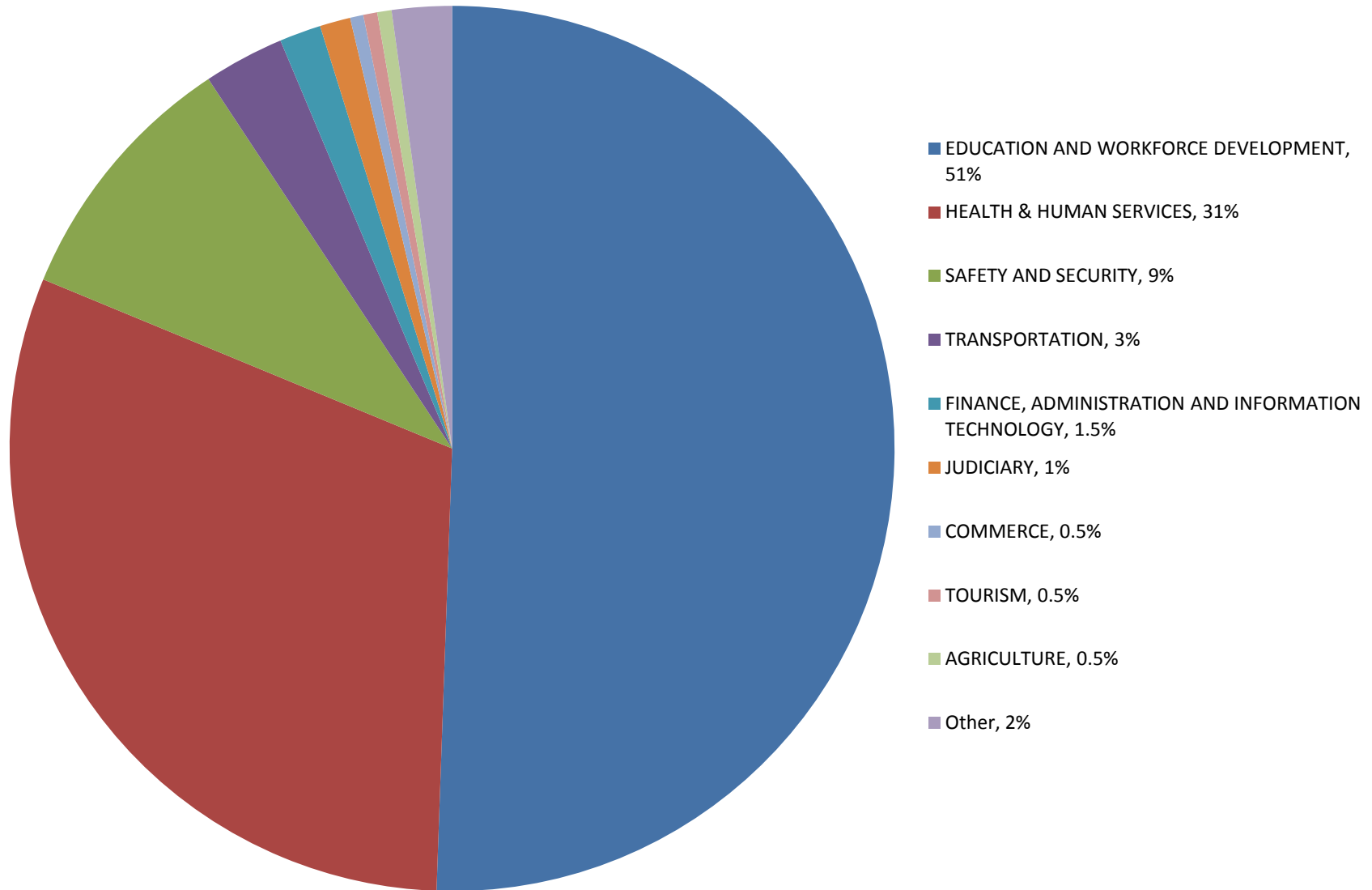
	FY-2014 Appropriation	FY-2014 One-Times	FY-2015 Adjustments	Final FY-2015 Budget Book	FY-2015 % Orig. FY-2014
Military, Department of	\$11,747,997	\$0	-\$587,400	\$11,160,597	-5.0%
TOTAL MILITARY	\$11,747,997	\$0	-\$587,400	\$11,160,597	-5.0%
ABLE	\$3,140,334	\$0	-\$157,017	\$2,983,317	-5.0%
Attorney General	\$15,228,141	-\$2,080,665	-\$657,374	\$12,490,102	-5.0%
Corrections, Department of	\$463,731,068	\$0	\$2,400,000	\$466,131,068	0.5%
District Attorneys and DAC	\$39,687,258	\$0	-\$1,984,363	\$37,702,895	-5.0%
Emergency Management	\$651,179	\$0	\$0	\$651,179	0.0%
Fire Marshal	\$1,796,764	\$0	-\$89,838	\$1,706,926	-5.0%
Homeland Security Director, Office Of	\$0	\$0	\$935,801	\$935,801	--
Indigent Defense System	\$15,699,353	\$0	-\$784,968	\$14,914,385	-5.0%
Investigation, State Bureau of	\$14,283,059	\$0	-\$714,153	\$13,568,906	-5.0%
CLEET	\$3,757,560	\$0	-\$187,878	\$3,569,682	-5.0%
Medicolegal Investigations	\$8,698,281	\$0	\$2,000,000	\$10,698,281	23.0%
OBNDD	\$3,616,418	\$0	-\$180,821	\$3,435,597	-5.0%
Pardon and Parole Board	\$2,292,454	\$0	-\$114,623	\$2,177,831	-5.0%
Public Safety, Department of	\$90,416,790	\$0	\$4,064,199	\$94,480,989	4.5%
TOTAL SAFETY and SECURITY	\$662,998,659	-\$2,080,665	\$4,528,966	\$665,446,960	0.7%
Science & Technology, Center for	\$17,811,449	\$0	-\$890,572	\$16,920,877	-5.0%
Space Industry Development Auth.	\$394,589	\$0	-\$19,729	\$374,860	-5.0%
TOTAL SCIENCE and TECHNOLOGY	\$18,206,038	\$0	-\$910,302	\$17,295,736	-5.0%
Election Board	\$7,805,808	\$0	-\$390,290	\$7,415,518	-5.0%
Ethics Commission	\$738,129	\$0	\$780,000	\$1,518,129	105.7%
Libraries, Department of	\$5,898,633	\$0	-\$294,932	\$5,603,701	-5.0%
Workers' Compensation Commission	\$5,747,166	\$0	-\$287,358	\$5,459,808	-5.0%
TOTAL SECRETARY OF STATE	\$20,189,736	\$0	-\$192,580	\$19,997,156	-1.0%

FY-2015 Executive Budget

	FY-2014 Appropriation	FY-2014 One-Times	FY-2015 Adjustments	Final FY-2015 Budget Book	FY-2015 % Orig. FY-2014
Arts Council	\$4,010,087	\$0	-\$4,010,087	\$0	-100.0%
Historical Society	\$12,502,546	\$0	-\$12,502,546	\$0	-100.0%
J.M. Davis Memorial Commission	\$306,009	\$0	-\$306,009	\$0	-100.0%
Scenic Rivers Comm.	\$271,315	\$0	-\$271,315	\$0	-100.0%
Tourism and Recreation, Department	\$21,803,003	\$0	\$14,065,726	\$35,868,729	64.5%
Will Rogers Memorial Comm.	\$740,486	\$0	-\$740,486	\$0	-100.0%
TOTAL TOURISM	\$39,633,446	\$0	-\$3,764,717	\$35,868,729	-9.5%
Transportation, Department of	\$208,707,119	\$0	-\$2,096,680	\$206,610,439	-1.0%
TOTAL TRANSPORTATION	\$208,707,119	\$0	-\$2,096,680	\$206,610,439	\$0
Veterans Affairs, Department of	\$35,698,752	\$0	-\$1,784,938	\$33,913,814	-5.0%
TOTAL VETERANS AFFAIRS	\$35,698,752	\$0	-\$1,784,938	\$33,913,814	-5.0%
House of Representatives	\$17,003,834	-\$1,429,152	-\$778,734	\$14,795,948	-5.0%
Legislative Service Bureau	\$9,892,835	-\$5,000,000	-\$244,642	\$4,648,193	-5.0%
Senate	\$13,171,789	-\$1,000,000	-\$608,589	\$11,563,200	-5.0%
TOTAL LEGISLATURE	\$40,068,458	-\$7,429,152	-\$1,631,965	\$31,007,341	-5.0%
Court of Criminal Appeals	\$3,634,631	\$0	-\$181,732	\$3,452,899	-5.0%
Court of Existing Claims	\$0	\$0	\$2,000,000	\$2,000,000	--
District Courts	\$59,600,000	\$0	-\$2,980,000	\$56,620,000	-5.0%
Supreme Court	\$17,300,000	\$0	-\$865,000	\$16,435,000	-5.0%
TOTAL JUDICIARY	\$80,534,631	\$0	-\$2,026,732	\$78,507,899	-2.5%
REAP	\$11,532,469	\$0	-\$576,623	\$10,955,846	-5.0%
Maintenance of State Buildings Revolving Fund	\$30,000,000	-\$30,000,000	\$0	\$0	0.0%
Total Appropriation	\$7,114,129,653	-\$42,509,817	-\$49,467,917	\$7,022,151,919	-1.3%

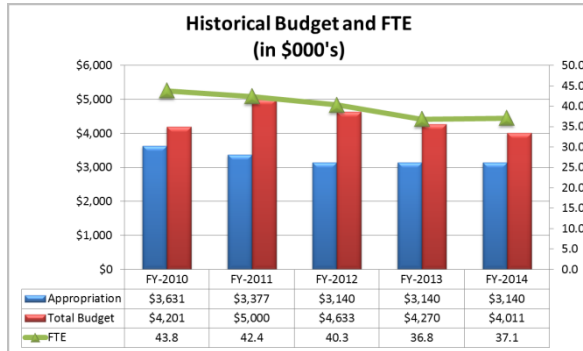
FY-2014 Certified Revenues	\$6,958,045,775
Revenue Adjustments	
Increased HB 1017 Funds	\$43,249,717
Revolving Fund Adjustments	\$83,000,000
Income Tax	
0.25% Individual Income Tax Reduction	-\$47,461,193
Total Revenue	\$7,036,834,299
Appropriations	\$7,022,151,919
Strategic Funding Increases	
Debt Service for the Capitol	\$7,680,000
Consolidated Maintenance of State Assets	\$2,000,000
Closing Fund	\$5,000,000
Total Expenditures	\$7,036,831,919
Total Difference	\$2,380

FY-2015 Budget by Cabinet



State Agency Information

Alcoholic Beverage Laws Enforcement Commission (ABLE) Safety and Security Cabinet



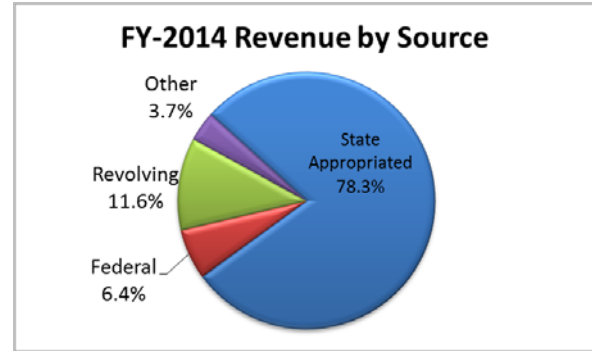
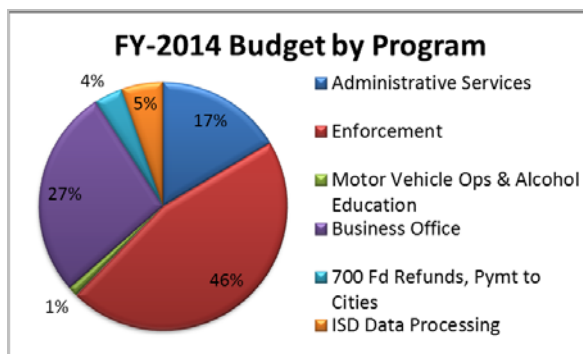
Mission

The mission of the Alcohol 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
- Motor Vehicle Ops
- Alcohol Education
- Business Office
- Payments to Cities
- ISD Data Processing

For more information about ABLE, visit [their website](#).



Accomplishments over Past Year

- Finalized a three year commitment to have FDA subsidize tobacco compliance checks through a Federal Grant;
- Continued to partner with the Department of Mental Health and Substance Abuse (DMHSA) to complete Synar compliance checks for prevention to Youth Access to Tobacco; and
- Supported and enhanced, through the 2Much2Lose (2M2L) project, efforts of state and local jurisdictions in prohibiting the sale, purchase and consumption of alcoholic beverages to and by youths under the age of 21.

Goals for Upcoming Year

- Strengthen the Oklahoma liquor, charity games, and prevention of youth access to tobacco laws while maintaining a business friendly environment;
- Work with the Oklahoma legislature to increase the number of times a charity organization can obtain a charity beer or wine event license;
- Create the "Charity Games Proceeds Protection Act" to protect charities, ensuring third party operators remit more proceeds to the charity organizations; and
- Create a permit through legislative action for salons and spas or any business to be able to offer complimentary alcoholic beverages.

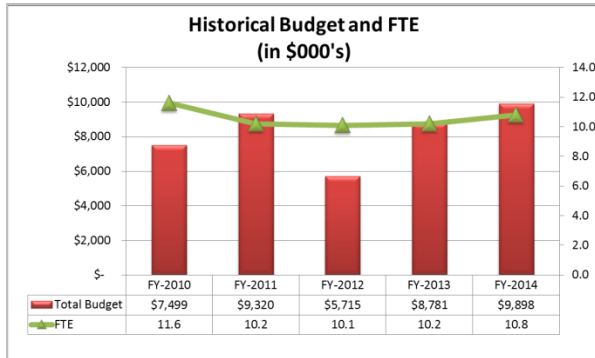
Major Agency Projects

Working with the Governor's Impaired Driving Prevention Advisory Council (GIDPAC) to reduce impaired driving traffic crashes in Oklahoma. The ABLE Commission will provide valuable assistance in collecting data for trace investigations to improve Oklahoma's ranking for impaired driving deaths.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Contracted IT Services with OMES;
- Replaced ABLE's General Counsel by contracting with the Oklahoma Attorney General to provide legal services, including General Counsel and prosecute case load; and
- Consolidated jobs (i.e., General Counsel is also the agency prosecutor, Director secretary and legal secretary, Human Resources Manager and Brand legislations, Director of Enforcement and Director of Administration).

Aeronautics Commission Transportation Cabinet



*Aeronautics is a non-appropriated agency.

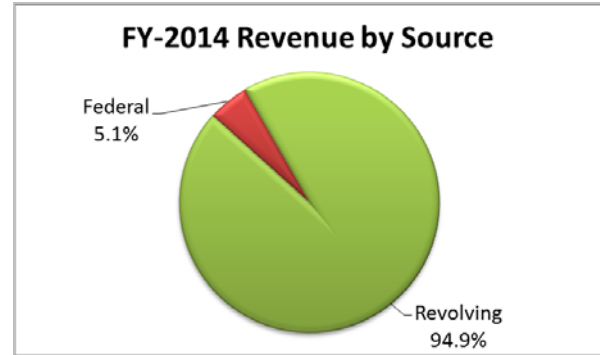
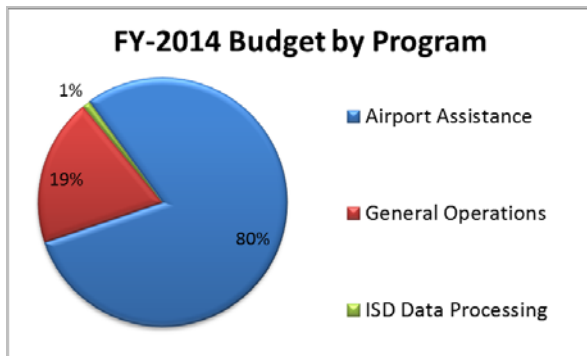
Mission

The mission of the Oklahoma Aeronautics Commission (OAC) is to promote aviation, which includes ensuring that the needs of commerce and communities across the state are met by the state's 110 public airports that comprise the Oklahoma Airport System and ensuring the viability of Oklahoma's aviation and aerospace industry.

Programs

- Airport Capital Improvement Planning, Programming and Engineering
- Aircraft Pilot & Passenger Protection Act (zoning regulation)
- Aviation & Aerospace Education Grants
- Center for Aerospace and Defense Supplier Quality (CADSQ)

For more information about OAC, visit [their website](#).



Accomplishments over Past Year

- Worked directly with the state's 97 federally designated General Aviation (GA) airports to guide them in developing their infrastructure development needs and to help them plan and program their airport infrastructure development projects. As a result, federal investment in the state's GA airport infrastructure totaled approximately \$21 million in FY 2013;
- Protected the state's public-use airports, including military airports, from encroaching incompatible development through administration of the Aircraft Pilot and Passenger Protection Act;
- Actively participated with a Federal Aviation Administration (FAA) task force on a two-year study to identify the classification and role of 2,952 general aviation airports across the nation, including Oklahoma's 97 GA airports in the FAA System;
- Completed a pilot program with the FAA to collect and host the environmental inventory for Oklahoma's airports on OAC's website;
- Supported legislation that changed the name of the Center for Aerospace Supplier Quality to the Center for Aerospace and Defense Supplier Quality (CADSQ) and expanded the focus of CADSQ from assisting small to medium-sized companies with the difficult challenge of doing business with the U.S. Air Force and its OEMs/prime contractors only, to assisting such companies in doing business with all the branches of the Department of Defense (i.e., Air Force, Army, Navy and Marines) and its prime contractors;
- Last year, CADSQ increased the number of companies receiving federal contracts from 28 to 30. The total number of federal contracts

awarded increased from 336 to 362, which increased the total value of the contracts from \$40 million to \$45.4 million; and

- To cut down on paper files, OAC, through the Office of Management and Enterprise Services (OMES) and a vendor on statewide contract, has completed scanning of a large portion of airport project files. These records are now accessible on the OMES server. The Commission plans to continue this process on other paper files.

Goals for Upcoming Year

- Complete the construction phase of extending runway 17/35 to 8,000 feet at Enid Woodring Regional Airport. The \$5.9 million runway extension, funded in large part by a \$2.5 million airport grant from OAC (the largest in OAC's history) is required for the safe operations of T-38 jet trainers used by the Air Force at Vance AFB. The runway extension will significantly help to BRAC-proof Vance by providing an alternative runway for T-38 operations in close proximity to the base.
- Construct a new terminal aircraft parking apron and south portion of west parallel taxiway system at Grove Municipal Airport at an estimated cost of \$2.2 million.
- Construct an asphalt overlay on runway 3/21 at the University of Oklahoma's Westheimer Airport and upgrade the safety areas beyond runway ends to comply with FAA standards at an estimated cost of \$2.5 million.
- Construct the first phase of a \$5 million project comprising the upgrade of airfield electrical systems and airfield signage and runway and taxiway improvements at Oklahoma City's Wiley Post Airport. The first phase is estimated to cost approximately \$1.3 million.
- Work with FAA and airport sponsors of Oklahoma's 97 federally designated and 12 state-only funded GA airports to ensure that projects identified in the CIP and the airports' ACIP qualify for federal and state funding, and provide implementation oversight for these needed improvements to the state's aviation infrastructure in a timely manner. The state is eligible to receive federal funding of approximately \$22 million in FY-2015.

- Implement a web-based grants administration program to facilitate efficient, transparent and timely approval of pay requests from municipalities (airport sponsors) for infrastructure projects.
- Upgrade OAC's ground-breaking airport asset management system, including the integration of a Geographical Information System (GIS) to aid in dissemination of diverse types of information to stakeholders.

Major Agency Projects

List of major projects completed in FY-2013:

- Clarence E. Page (Yukon) – Installed taxiway lights and signage, reconstructed approximately 604 ft. of runway 17L, and rehabilitated runway 17R/35L. Estimated cost - \$2.7 million;
- Davis Field (Muskogee) - Constructed a new terminal building and rehabilitated the parallel taxiway to runway 13/31. Estimated cost - \$3.6 million; and
- William R Pogue Airport (Sand Springs) – Rehabilitate runway 17/35, taxiway pavements and apron pavements as well as constructed taxilane for new hangar development. Estimated cost - \$4 million.

Major FY-2013 projects that were granted federal and/or state funds where construction is currently in progress:

- Rehabilitation of runway 17/35 and extension of the parallel taxiway at Miami Municipal Airport at an estimated cost of \$2.7 million;
- Construction of the north portion of the parallel taxiway system for runway 02/20 at McCurtain County Regional Airport (Idabel) and rehabilitation of the connecting taxiway. Estimated cost - \$2.6 million;
- Rehabilitation of runway 17/35 and extension of the parallel taxiway system at Miami Municipal Airport. Estimated cost - \$2.2 million; and
- Construction of a new airport at Okemah at an estimated cost of \$1.4 million.

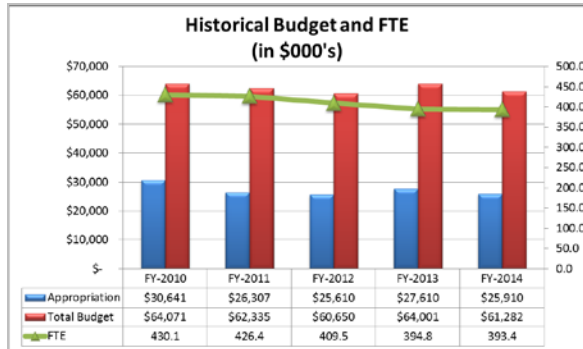
Savings, Efficiencies and Shared Services in FY-2014

- Saved \$1,383 on airline and hotels by utilizing internet vs. government rate, and another

\$1,189 by using comparison shopping for a total cost savings of \$2,572 in FY 2013;

- Pavement maintenance projects at Clinton Regional, Seminole Municipal, Chattanooga Municipal, and Pawhuska Municipal airports were designed and administered by OAC staff which eliminated the need for these communities to hire engineering consultants to accomplish these improvements;
- Technical assistance from OAC's Engineering Division staff has helped to reduce costs at McCurtain County Regional Airport; and
- OAC began preparing preliminary engineering reports beginning this year for all projects identified in the agency's CIP. This move allows limited federal and state airport funding to be used for actual construction of the projects and not preliminary engineering.

Agriculture, Food & Forestry, Department of (ODAFF) Agriculture Cabinet



Mission

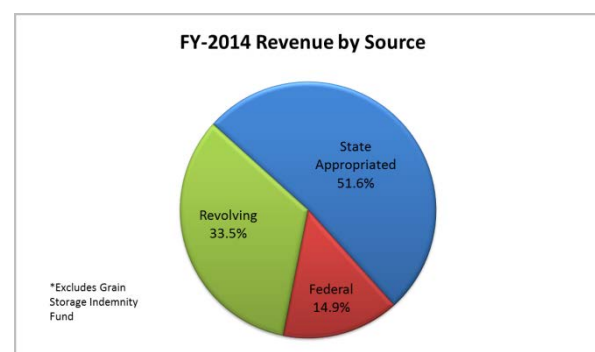
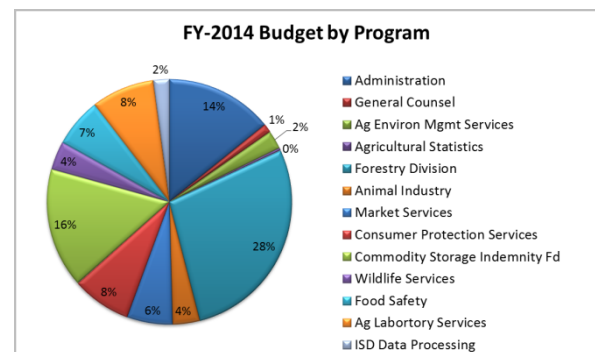
The Oklahoma Department of Agriculture, Food and Forestry's (ODAFF) mission is to look at agriculture with a vision of what it will be in the next 100 years. ODAFF is responsible for increasing the value of agriculture products and enhancing the value of life in rural communities. In addition, ODAFF provides for the development of the state's food and fiber resources in a manner that always protect 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
- Investigative Services Unit
- Forestry Services:
 - Wildfires
 - Rural Fire Defense
 - Eastern Redcedar Registry Board
 - Operational Grants, 80/20 Grants
 - Forest Stewardship and Inventory
 - Forest Resource Assessment and Strategy
 - Forest Regeneration
 - Conservation of Forested Lands

- Urban Forestry
- Forestry Education
- Animal Industry Services
- Consumer Protection Services (CPS):
 - Asian Gypsy Moth Tracking
 - Pesticide Applicator Licenses
 - Pesticide Disposal
- Wildlife Services;
 - Feral Swine Program
 - Bird Strike Prevention at Major Airports
- Forestry Education
- Food Safety:
 - Dairy Section
 - Meat & Poultry Inspection
 - Meat Inspection Compliance
 - Organic Food Section
 - Poultry & Egg Section
- Agricultural Laboratory Services
- Market Development Services:
 - Farm to School
 - Plasticulture
 - Ag in the Classroom
 - Made in Oklahoma Program

For more information about ODAFF, visit [their website](#).



Accomplishments over Past Year

- Coordinated both large and small animal response to the May 2013 tornadoes;
- Worked with other state agencies to remove streams from the EPA 303(d) list;
- Implemented agency Wellness Challenge resulting in increased health awareness throughout agency staff;
- Increased Firewise Communities statewide to 51 making OK third per capita in the nation for Firewise Communities;
- Transitioned agency vehicles to CNG; and
- Inspected and licensed all dog breeding facilities in the state during first year of responsibility.

Goals for Upcoming Year

- Transition to a paperless workplace;
- Increase energy savings in all ODAFF locations statewide;
- Increase dialogue with producers to promote education over enforcement;
- Transition agency fleet vehicles to alternative fuel vehicles;
- Increase agricultural exports to other states as well as internationally; and
- Increase food safety education and access to markets for producers.

Major Agency Projects

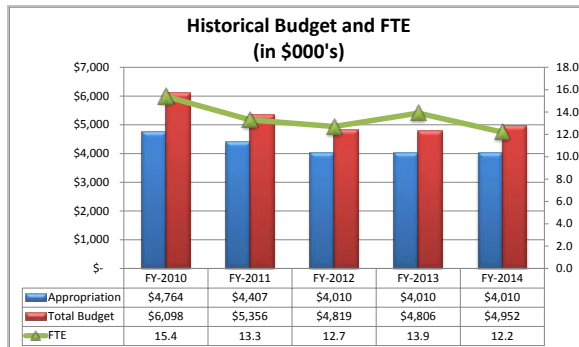
- Completing renovation of third floor of ODAFF building;
- Conversion to PeopleSoft Time and Labor;
- Increasing use of shared services;
- Initiating online licensing ; and
- Scanning all documents using Laserfiche document management / paperless workplace.

Savings, Efficiencies and Shared Services in FY-2014

- Forestry Division increased inmate labor at the Goldsby regeneration farm, which equals a savings of \$100,000 on temporary labor.
- Forestry Division began reconfiguring four Federal Excess Property Defense Department Class 8 Trucks to be utilized as transports for the Division's firefighting bulldozers. Total cost for the reconfiguration of the four units is expected to be lower than the purchase cost of one new Class 8 transport.
- The ODAFF Laboratory:

- Modified analytical methods to reduce helium use by approximately 75percent. Not only did these efforts reduce costs by substituting costly specialty gases with efficient abundant gases, but they also helped mitigate current supply risks associated with helium. Additionally, the laboratory utilized gas generators to reduce specialty gas tank reliance and costs as well and minimized safety risk associated with compressed gas cylinders.
- Utilized webinars and on-site training courses to maximize training efficiency and reduce travel and essential training costs.
- Continued replacing the failing Laboratory Information Management System (LIMS) at the using grant funds, negating the need to utilize state dollars.
- Used re-furbished computers with surplus property to replace obsolete, failed and/or legacy computers.
- The ODAFF Food Safety Division utilized funds from an FDA grant to purchase laptop computers for the egg and dairy inspection field personnel.
- All egg inspections done by the Food Safety Division were conducted and submitted electronically.
- Market Development replaced 25,000 pieces of mail with 25 emails, which saved \$19,850.
- Consolidated printer and heavy office equipment contracts to one vendor.
- Actively pursued exceptions for purchasing when vendor prices were above available market.
- Purchased slightly used vehicles from other state agencies as opposed to purchasing new vehicles.
- Increased traceability within Animal Industry Division by scanning of Certificates of Veterinary Inspection.
- The Animal Industry Division collected more cattle ID data from livestock markets in an electronic format allowing for easy transfer to the USA Herds program. This saved time and money from the prior procedure of data entry by hand.

Arts Council Tourism Cabinet



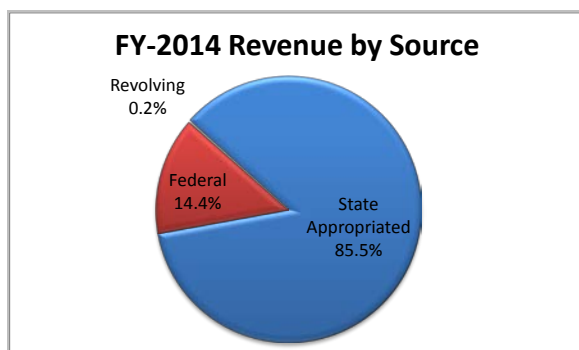
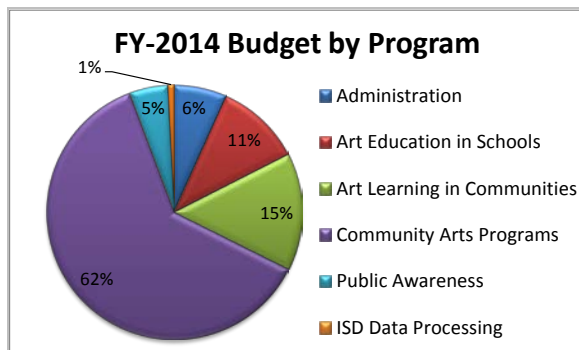
Mission

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

Programs

- Arts Education in Schools
- Arts Learning in Communities
- Community Arts Programs

For more information about OAC, visit [their website](#).



Accomplishments over Past Year

Supported a thriving arts and cultural industry:

- Grants - Provided 553 grants to 301 organizations and schools in 101 communities across the state. Funded programs must be matched with private dollars and are vetted through a rigorous review process.

Developed a robust cultural infrastructure:

- Oklahoma Arts Conference: convened over 370 individuals from 56 communities and provided professional training for community developers, local government officials, arts managers and artists;
- Leadership Arts: provided in-depth workshops and curriculum for 30 individuals from communities across the state for a total of 176 graduates since 2008;
- Cultural District Initiative: launched pilot program to initiate, support, and develop cultural districts statewide. Through grants, professional consultation and council oversight, communities learn to identify and leverage local arts and cultural assets for economic development. Successfully facilitated the development of a cultural district plan in Alva, population 4,945 (2010 Census), and
- Arts and Health: organized a meeting with art therapists to educate them about grants and programs and to harness the power of the arts to improve mental health and overall health outcomes.

Educated Oklahoma's creative workforce

- School-based: served 807 school sites across the state through school-based grants and programs, an increase of nearly 100 sites over FY-2012. Provided 2,360 teachers with arts education and arts integration instruction, an increase of 260 teachers over the previous year;
- Community-based: served 63,626 participants in 521 sites statewide through after-school programs, summer arts camps, adult art programs, senior adult programs, and programs for individuals with special needs;
- Agra School District: distributed matching funds for an arts education specialist to a district without any visual arts instruction; and
- *Teaching with Capitol Art*: improved online educational resources by employing a

searchable database of thematic lessons and activities based on the Capitol Art Collection.

Preserved Oklahoma's History and Culture:

- Facilitated the commissioning and addition of two works of art to the Capitol Art Collection:
 - Replaced harmful lighting on four historical paintings with energy-efficient LED light bulbs;
- Organized and curated 18 rotating gallery exhibits that provided access to exceptional Oklahoma artists at the Capitol;
- Curated and maintained the State Art Collection of over 200 works of art, rotating selected pieces into the gallery;
- Initiated an overhaul of the Capitol self-guided tour brochure with the Department of Tourism.
- Completed two online databases: one of the State Art Collection and one of the Capitol Art Collection; and
- Participated in a consortium to organize a statewide celebration of renowned Oklahoma artist Allan Houser, to include exhibiting five works on the Capitol grounds.

Goals for Upcoming Year

- Support Oklahoma's \$314 million nonprofit arts and cultural industry by providing matching grants to organizations for cultural events across the state, impacting job growth and economic development, enriching our quality of life, and elevating Oklahoma's image;
- Develop a robust cultural infrastructure through service programs that provide networking opportunities and professional development training in organizational management and community development:
 - Convene the Oklahoma Arts Conference in Norman, Oklahoma in 2014, to provide training and professional development opportunities to over 300 Oklahoma nonprofit managers, artists, civic leaders community developers, and educators;
 - Recruit and train next Leadership Arts class regarding the economic and educational benefits of arts and culture for their communities; and
 - Continue Cultural District Development Program by expanding reach to additional communities. Begin Cultural District Certification Program to recognize existing cultural districts.
- Educate Oklahoma's future creative workforce:

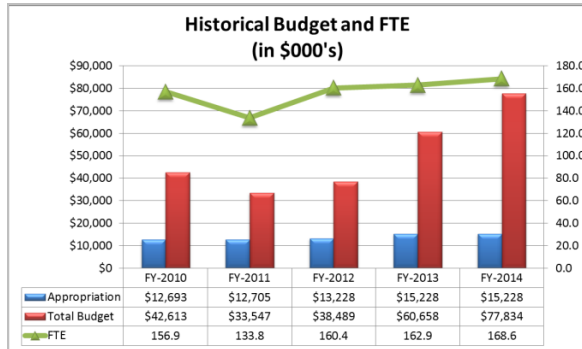
- Develop a minimum of 12 additional online resources using the Capitol Art Collection to complete the *Teaching with Art* curriculum;
- Provide matching grants for lifelong arts education programs that support critical thinking and problem solving skills for people of all ages and abilities; and
- Begin writing curriculum based on the State Art Collection. Curriculum will include 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:
 - Develop educational content based on Capitol Art Collection and State Art Collection for the Capitol's media wall;
 - Provide information regarding relocation and protection of artwork for renovations of the Capitol, as needed; and
 - Streamline exhibition calendar to allow for more effective promotion of Capitol gallery exhibitions.

Savings, Efficiencies and Shared Services in FY-2014

Strategies that have been implemented and continue to allow the Arts Council to be a highly efficient and effective agency include:

- IT services (data storage, email and PC maintenance, etc.) provided by OMES;
- Installed LED lighting for Capitol artwork to save energy costs and protect priceless artwork;
- Online grant application and panel review system;
- Used teleconferencing for grant application panel review to reduce travel costs;
- Limited use of print publications with focus on leveraging digital communications for cost effectiveness and in-house printing; and
- Continued ongoing review of publishing, marketing and other communication processes to identify redundancies and determine modular approaches for efficiency.

Attorney General, Office of the (OAG) Safety and Security Cabinet



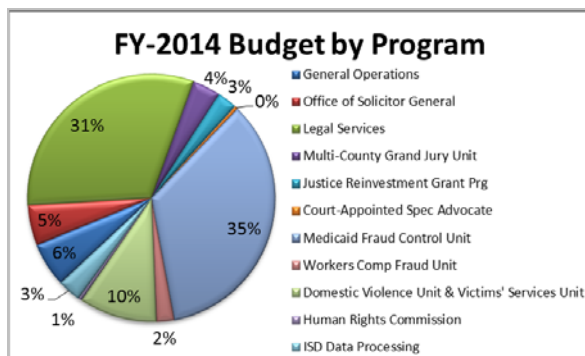
Mission

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.

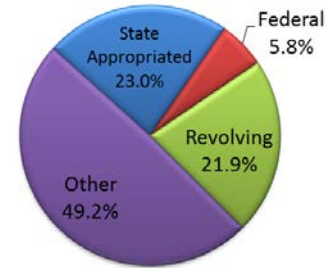
Programs

- General Operations
- Office of Solicitor General
- Legal Services
- Multi-County Grand Jury Unit
- Justice Reinvestment Grant Program
- Court-Appointed Special Advocate
- Medicaid Fraud Control Unit
- Workers Compensation Fraud Unit
- Domestic Violence Unit
- Victims' Services Unit
- ISD Data Processing
- Human Rights Commission

For more information about OAG, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- OAG's Federalism Unit used a dedicated Solicitor General to representing the state where the Federal government overreached its authority and encroached on the state's ability to craft solutions as provided under the law.
- OAG successfully represented the state in numerous litigation matters, resolving 475 cases through the Litigation Unit. The Office increased representation to 95 state agencies, commissions and boards through the General Counsel Unit, including free legal counsel to entities such as the Child Death Review Board, the Crime Victims Compensation Board and the State Election Board. General Counsel also served as hearing officer or administrative law judge for nine other agencies.
- The Public Protection Unit collected more than \$31,000 for fraud victims through restitution and received and processed more than 5,000 written consumer complaints with 1,100 of those related to mortgage issues. The Unit received more than 800 complaints through OAG's Office of Civil Rights Enforcement and conducted seven civil rights seminars. The Unit recovered in excess of \$44,500 for Oklahoma consumers and taxpayers and made additional direct payments of \$3.7 million to more than 300 Oklahomans from the Oklahoma Mortgage Settlement Fund.
- The Medicaid Fraud Control Unit (MFCU), which investigates and prosecutes Medicaid fraud and abuse in Medicaid nursing facilities, opened 132 cases in 2013 and returned more than \$14 million to the Oklahoma Health Care Authority. Along with a polygraph examiner, the MFCU added a certified forensic computer examiner and is developing additional data-driven investigative strategies.

- The 14th Multicounty Grand Jury (MCGJ) led by advisers assisted 97 federal, state and local law enforcement agencies and issued 1,430 subpoenas. As of Dec. 31, the 14th MCGJ had returned 11 indictments and helped solve two cold-case homicides. The 14th MCGJ reconvened on January 21, 2014.
- The OAG's Workers' Compensation and Insurance Fraud Unit processed more than 1,400 complaints, filed criminal charges against 28 defendants and conducted 416 investigations. The Unit helped save \$23 million in Social Security benefits last year.
- OAG issued 26 Attorney General Opinions, providing legal guidance to legislators, policy makers and the public.
- The Criminal Appeals Unit filed 387 briefs in state court and 154 in federal appellate courts. 95 percent of cases defended by the Unit were upheld.
- The Public Utility Unit represented Oklahoma ratepayers in more than 50 cases before the Oklahoma Corporation Commission. The cases involved utility rates, fuel adjustment, utility energy efficiency and OCC enforcement that involved allegations of fraud concerning the state and federal Lifeline Program.
- The Victim Services Unit worked to bolster awareness of available resources for victims of crime, their families, law enforcement and the public. Specifically, the Victim Identification and Notification Everyday (VINE) program provided a free notification system via telephone, e-mail and text to notify victims of crime, in particular, on the movement or release of inmates. In the past year, there were 53,900 new registrations for VINE, and more than 39,800 users of a new mobile VINE app. OAG also served more than 13,000 women, men and children through OAG-certified domestic violence and sexual assault programs.

Goals for Upcoming Year

To effectively administer and improve upon the ongoing Safe Oklahoma Law Enforcement Grant program.

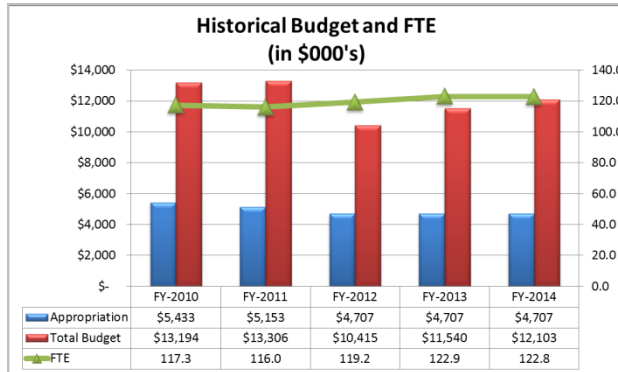
Major Agency Projects

Protection of the interests of the State of Oklahoma and its citizens through exemplary defense of the law and efforts designed to bolster consumer protection and the reduction of violent crime.

Savings, Efficiencies and Shared Services in FY-2014

- The OAG continued to perform the responsibilities once held by the Human Rights Commission through the Office of Civil Rights Enforcement. The agency assumed the same responsibilities with a fraction of the personnel. The unit included one attorney and three investigators, down from the previous agency's 22 positions.
- The General Counsel Unit continued to expand its role in the representation of state agencies. By utilizing the OAG, those agencies received quality representation without the need to pay the salary and benefits of a full time lawyer; nor were they reliant on outside counsel. New contracts over the past year saved the state approximately \$1,000 per hour in attorney fees.
- OAG used the OMES Core system for payroll, financial accounting and human resources. Additionally the office utilized the OMES Fleet Management system.

Auditor & Inspector, State (SAI) Finance, Administration & Information Technology Cabinet



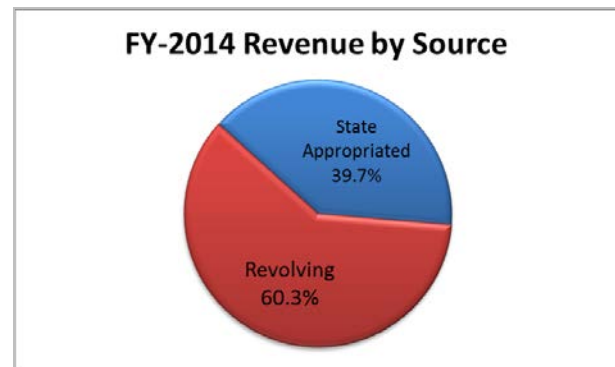
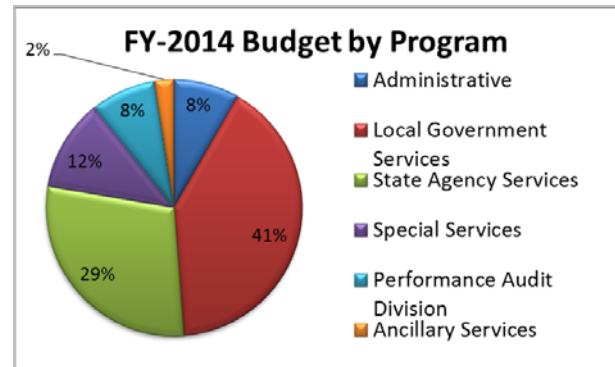
Mission

The mission of the State Auditor & Inspector (SAI) is to independently serve the citizens of Oklahoma by promoting accountability and fiscal integrity in state and local government. We best accomplish this by valuing professionalism in our staff and the completion of our audit work in accordance with established professional standards.

Programs

- Local Government Services:
 - Management Services
 - County Audit Services
 - Investigative Services
- State Agency Services:
 - Financial Audit Services
 - Performance Audit Services
 - IT Support and Audits
 - Group Insurance Audit Services
- Special Services:
 - Gaming
 - Horse Racing
 - Minerals Management
 - Quality Control and Audit Review
 - Training and Continuing Education
 - Board of Equalization Support
 - Pension Commission Support
- Ancillary Services:
 - Commission on County Government

For information about the State Auditor & Inspector, visit [their website](#).



Accomplishments over Past Year

- Developed a plan to clear a multi-year backlog of county audits. This backlog was inherited by the current State Auditor and was caused by counties being non-compliant with the preparation of financial statements and the annual schedule of expenditures of federal awards.
- Because of changes in Government Auditing Standards, the Auditor's Office can no longer prepare a county's financial statements and also provide them auditing services without being in violation of standards. Some counties did not have the technical expertise to compile financial statements, so regional training was provided to assist with the compilation of each county's financial statements.
- SAI incorporated operational audits for counties. An operational audit is designed to identify weaknesses in operations and financial practices. It also helps counties put in place procedures that comply with law.

As a result of these accomplishments, the Auditor's Office has been able to maximize resources and efficiently produce quality audits to better serve the taxpayers.

Goals for Upcoming Year

It is SAI's goal to enhance its Performance Audit Division by encouraging the acceptance of performance audits throughout state government. A Performance Audit reviews the effectiveness and efficiency of a government entity. It can focus on internal controls to ensure reliable reporting and the protection of public assets. It may review an entity's programs and procedures to ensure the most cost-effective delivery of public services. It may also review the performance of a particular government program. Performance Audits must be performed independently and in accordance with generally accepted government auditing standards.

Major Agency Projects

- Perform audits and prescribe bookkeeping systems as required by law [OK Constitution, Article 6 § 19];
- Annually audit operations of the state's Emergency Medical Service Districts as required by law [OK Constitution, Article 10 § 9C];
- Establish accounting procedures and forms and provide assistance to counties and other local governments; and
- Conduct audits of almost all state agencies, boards and commissions, and perform special investigative audits when requested by certain officials or citizen petition.

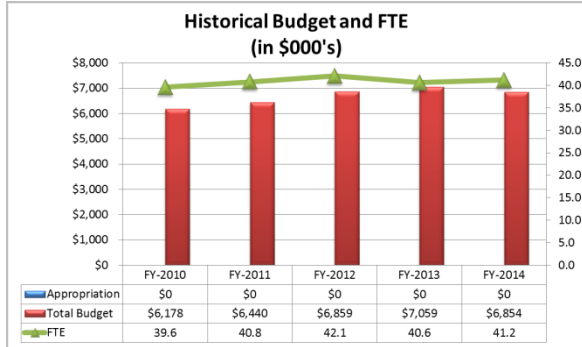
Savings, Efficiencies and Shared Services in FY-2014

- Relocated State Agency Audit Division closer to the Capitol, resulting in decreased travel and rental costs.
- Required electronic reporting of selected government entity reports, as mandated by Oklahoma Statutes, Title 74, Section 2128 (HB 1207 of the 2011 Legislative Session). Making these reports available on the SAI website resulted in decreased costs and greater transparency and accountability.
- Provided an optional online payment system to accommodate payment of required fees.
- Established a toll-free hotline (1-800-Fraud-No) for reporting of suspected fraud by both citizens and government employees. This was in response to the millions of dollars of fraud, waste, abuse, and embezzlement of public funds

in recent years within Oklahoma governmental entities.

- Redesigned online reporting form to help better assess presence of fraud in public complaints.
- Trained counties on requirements of OMB Circular A-133, which requires counties to notify the SAI of federal fund expenditures above \$500,000. This eliminated unnecessary steps in the audit process, creating greater efficiency.
- Worked with citizens, independent auditors and city officials to address concerns and avoid costly investigative audits. Previously, these audits would cost tens of thousands of taxpayer dollars.

Banking Department Finance, Administration, and Information Technology Cabinet



*Banking Department is a non-appropriated agency

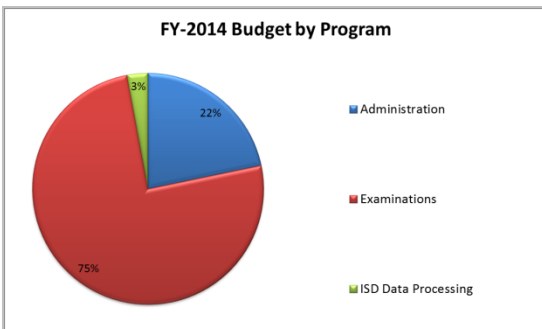
Mission

The State Banking Department allocates resources to implement an effective regulatory program for financial institutions. The primary focus is to ensure safe and sound financial practices in the state's financial institutions.

Programs

- Examinations:
 - Banks
 - Savings and loan associations
 - Credit unions
 - Trust companies
 - Money order companies
 - Money transmitter companies

For more information about the Oklahoma Banking Department, visit [their website](#).



100 percent of the funding for the Banking Department comes from agency revolving funds.

Accomplishments over Past Year

- Maintained a safe and sound financial industry;

- Increased the assets supervised under the Oklahoma state banking system;
- Lowered assessments on the industry in an effort to stimulate community lending; and
- Participated in the National Mortgage Licensing System and Registry for one-stop online processing of money transmitter licensing.

Goals for Upcoming Year

- Participate in the federal rule-making process and pursue a reduction in regulatory burden on community financial institutions;
- Improve upon efficiencies for delivering services and supervising the banking and money service business industries; and
- Renew the Department's accreditation through the Conference of State Bank Supervisors.

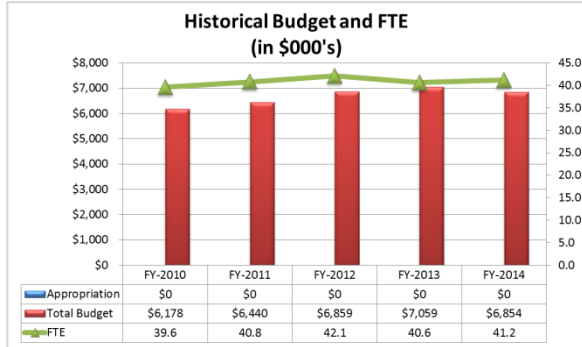
Major Agency Projects

- Examining ways to be more customer and industry-friendly while maintaining the safety and soundness of the financial industry; and
- Utilizing services offered by the Office of Management and Enterprise Services (OMES) to implement new technology that will enable us to improve communications and better serve our clients.

Savings, Efficiencies and Shared Services in FY-2014

- Began accepting Money Transmitter renewal fees electronically; and
- Lowered assessment rates for state-chartered banks and credit unions by 10percent to 15percent for the third consecutive year.

Banking Department Finance, Administration, and Information Technology Cabinet



*Banking Department is a non-appropriated agency

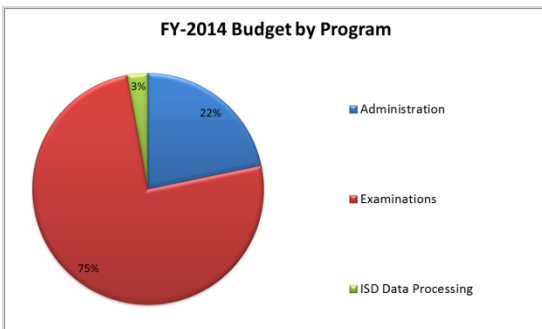
Mission

The State Banking Department allocates resources to implement an effective regulatory program for financial institutions. The primary focus is to ensure safe and sound financial practices in the state's financial institutions.

Programs

- Examinations:
 - Banks
 - Savings and loan associations
 - Credit unions
 - Trust companies
 - Money order companies
 - Money transmitter companies

For more information about the Oklahoma Banking Department, visit [their website](#).



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Accomplishments over Past Year

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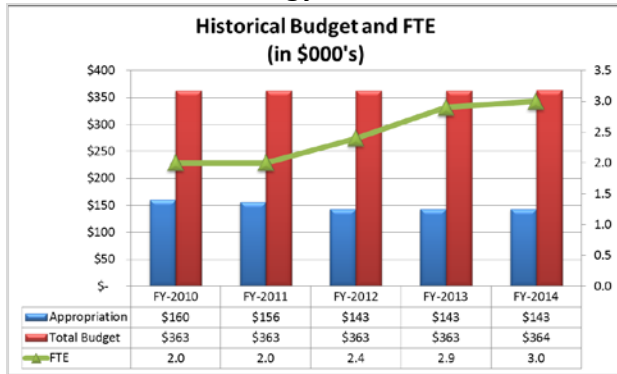
Major Agency Projects

- Examining ways to be more customer and industry-friendly while maintaining the safety and soundness of the financial industry; and
- Utilizing services offered by the Office of Management and Enterprise Services (OMES) to implement new technology that will enable us to improve communications and better serve our clients.

Savings, Efficiencies and Shared Services in FY-2014

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**Bond Advisor
Finance, Administration, & Information
Technology Cabinet**

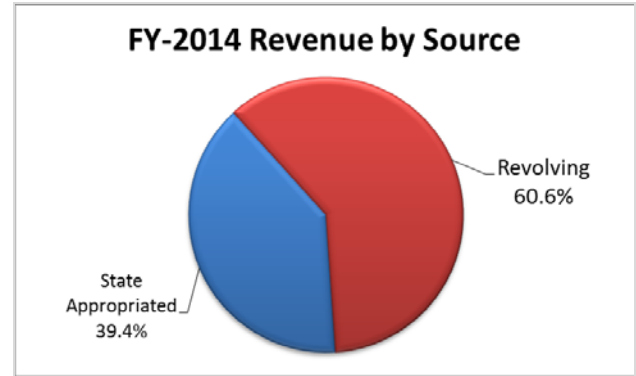
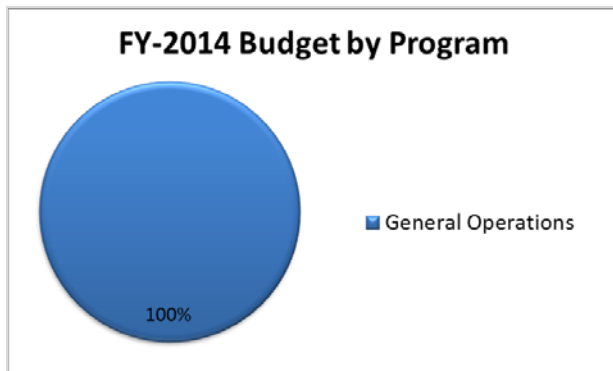


Mission

- Assist the Governor and Legislature with the oversight and management of the State's indebtedness;
- Help State agencies, authorities, trusts and institutions of higher education finance their capital needs in an efficient and cost-effective manner;
- Provide timely and accurate information regarding the State's credit quality to the rating agencies, credit enhancement providers, and the investment community;
- Administer the Private Activity Bond Allocation Act and;
- Serve as staff to the Council of Bond Oversight.

Programs

For information about the State Bond Advisor's programs, visit [their website](#).



Accomplishments over Past Year

- Assisted multiple issuers with bond refundings and advance refundings to realize debt service savings;
- Developed and participated in a training program for State issuers that included representatives of the Municipal Securities Rulemaking Board.

Goals for Upcoming Year

- Continue to monitor and carry out refundings that reduce annual debt service costs for State issuers.
- Assist issuers in compliance with new federal rules and regulations.

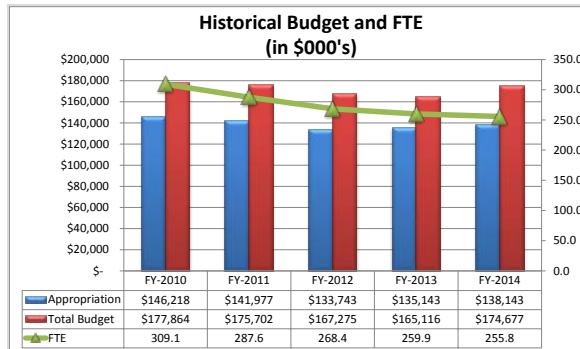
Major Agency Projects

- Working with the Oklahoma Development Finance Authority and the State Regents for Higher Education to address the backlog of projects in the Master Lease Programs.
- Completing the refunding program outlined by the Oklahoma Capitol Improvement Authority's Board (to the extent reasonable levels of savings can be obtained).

Savings, Efficiencies and Shared Services in FY-2014

Secured millions of dollars of debt service savings during the first half of 2013, when interest rates were at or near record lows.

Career & Technology Education, Department of (Careertech) Education & Workforce Development Cabinet



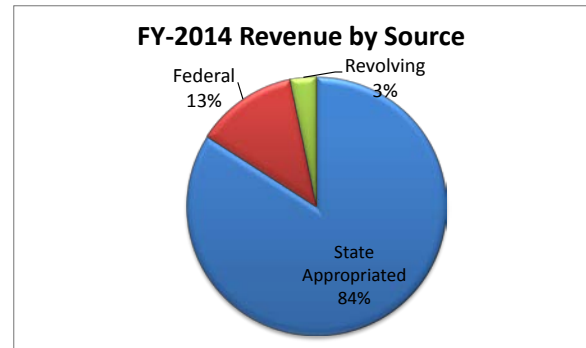
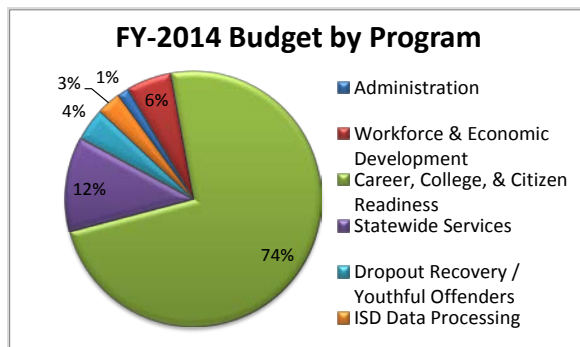
Mission

The Department of Career & Technology Education’s (CareerTech) mission is: “A job for every Oklahoman and a workforce for every company.”

Programs

- Workforce & Economic Development
- Career, College & Citizen Readiness
- Dropout Recovery/Youthful Offenders

For more information about CareerTech, visit [their website](#).



Accomplishments over Past Year

- Completed a statewide CareerTech system assessment;
- Implemented seven strategic purposes and 16 major processes;
- Reorganized agency to focus on the strategic purposes and the major processes;
- Obtained 92.57percent placement rate (employed, continued education, and military) for FY-2012 completers in technology center programs;
- Achieved 149,501 total CareerTech secondary enrollments in comprehensive schools and technology center programs ;
- Graduated 95percent of high school seniors who enrolled in CareerTech programs graduated from high school;
- Assisted 386 dropout recovery “completers” (GED & HS Diploma);
- Served 7,274 total businesses through Business & Industry Services;
- Surpassed 3,700 Training in Industry Program new job slots, with an\$18.30/hr average wage;
- Issued 14,432 WorkKeys Career Readiness Certifications;
- Awarded \$149.3 million Bid Assistance Contracts; and
- Achieved 84percent customer satisfaction.

Goals for Upcoming Year

- Implement performance funding;
- Establish career development;
- Upgrade information management system;
- Design and deploy digital curriculum;
- Establish enterprise workforce development;
- Expand ecosystem industry certification;
- Expand career readiness; and
- CareerTech Branding.

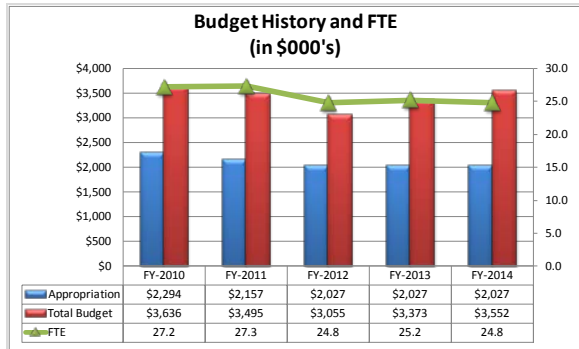
Major Agency Projects

- Career Development: assuring youth and adults have the resources to know their career choices and helping them choose a career based on their passions;
- Performance Funding: assuring Oklahoma taxpayers get a real return on their tax investments by requiring schools to meet clearly defined expectations for student success before receiving additional state dollars;
- Upgrading Information System: assuring schools, state agencies, system partners and the public will have accurate, timely information about CareerTech's capacity, quality, cost-effectiveness and performance;
- Career Readiness Expansion: assuring Oklahomans have the ability to analyze issues, resolve problems, work well with others and adapt to complex work environments. It will also enhance students' creativity, problem-solving and critical thinking skills;
- Ecosystem Industry Certification Expansion: focusing on increasing the number of individuals obtaining industry-recognized credentials to create a well-trained workforce that can grow Oklahoma's state and regional ecosystems;
- Enterprise Workforce Development Establishment: specifically targeting major employers in wealth-building economic ecosystems to create a unified training system that brings together all parts of CareerTech's professional services to attract and support large employers;
- Digital Curriculum Design and Deployment: assuring the educational system is fully prepared for and able to benefit from the disruptive innovation occurring in educational technology and digital content; and
- CareerTech Branding: assuring Oklahoma companies and individuals get the maximum benefit from the state's CareerTech System and reducing the per student costs by securing full enrollments, leading to a strong return on taxpayer investment in the CareerTech System.

Savings, Efficiencies and Shared Services in FY-2014

- Closing for the period between Christmas and New Year's with required use of annual leave, resulting in reduced cost for utilities and annual leave liability with minimal impact on our customers because schools are closed during this time;
- Outsourcing of grounds maintenance after staff retirements or turnover; and
- Ongoing review and upgrades of electric motors, lighting, etc. with expected savings in utility consumption.

Children and Youth, Commission on (OCCY) Health & Human Services Cabinet



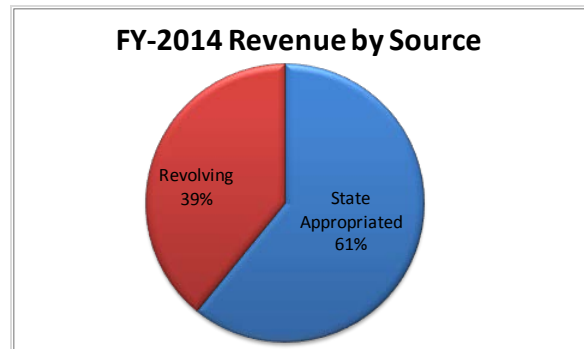
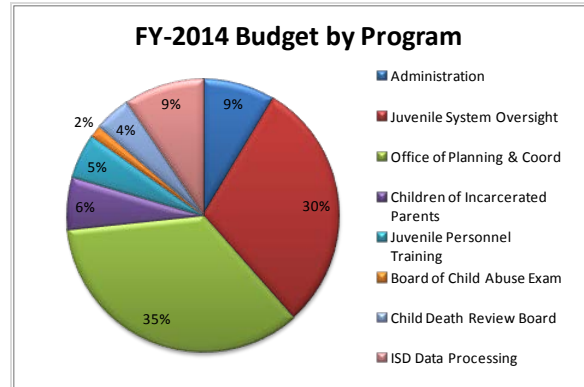
Mission

The mission of the Oklahoma Commission on Children and Youth (OCCY) is to improve services to children and families by planning, coordinating and communicating with communities and between public and private agencies; conducting independent monitoring of the children and youth service system; and testing models and demonstration programs for effective services.

Programs

- Office of Juvenile System Oversight
- Children of Incarcerated Parents
- Board of Child Abuse Examination
- Child Death Review Board
- Office of Planning and Coordination
 - Community Partnership Boards
 - OK Center for Community Based Initiatives
 - Freestanding Multi-Disciplinary Child Abuse Teams
 - State Plan for Services to Children and Youth
- Juvenile Personnel Training
- Post Adjudication Review Boards
 - Foster Care Mediation

For more information about OCCY, visit [their website](#).



Accomplishments over Past Year

- The Office of Juvenile System Oversight completed 448 complaint investigations.
- The Post Adjudication Review Boards (volunteer boards) provided reviews to 5,956 children.
- Child Death Review Board reviewed 289 death cases of children and 29 near death cases of children.
- Provided mentoring services to 65 children at risk for entering the Office of Juvenile Affairs (OJA) system, based on recommendations from the Children of Incarcerated Parents Taskforce.

Goals for Upcoming Year

- Recruit and train 50 new Post Adjudication Review Board volunteers;
- Administer effectively the Free Standing Multidisciplinary Teams across the state; and
- Expand the number of children of incarcerated parents served through the mentoring program with OJA.

Major Agency Projects

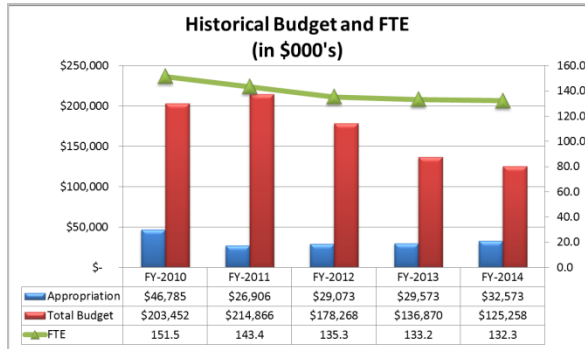
OCCY was given the duties of the Free Standing Multidisciplinary Teams on November 1, 2013. The agency will be changing the rules to provide the teams with more on-site visits and technical

assistance for better customer service and accountability functions.

Savings, Efficiencies and Shared Services in FY-2014

- Converted two of three agency vehicles to CNG vehicles in 2013; and
- Left Comptroller position vacant for the second year, relying on a contract with the Office of Management and Enterprise Services (OMES) for these services.

Commerce, Oklahoma Department of (ODOC) Commerce Cabinet



Mission

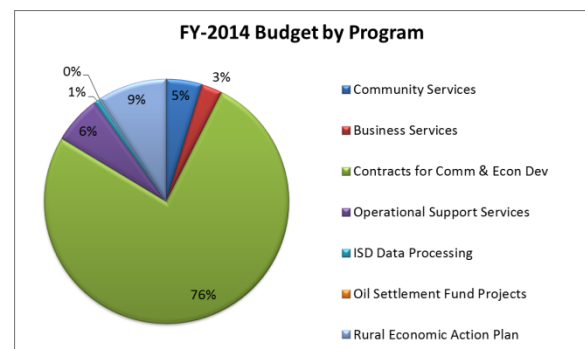
The mission of the Oklahoma Department of Commerce (ODOC) is to create and deliver high-impact solutions that lead to prosperous lives and communities for all Oklahomans.

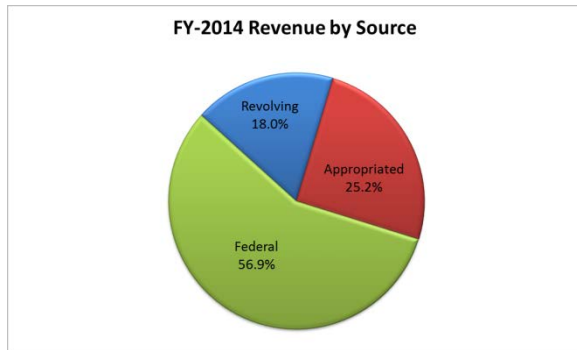
Programs

- National Business Recruiting
- Global Recruitment and Trade:
 - Small Business Administration STEP Grant;
 - Foreign Direct Investment (FDI) Team public-private partnership;
 - International Offices: Shanghai, China; Jerusalem, Israel; Mexico City, Mexico Berlin, Germany (FDI only);
- Business Customer Services:
 - Certification;
 - Business assistance – financing/retention/expansion;
 - State/Federal business incentives;
 - Business Licensing & Registration Information System;
- Rural Development Partnership Plan
- Quality Jobs Programs:
 - Quality Jobs Program;
 - Small Employer Quality Jobs Program;
 - 21st Century Quality Jobs Program;
- Workforce Solutions:
 - Workforce Investment Act Formula Funds (WIA);
 - Base Realignment Closure Programs (BRAC);
 - Oklahoma State Energy Sector Partnership Grant (OESP – Green Grant);

- H-1B Technical Skills Training Grant (Green 2);
- Community Development:
 - Community Action Agencies – Head Start;
 - Community Development Block Grant and Community Services Block Grant;
 - Community Expansion of Nutrition Assistance (CENA);
 - Continuum of Care;
 - Disaster Recovery Grant;
 - Emergency Solutions Grant;
 - Energy Efficiency & Conservation Block Grant & Energy Efficient Appliance Rebate Program;
 - Head Start Collaboration Program & Head Start Coordination Program;
 - Homeless Assistance Program & Homelessness Prevention and Rapid Re-housing Program;
 - Low Income Home Energy Assistance Program (LIHEAP);
 - Rural Economic Action Program (REAP);
 - Rx for Oklahoma;
 - State Energy Program & State Energy Assurance Program;
 - Sub-State Planning District Pass-through funds (COGs);
 - Sustainable Energy Resources for Consumers;
 - Weatherization Assistance Program;
 - Wind Safety Turbine Grant; and
- Main Street Program

For more information about ODOC, visit [their website](#).





Accomplishments over Past Year

- **Jobs:**
 - Added 7,473 direct new jobs (as projected or announced by customers served);
 - Increased average annual wage of direct new jobs to \$68,241 ;
 - Attained 75.5percent higher wage than the state average annual wage; and
 - Increased new payroll from direct jobs by \$510 million.
- **Investment:**
 - Reached \$3.34 billion in planned new investments by customers;
 - Invested \$158.7 million in Main Street Program Communities;
 - Added \$35.9 million new investment in community infrastructure and planning;
 - Increased investment in community services by \$15.4 million;
 - Initiated \$24.7 million investment in workforce initiatives; and
 - Expanded total investments by \$3.6 billion.
- **Customer:**
 - Achieved 86.6percent external customer satisfaction.

Goals for Upcoming Year

- **Jobs:**
 - Increase direct new jobs by 7,300;
 - Attain \$53,959 average annual wage of direct new jobs; and
 - Reach \$394 million in payroll from direct new jobs.
- **Investment:**
 - Receive \$720 million in new investments by business customers;
 - Make \$70 million in total private and public investments in Main Street Program Communities;

- Invest \$24.7 million in community infrastructure and planning;
- Increase community services investments by \$15.4 million;
- Devote \$16 million toward workforce initiatives; and
- Attain \$846 million in total new investments.
- **Customer:**
 - Achieve 85percent external customer satisfaction.

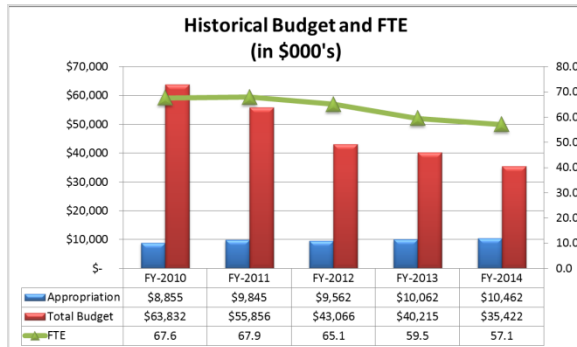
Major Agency Projects

- Storm Recovery – Providing disaster aid for areas impacted by the Oklahoma storms that occurred from May 18 to June 2, 2013 through the Community Development Block Grant-Disaster Recovery program. These funds will support long-term disaster recovery efforts in eligible FEMA designated disaster areas with demonstrated need.
- Agency Improvements:
 - Embarking on a quality/excellence journey;
 - Capturing all division process maps in an effort to improve processes throughout the agency; and
 - Updating the agency’s internal Customer Relations Management (CRM) database.

Savings, Efficiencies and Shared Services in FY-2014

- Implemented OKGrants management system, which allows for full electronic grants management between state agencies and their sub-recipient locations;
- Completed internal process improvements, reducing cost of new OKGrants system by over \$2 million; and
- Replaced outdated technology, spreadsheets, and databases with a paperless system, eliminating thousands of paper guides and reducing time spent processing contracts.

Conservation Commission (OCC) Agriculture Cabinet



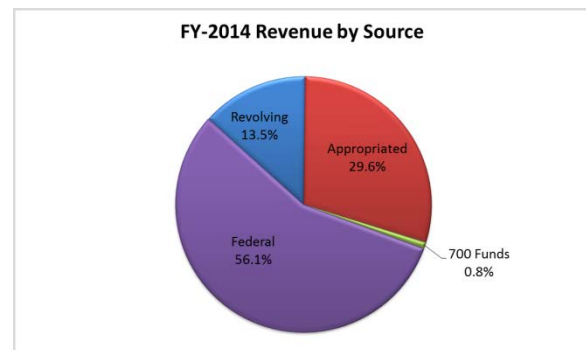
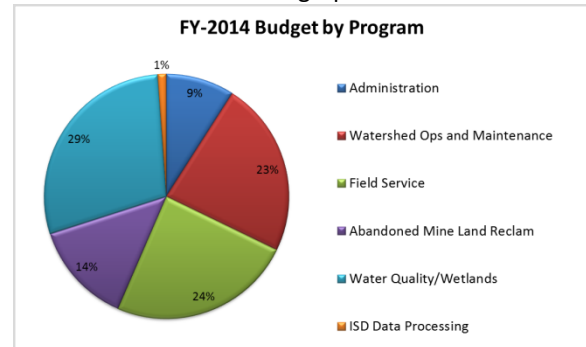
Mission

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

Programs

- Conservation Programs/Watershed Operations and Maintenance:
 - Operation & Maintenance, Rehabilitation, and new Construction of Upstream Flood Control Dams
 - Conservation Education
 - Conservation District Cost Share Program
- Field/District Services:
 - Conservation District Training
 - Prescribed Burn Program
 - Conservation District Funding
 - Conservation District Employee Benefits
- Abandoned Mine Land Reclamation:
 - Abandoned Mine Land Reclamation Program
 - Emergency Reclamation Program
- Water Quality/Wetlands:
 - Nonpoint Source Water Quality Monitoring (surface water)
 - Priority Watershed Conservation Cost Share Program
 - Wetlands Program
 - Conservation Reserve Enhancement Program (CREP)
 - Blue Thumb Water Quality Education Program
- Information Technology:

- Geographic Information Services Council and Office of Geographic Information



For more information about OCC, visit [their website](#).

Accomplishments over Past Year

- Improved soil health, water quality and air quality by providing technical assistance services to 699 land managers along with \$900,000 of financial cost share to implement best management practices. Land managers contributed \$1.1 million in private funding to match the state's \$900,000 of financial cost share;
- Inspected and operated Oklahoma's 2,107 small upstream flood control dams to sustain the \$2 billion public infrastructure and maintain the \$85 million in benefits that the flood control dams provide annually to the state, protecting more than 6,000 citizens living downstream of the dams;
- Performed maintenance on 170 of the 2,107 flood control dams, including 37 high hazard dams;
- Responded to more than 18,000 Okie One-Call locate tickets to prevent damage to our \$2 billion flood control dam infrastructure;
- Reclaimed 87 acres and completed six emergency underground mine projects;

- Ranked first in the nation among states for the reported load reductions of Phosphorus and Nitrogen contaminants in streams and rivers for the second year in a row;
- Delisted 11 stream segments from the EPA's impaired streams list for a total of 37 (number two nationally);
- Assessed the health of Oklahoma streams and rivers by maintaining over 260 water quality monitoring sites around the state and collected over 1,500 water samples; and
- Conducted 50 fish collections including aquatic habitat assessments and conducted 215 invertebrate collections.

Goals for Upcoming Year

- Maintain the \$2 billion public infrastructure and sustain the \$85 million in annual benefits by continuing to perform the inspection, operation and maintenance of the state's 2,107 upstream flood control dams;
- Ensure funding for the maintenance and repair of dams will target the 244 high hazard dams to protect the 6,000 plus citizens living downstream;
- Complete the required dam safety modification of two high hazard upstream flood control dams and begin construction on two high hazard dams;
- Complete the analysis and report for 118 high hazard flood control dams to substantiate conformance with state mandated dam safety criteria, which could result in a cost savings to the state of up to \$318 million;
- Strengthen Oklahoma's grassroots natural resources conservation delivery system by increasing efficiency, sharing resources, streamlining operations and expanding partnerships;
- Reclaim approximately 373 acres of hazardous abandoned mine land, responding to and abating underground mine emergencies in an efficient manner; and
- Remove an additional ten stream segments from EPA's 303(d) list of impaired streams.

Major Agency Projects

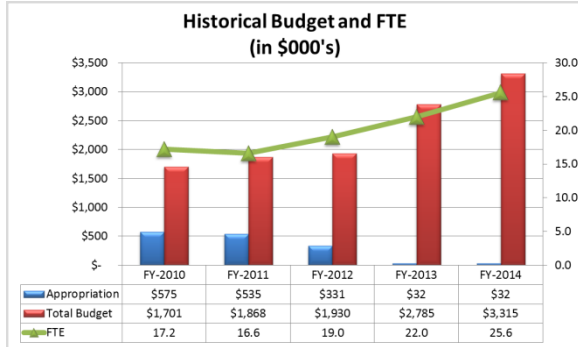
- Updating the OSU Economic Impact Report that substantiates a positive economic multiplier effect for state and federal dollars expended on conservation programs and people;

- Maintaining a statewide water quality monitoring system to ensure that water quality problems are identified and that water quality improvement can be verified;
- Reclamation of scarred coal mine land to protect citizens from the health and safety hazards associated with abandoned coal mines in eastern Oklahoma; and
- Performing breach analysis and mapping for high hazard flood control dams.

Savings, Efficiencies and Shared Services in FY-2014

- Reduced personnel expenses by continuing to reduce staffing at the Oklahoma Conservation Commission and in conservation districts. Cumulative reductions over the last four years in full time benefited staffing at the Conservation Commission now totals 23percent and 18percent in conservation districts.
- Leveraged state cost share funding to private matching funds at a ratio of 1:1.2 through the locally led cost share program to improve soil health and water quality.
- The Office of Geographic Information is utilizing open source software in the development of the state geospatial clearinghouse, OKMaps, which eliminates being dependent on vendor-specific software licensing and maintenance fees.
- Began using the Office of Management and Enterprise Services (OMES) conference calling and webinar service which allows for a significant reduction in travel time and expenses for Commission staff and partners to conduct meetings. In addition, this service allows some partners to participate in meetings who would otherwise not have been able to attend.
- Replaced high mileage traditional engine vehicles with CNG and dual fuel vehicles to reduce fuel costs. The commission is also reducing the number of vehicles it maintains and facilitating vehicle migration to even out mileage.

Consumer Credit, Department of (OKDOCC) Finance and Revenue Cabinet



Mission

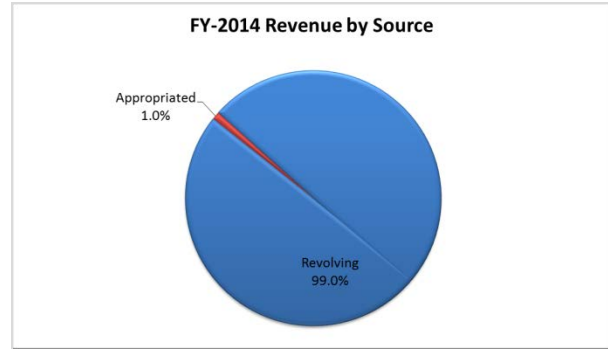
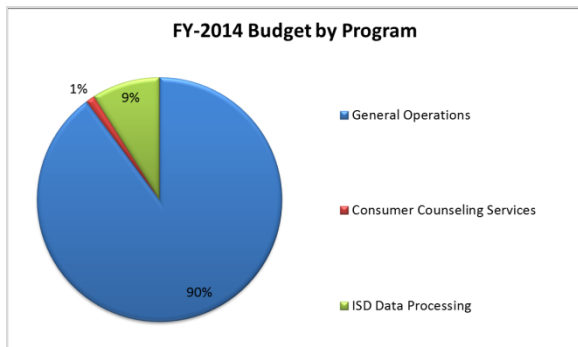
The Oklahoma Department of Consumer Credit (OKDOCC) protects and educates consumer buyers, lessees and borrowers against unfair practices and seeks to be fair and impartial in the regulation of consumer credit transactions in Oklahoma.

OKDOCC was created by the Oklahoma Legislature in 1969 and is responsible for the regulation of consumer credit sales and consumer loans in the State of Oklahoma. OKDOCC licenses and regulates mortgage brokers, mortgage loan originators, pawnshops, deferred deposit lenders, rental purchase lessors, health spa contracts, credit service organizations and precious metal and gem dealers.

Programs

- Consumer Counseling Services
- Licensing and Regulation

For more information about OKDOCC, visit [their website](#).



Accomplishments over Past Year

- Increased enforcement and licensing requirements for the precious metal and gem industry with the passage of SB107;
- Created a new mortgage lender license, amending the Oklahoma Safe and Fair Enforcement Act (SAFE), which provides additional protection for Oklahoma consumers through HB1828;
- Created a new consumer litigation funder license, enacted by SB 1016, which requires any person entering into a consumer litigation funding agreement with a consumer to obtain a license;
- Filed 326 Notices of Hearing;
- Issued 13 cease and desist orders, one license suspension, and one license revocation; and
- Assessed \$221,000 in civil penalties.

Goals for Upcoming Year

- Become a CSBS Accredited agency in the mortgage industry; and
- Host quarterly public meetings to provide education about financial products regulated by OKDOCC.

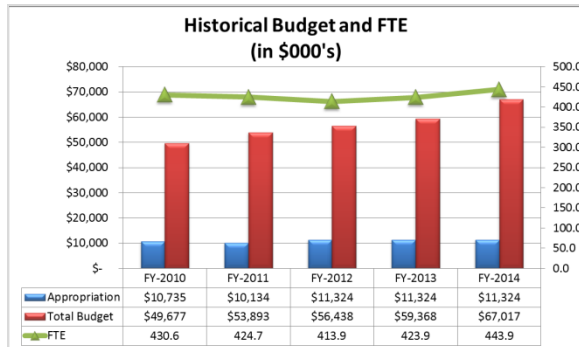
Major Agency Projects

- Becoming an accredited mortgage examination agency which will allow greater efficiencies in the examination of mortgage brokers.

Savings, Efficiencies and Shared Services in FY-2014

- Continued contracting with the Office of Management and Enterprise Services (OMES) for accounting, budget, payroll, and information technology services.

Corporation Commission (OCC) Energy and Environment Cabinet



Mission

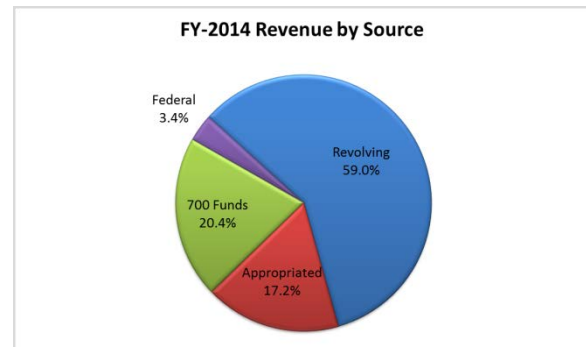
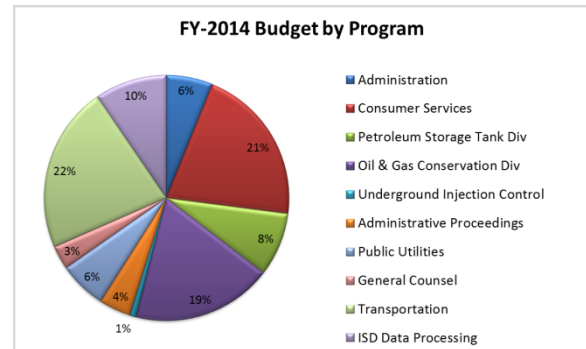
The Oklahoma Corporation Commission (OCC) seeks to empower Oklahoma by:

- 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

- Consumer Services
- Claims Processing
- Regulatory
- Petroleum Storage
- Oil & Gas:
 - Well Plugging
 - Grants & Cooperative Agreements
- Underground Injection Control
- Administrative Proceedings
- Public Utilities
- General Counsel
- Transportation:
 - Railroad Track Inspection
 - Pipeline Safety Department
 - Vehicle License & Registration
 - Transportation IFTA/IRP

For more information about OCC, visit [their website](#).



Accomplishments over Past Year

- Implemented of the agency's updated strategic plan and performance measurement system.
- Awarded, in conjunction with OMES, a contract to update the agency's antiquated Case Management System.
- Completed a new International Registration Plan system in coordination with the Oklahoma Tax Commission, which registers commercial vehicles doing business in Oklahoma. The new system allows the agency to enter into a national clearinghouse for fund distribution, thus streamlining processes.
- Worked with the State Auditor's Office to obtain two embedded auditors to focus on agency processes and make recommendations for improvement.

Goals for Upcoming Year

- Work on completion of Phase 1 of the STAR Case Management System. The management system will affect most programs across OCC and provide added efficiencies for both internal and external users.
- Work on an IT project for a new International Fuel Tax Agreement (IFTA) system. The IFTA program allows all participating states and Canadian provinces to collect fuel taxes on

behalf of all participating jurisdictions, using quarterly reporting of mileage and fuel purchased in each jurisdiction. The new system will allow registrants to apply and pay online. Disbursements will be made electronically and will streamline the current process.

- Begin a central processing initiative to change the way funds are currently being handled. The process will bring consistent handling of all checks across every division, which will provide better control of agency funds.

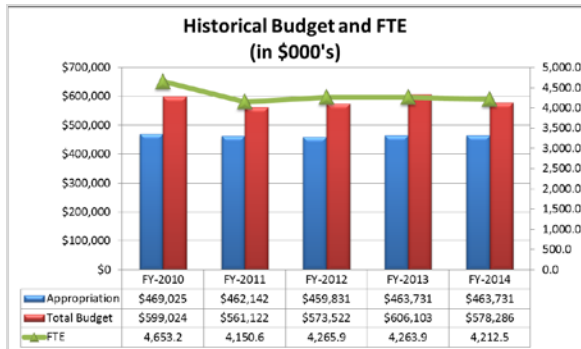
Major Agency Projects

- Using the STAR Case Management system will be expansive for this agency. This new system will improve internal and external processes, allowing the general public to access information and make electronic payments for case filings and fines. It will provide consistency of information and financial data, which will streamline many processes and make OCC operate more efficiently.
- Coordinating with the Oklahoma Department of Transportation to continue work on the building and operation of new ports of entry, thus aiding in the protection and safety of Oklahoma roads and highways.
- Continuing improvement of business processes of the Oil and Gas Conservation division through its Risk Based Data Management System.

Savings, Efficiencies and Shared Services in FY-2014

- Increased "p-card" activity, saving time and money associated with traditional claims processing. Additionally, as "p-card" volume increased, the rebate earned by the agency increased as well - offsetting agency operational expenses.

Corrections, Department of (DOC) Safety and Security Cabinet



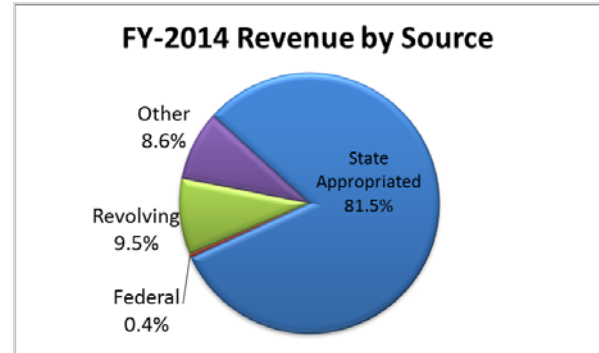
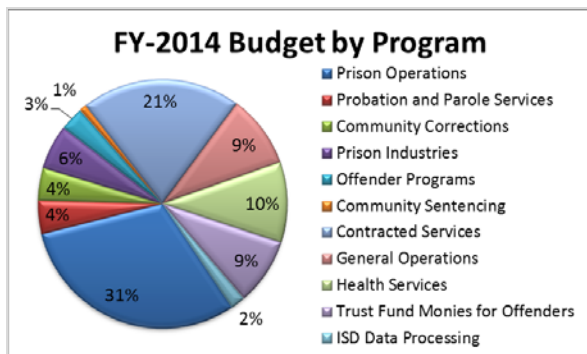
Mission

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

Programs

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

For more information about the DOC, visit [their website](#).



Accomplishments over Past Year

- Reduced female offender recidivism from 14.6percent (FY-2012) to 13.3percent (FY-2013);
- Replaced locks and control panels at the Dick Conner Correctional Center;
- Completed security upgrades at secure facilities; eliminated outdated “concertina wire” and replaced with new “razor wire”;
- Installed LED perimeter lighting at Mack Alford Correctional Center as a test for future retrofitting of security lighting;
- The DOC staff training academy was reorganized and centralized at Redlands Community College in El Reno, OK. DOC training continues to develop a wide variety of on-line staff training course. Staff members across the agency can participate in self-paced training, which reduces the expense of staff traveling in to a centralized training location;
- Converted Oklahoma Department of Corrections’ encryption software from “Safeboot” to “PGP Software” on every computer owned by the agency. This conversion was completed so that the department would be in compliance with the new guideline from the Office of Management and Enterprise Services (OMES). Estimated savings will be \$28,400 annually; and
- The agency switched its antivirus software from McAfee to Symantec on every DOC computer. This was done so that DOC would be in compliance with OMES’s new guidelines. Savings of approximately \$12,000 annually are expected to be achieved beginning with the next fiscal year.

Goals for Upcoming Year

- Complete the process of implementing the computer-based GED® exam within the prison system. This new examination, as well as the

new method of delivery, will replace the previous paper-based method of delivery. Work has begun on installation of the computers and programming required for delivery. The new process will expand to all minimum, medium and maximum state facilities during FY-2015.

- Through cooperation with CareerTech, DOC Education will begin implementing a computer-based, self-paced life skills curriculum for offenders. The program has been piloted at some facilities and will expand statewide in calendar year 2014.
- Purchase and implement an offender management system. Preliminary, informal evaluation of potential replacement systems has been conducted and initial project document has been submitted to OMES for approval. The system in use by the agency was purchased in 1998 and has not been updated in a number of years. The risk of hardware failure and data loss is very real and would cause catastrophic disruption to business within the agency and to the criminal justice system throughout the state.
- Implement a new volunteer services database. A bid was awarded to provide our agency with a volunteer management software system and agreements have been signed with vendor, Samaritan Technologies. The new system is expected to improve efficiency over the current outdated, in-house system with respect to volunteer recruitment, management and retention. The new computer system will also enable us to automatically network relevant volunteer information with the Oklahoma Department of Human Services Office of Volunteerism, which also uses Samaritan Technologies software.
- Convert all facilities to a non-competitive hiring process for Correctional Officer Cadets. Applicants will be able to apply online without the requirement of taking a merit exam, which should speed up the hiring process for both the agency and the applicant.
- Revamp the Data Center to replace the current antiquated system. An RFP to lease the new equipment has been written as well as a Business Case and Cost Benefit Analysis.
- Provide contracts and acquisitions staff additional training in the areas of "Developing and Managing Requests for Proposals" and "Contract Administration."

Major Agency Projects

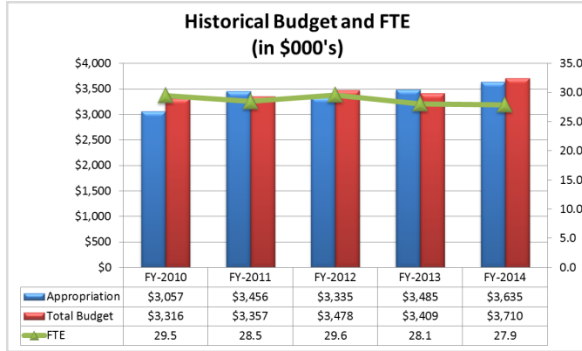
- Continuing with the development and implementation of an electronic health records for Medical Services.
- Scanning and digitizing medical files. Rooms formerly used for file storage are now available for clinical care.
- Implementing digital medical and dental X-Rays.
- Continuing construction of new chapels at facilities in partnership with volunteer labor using donated funds. To date, chapels have been built at Eddie Warrior Correctional Center, Bill Johnson Correctional Center, and Dick Conner Correctional Center (two Chapels-medium and minimum yards). Construction is in progress at Mabel Bassett Correctional Center.
- Upgrading the 1,825 personal computers to the Microsoft Windows 7 operating system to prevent virus attacks to the systems due to the lack of support by Microsoft.
- Completing Phase III implementation of the upgraded Sex Offender Registry Application during FY-2015. These upgrades will be paid through a grant from the federal government.

Savings, Efficiencies and Shared Services in FY-2014

- Implemented a statewide mobile ultrasound service contract. This service will allow access to ultrasound imaging studies without the transportation expense and time usually required to transport the offender to an ultrasound provider. This service is being provided at a cost that is less than that currently being paid to most community providers of ultrasound imaging. 699 Ultrasounds were performed on site at DOC facilities during FY-2013, saving 699 transports.
- Continued to actively pursue Medicaid reimbursement for qualifying offenders who are hospitalized in community hospitals and Lindsay Municipal Hospital. For FY-2013, net Medicaid dollars reimbursed for offender care were in excess of \$1.5 million.
- Combined the Idabel Probation and Parole Sub-office with the Idabel Work center eliminating the lease for the sub-office in Idabel.
- Trained six probation and parole officers as master instructors for the level of service inventory assessment instrument and are now able to train probation and parole officers. This eliminated the need to contract for this training.

- Disbanded the Asbestos Abatement Unit to save costs. The same service is available through the “indefinite quantity/indefinite delivery” process of the Office of Management and Enterprise Services (OMES/CAP) and can be bought “as needed” instead of maintaining the costs at the agency level.
- Refinanced the bond for the purchase of Mabel Bassett Correctional Center that was initiated in 2004 saving the agency over \$1 million in FY-2013.
- Implemented debit card program for offenders upon release and for offenders in community corrections facilities. This program reduces the number of checks issued by the department and reduces staff time in acquiring cash for certain offenders.
- Re-negotiated the contract with Morton Comprehensive Health Services, a federally qualified community health clinic in Tulsa which provides primary medical, dental, vision, mental health care; and pharmacy and transportation services for Tulsa Halfway House offenders. The contract with Morton, formerly paid on a capitation rate, was re-negotiated to a set Medicaid rate, resulting in additional savings of approximately \$7,000 per month.
- Installed AC units salvaged from Rader Center at secure facilities (James Crabtree Correctional Center, Joseph Harp Correctional Center, Lexington Assessment and Reception Center, and Dick Conner Correctional Center) to improve security, safety, and health considerations for mental health offenders housed at the sites.

Criminal Appeals, Oklahoma Court of (OCCA) Judiciary Cabinet



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 also promulgates its rules of procedure and the Oklahoma Uniform Jury Instructions-Criminal, used by trial courts statewide. 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.

For more information about OCCA, visit [their website](#).

Accomplishments over Past Year

OCCA employs five Judges of the Court, 15 attorneys and seven administrative support staff. With these personnel, along with computer research from Westlaw and the Oklahoma Supreme Court Network, OCCA accomplished the following:

- Disposed of 1,114 cases, including approximately 502 regular appeals, 303 post-conviction appeals, 290 original (writ) proceedings, and 19 miscellaneous appeals; and
- Participated in the creation of rules and procedures for electronic filing.

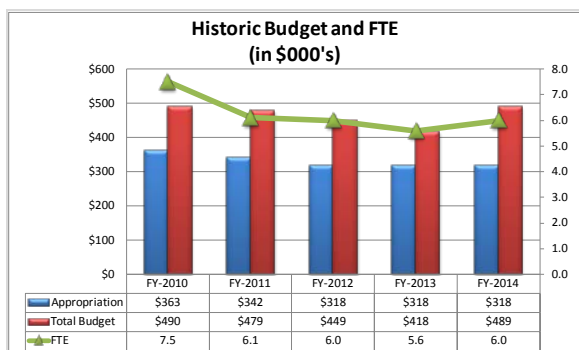
Goals for Upcoming Year

- Remain current in the management of a busy caseload; and
- Participate in the ongoing transition to electronic filing in criminal appeals.

Savings, Efficiencies and Shared Services in FY-2014

OCCA utilized CORE budget and OMES for payroll and benefits services. The Court also utilized information technology serviced by the Oklahoma Supreme Court.

Disability Concerns, Office of (ODC) Health & Human Services Cabinet



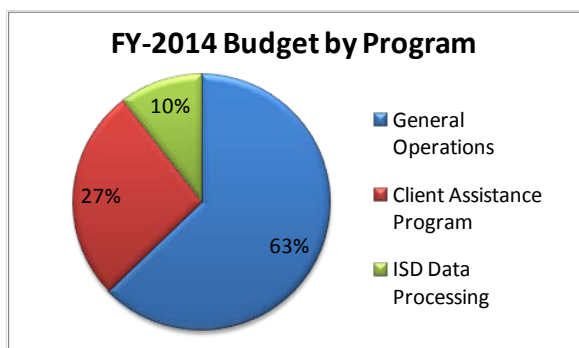
Mission

The Office of Disability Concerns (ODC) provides information, referrals and advocacy for persons with disabilities. ODC acts as an intermediary and service provider for Oklahomans with disabilities, while helping to develop policies and provide guidance for employment and ADA compliance issues.

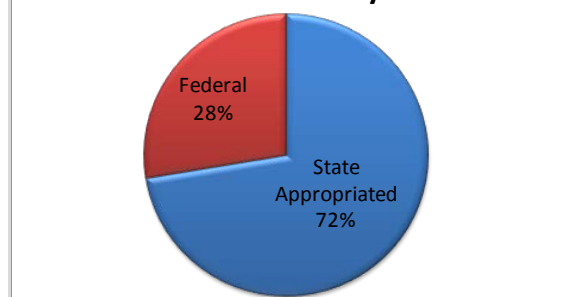
Programs

- Employment Assistance Program
- High School Hi-Tech, Tech Now Training
- Client Assistance Program (CAP)
- Informational Services
- Technical Assistance
- Advocacy
- Americans with Disabilities Act (ADA) Assistance
- HRDS Classes

For more information about ODC's programs, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Provided awareness training to Workforce Staff and Oklahoma Employment Security Commission tribunals;
- Held a conference for individuals with a disability, entitled "Why Work Pay\$";
- Hosted "Support the Family" conferences at four locations;
- Completed a formal endorsement of the National Governors Association Blueprint of Employment of People with a disability through the work of the Governor's Advisory Committee to People with Disabilities;
- Supported an after school program for kids with disabilities, called Tech-Now;
- Assisted in Workforce development with the Governor's Council, Central Oklahoma Workforce Investment Board, Career Pathways, Oklahoma Rehabilitation Council, Oklahoma Independent Living Council, Transformation (Aging), and United We Ride;
- Provided awareness training courses;
- Researched, developed and launched a "resource database" to be used by agents containing nearly 25,000 groups offering a variety of services; and
- Implemented a training plan for employees through the state supported training site "SkillPort".

Goals for Upcoming Year

- Implement an Automatic Call Distribution (ACD) system;
- Implement a Customer Relationship Management (CRM) solution to create greater efficiency at the agency by reducing call-handling time and improving "first call remedy";
- Increase outreach throughout Oklahoma in support of multi-group meetings and those

hosted by Office of Disability for the community, clients and employers;

- Launch an Entrepreneurial School for people with a disability; and
- Support nutritional education and savings through the coupon “clippers” program.

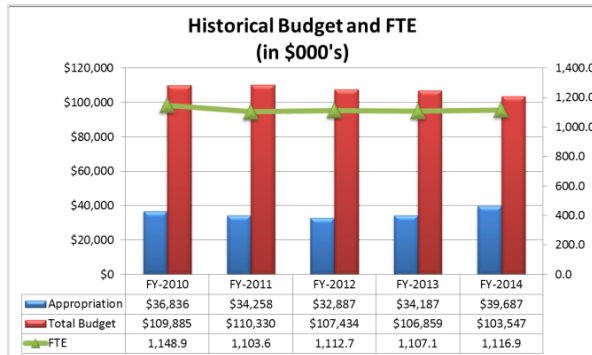
Major Agency Projects

- Continuing the Family Conference Tour;
- Developing an Entrepreneurial School;
- Upgrading phone ACD system;
- Providing a FAQ section and chat feature on the web site;
- Creating Web Outreach (infomercials) from the Client Assistance Program (CAP) - concerning CAP and transition (youth);
- Providing statewide training on Relay Oklahoma, which provides telecommunication services for the deaf community; and
- Collaborating with the Tobacco Settlement Endowment Trust (TSET) to develop a smoking cessation program for persons with disabilities.

Savings, Efficiencies and Shared Services in FY-2014

- Created a resource database, enabling clients to perform a quick search for organizations and groups that provide services addressing their needs; and
- Reduced printing by utilizing compact discs (CDs), rather than paper, to provide vital information to persons with disabilities.

District Attorneys Council (DAC) Safety and Security Cabinet



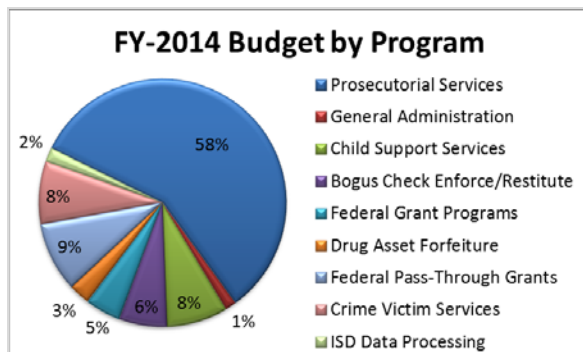
Mission

The mission of the District Attorneys Council (DAC) is to protect the citizens of the State of Oklahoma through the effective and efficient administration of justice. The 27 District Attorneys in the state are officials elected at the district level. They are responsible for prosecuting state criminal cases on behalf of the public.

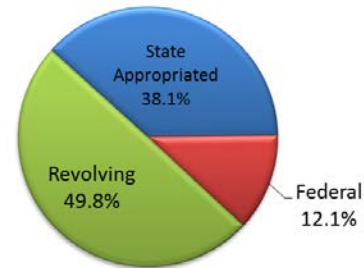
Programs

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

For more information about DAC, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Significant review and improvement of the District Attorneys Supervision Program;
- Through the domestic violence project, encouraged and assisted communities in developing coordinated community response (CCR) to domestic violence. There are now 26 CCR teams statewide;
- The Traffic Safety Resource Project has enhanced efforts to educate prosecutors and law enforcement on the complex issues surrounding DUI fatalities;
- Improved services to tribal victims of crime through the State-Tribal Crime Victim Liaison project; and
- Saved administrative time and funds through the automation of fiscal processes.

Goals for Upcoming Year

- Develop a long range funding plan to balance funding between appropriations and revenue generating measures;
- Monitor the District Attorneys Supervision Program and 991 Cost program to determine budget impact; and
- Increase training for prosecutors on ethical issues.

Major Agency Projects

- Continuation and implementation of the District Attorney Supervision Program to monitor offender compliance with court orders, drug and alcohol programs, debt counseling services, community service, and batterer's programs;
- Providing restitution to victims of crimes involving bogus checks and certain property crimes;
- Utilizing the Traffic Safety Resource Prosecutor to provide quality, up-to-date resource documents and professional training

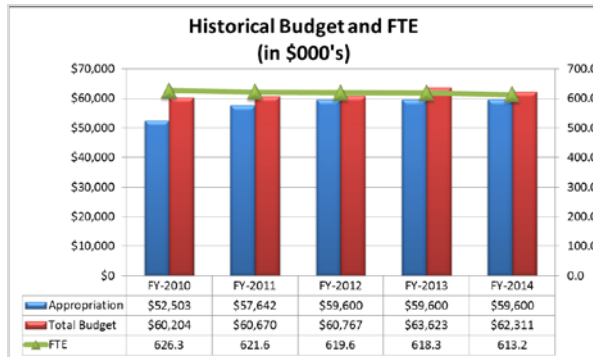
opportunities to law enforcement officers and prosecutors in an effort to promote successful investigation and prosecution of serious traffic-related incidents; and

- Continuation of the Coordinated Community Response Team Project to bring together the local members of the criminal justice system and facilitate better coordination and communication to provide better service to domestic violence victims.

Savings, Efficiencies and Shared Services in FY-2014

- The District Attorneys Council (DAC) has worked with the Administrative Office of the Courts (AOC) to maintain electronic data exchange technology to enable exchanges of data between the DAC and AOC as well as with other Law Enforcement Agencies. Funded by a federal grant, the DAC purchased the necessary hardware and software to implement a standard infrastructure for XML data exchanges and also trained DAC personnel in the use of the required tools and technologies;
- DAC IT Division has consolidated a number of its hardware servers as virtual servers onto larger hardware servers, thereby reducing hardware maintenance costs and in some cases, reducing licensing costs. The larger servers were purchased in conjunction with other federal grant projects, so the cost to the agency was minimal; and
- DAC is in the process of increasing the storage of the district servers to maximize their disk capacity. This project will also increase the size of the central Storage Area Network at the DAC and the Office of Management and Enterprise Services (OMES). This will enable the DAC to continue to provide a secondary off-site backup of critical criminal history data produced by the twenty-five District Attorney's offices. It will provide a backup solution for the district servers by purchasing a removable hard drive backup system, or by purchasing software that will access the tape drive already installed in each server.

District Courts Judiciary Cabinet



Mission

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

For more information about the District Courts, visit [their website](#).

Accomplishments over Past Year

- Maintained the highest court fund collections possible; and
- Continued work on the design, customization and implementation of a new statewide uniform case management system.

Goals for Upcoming Year

- Implementation of the pilot jury management program in Cleveland County and the rest of the state; and
- Customization of a new court fund accounting system for implementation in 2015.

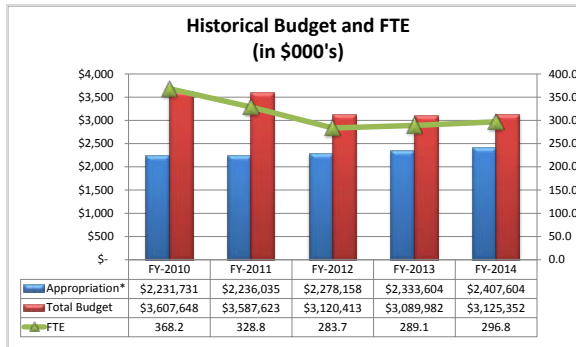
Major Agency Projects

Upgrading the technology of the District Courts is a function of the Supreme Court. The Supreme Court is in the process of implementing a statewide unified case management system for the trial and appellate courts which will provide many cost savings and efficiencies, including docket management, statistical reporting, jury management, a unified accounting system for tracking budgets and managing expenses, e-filing, e-commerce, information exchanges with law enforcement agencies, district attorneys and other executive branch agencies, along with enhanced technology upgrades in the District Courts.

Savings, Efficiencies and Shared Services in FY-2014

- Additional staff reductions in the offices of the Court Clerks;
- Reductions in security expenses;
- Elimination of pilot or limited jurisdiction programs in the district courts; and
- Reduction of print materials for our law libraries.

**Education, Oklahoma State
Department of (SDE)
Education & Workforce Development
Cabinet**



* The State Appropriation numbers do not include supplemental appropriations, Ad Valorem Reimbursements, "Spillover Funds" or State Fiscal Stabilizations Funds.

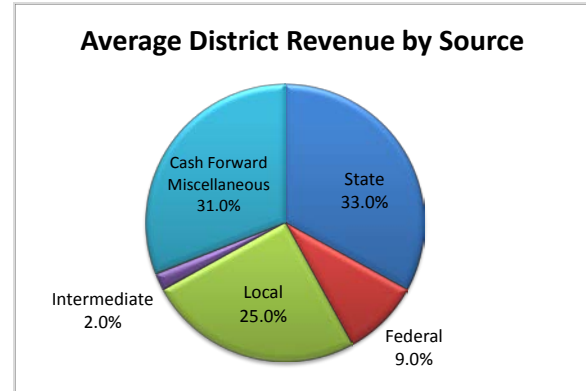
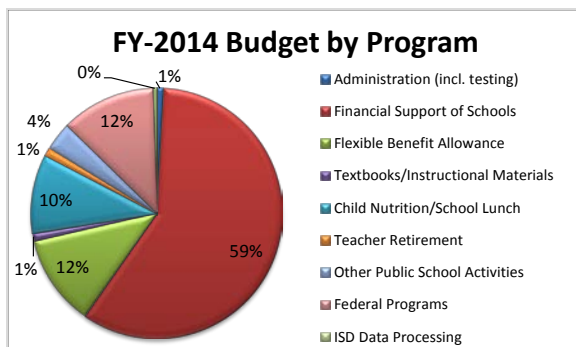
Mission

The mission of the Oklahoma State Department of Education (SDE) is to provide assistance to school districts across the state in implementing education reforms with a goal of improving academic outcomes.

Programs

- Instruction
- Accountability & Assessments
- Student Support
- Special Education
- Federal Programs

For more information about SDE, visit [their website](#).



* Oklahoma Cost Accounting System FY-2013 submission

Accomplishments over Past Year

- *A-F School Grading System:* completed rules, guidance, data compilation and calculations for the A-F Grading System. Report cards for all 540 districts, including charter schools, and 1,751 school sites were produced.
- *Teacher and Leader Effectiveness (TLE):* continued implementation of significant pieces of the TLE framework, and conducted working groups to collect input from Educators to present to the TLE Commission and the State Board of Education.
- *Oklahoma Academic Standards:* progressed in creating Science and Pre-K standards. The Science standards are currently out for public comment and significant work will continue this year on the Pre-K standards.
 - Developed a comprehensive marketing strategy to create awareness and inform on resource availability for the Oklahoma Academic Standards.
- *REAC³H Coaches:* worked with districts via 60 literacy coaches throughout the state to support teachers and administrators in K-3 literacy strategies.
- *Achieving Classroom Excellence (ACE):* successfully continued the important work involved in ACE (2005 legislation) with over 96 percent of all seniors meeting graduation requirements.
- *Supplemental and Online Education Act and Virtual Charter Schools:* created the Statewide Virtual Charter School Board and commenced reviewing applications. The Supplemental Online Education and Statewide Virtual Charter School statutes guarantee that students throughout the state have access to quality

online education offerings regardless of the district they attend. The board approved one statewide virtual charter school and supplemental online course providers available to schools increased from 13 to 17.

- *School Turnaround*: In 2013 significant changes were seen from districts involved in school turnaround. SDE saw 12 Priority schools, ranking in the bottom 5 percent, come off the School Improvement List with four of those schools becoming Reward Schools. Of the C3 Schools, the lowest performing of the bottom 5 percent, four schools of eleven now have an A, B or C on their A-F Report Card. Of the schools listed for Targeted Intervention, 17 schools came off the School Improvement List; of those 17, five are now Reward Schools. Finally, ten schools originally designated as Focus schools, due to low performance in student sub-groups, are now Reward Schools.
- *Rigorous Curricula*: continued to support the initiative of Rigorous Curricula with programs such as Advanced Placement (AP), Advancement Via Individual Determination (AVID) and National Math and Science Initiatives (NMSI). In AP 14,443 students are taking AP exams and 11,436 of these students are passing exams with college-ready scores of 3, 4 or 5. Forty districts now offer the AVID Program, a proven program for increasing College and Career Readiness; with increased goals to produce and distribute grant applications, facilitate trainings and to provide technical assistance to grant writers. The SDE has also seen a 65 percent increase in enrollment of NMSI from FY-2013 to FY-2014.

Goals for Upcoming Year

- *Effective Teachers and Leaders*: continue working toward full TLE implementation by finalizing decisions for Student Academic Growth/Teachers of Non-Tested Grades and Subjects, and for the Value-Added Model. Implementation and monitoring will continue for Roster Verification, Other Academic Measures and Observational Frameworks; and professional learning opportunities and guidance will continue for teachers and leaders.
- *Oklahoma Academic Standards (OAS) and Oklahoma College and Career Ready Assessments (OCCRA)*: complete and release Science and Pre-K standards in addition to assisting districts in the transition to the OAS.

The Office of Instruction hopes to create mini-training sessions, through a program titled 'PD On Your Plan' that focuses on various subject areas. These sessions can be viewed online, during a Teacher's Planning Period. This goal consists of, but is not limited to: continuing the awareness campaign; training and offering access to resources and learning technologies in order to assist with transition; and preparing teachers and students for the OCCRA for ELA and Math in 2014-15.

- *REAC³H Network Regionals*: reorganized the REAC³H Network to provide teachers and administrators with professional development on OAS, with sessions organized by subject area. Regionals are held in ten sections of the state, twice a year. Trainers include directors of each subject area, with special sessions for both elementary and secondary administrators.
- *Data System*: establish a Student Longitudinal Data System. The system will meet federal reporting requirements; provide data necessary to implement the Teacher and Leader Effectiveness Evaluation; allow data from districts and sites, testing companies and other various sources to be gathered, analyzed and calculated for the A-F Grading System; create district access to student level data; and create a dashboard for current projects and progress.
- *Reading Sufficiency Act (Third Grade Reading Retention)*: continue to train educators throughout the state on literacy strategies by REAC³H Coaches and by the Literacy SWAT team.

Major Agency Projects

- The REAC³H Network has been providing professional development for teachers and administrators on the Oklahoma Academic Standards with sessions organized by subject area. Trainers include the Directors of each subject area, with special sessions for both elementary and secondary administrators.
- With the successful implementation of the A-F School Grading System, the SDE has launched the Raise the Grade Together initiative. This consists of creating a school turnaround plan with a variety of interventions including funding, support from the SDE and the community, professional development, strategic planning and other means of school improvement to

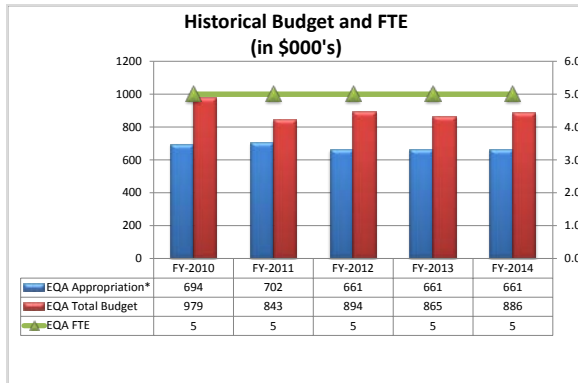
allow schools a comprehensive set of school improvement and effectiveness resources.

- *Teacher and Leader Effectiveness:* The SDE will continue making progress by working with educators, the TLE Commission and the State Board of Education to make decisions and implement and monitor components of the TLE system, in addition to continuing to train and provide guidance to all stakeholders.

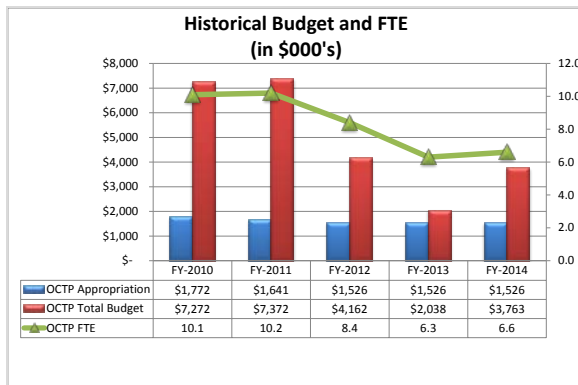
Savings, Efficiencies and Shared Services in FY-2014

- *IT Consolidation:* completed in June 2012, pre and post consolidation indicate a cost-savings of \$5.6 million over six years.
- *Data Consolidation:* outsourced IT to OMES-ISD lowered maintenance and contract costs for software and mainframe infrastructure programs.
- *Centralized or Regionalized Professional Development:* reorganized and combined conferences statewide in order to allow for clear messaging, reduced costs, higher quality presenters, and more training options at larger events to reduce costs. Further, online training and resources, including iTunesU, webinars, enhanced listservs, data systems and free open source online content and software are being utilized to reduce costs in training and software.
- *Special Education:* reduced internal Special Education division expenses in preparation for sequestration resulted in a savings of \$8 million and prevented districts' budgets from being affected.

Educational Quality and Accountability, Office of (and Teacher Preparation Commission) Education & Workforce Development Cabinet



*Per SB1797 in 2012, the Office of Accountability (previously a division in the State Regents of Higher Education) became independent as the "Office of Educational Quality and Accountability" effective January 1, 2013. Additionally, SB1797 consolidated the Office of Educational Quality and Accountability and the Oklahoma Teacher Preparation Commission (OCTP), effective July 1, 2014.



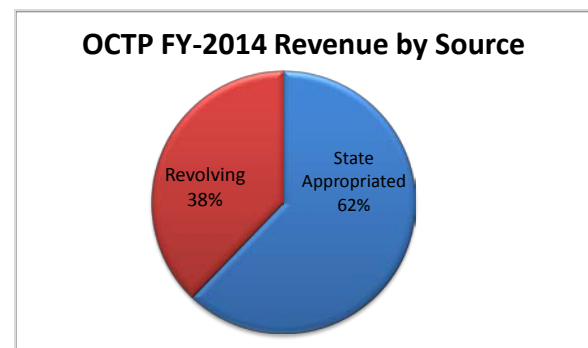
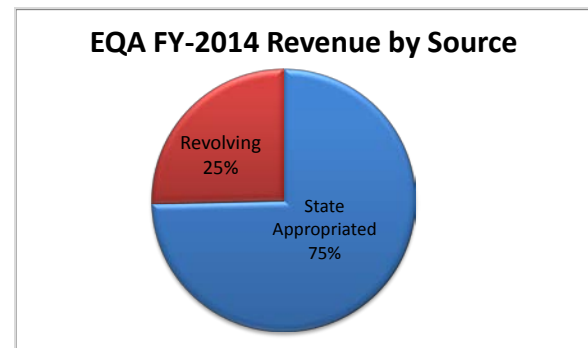
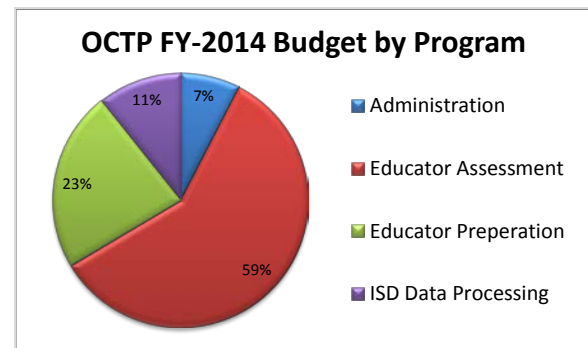
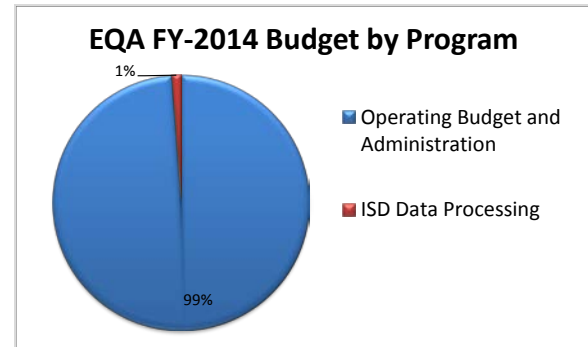
Mission

The mission of the Office of Educational Quality and Accountability (EQA) is twofold: (1) to provide Oklahoma public education stake-holders with comprehensive, accurate, and timely statistical information at the school, district and state levels as well as strengthening the effectiveness and efficiency of all district operations by conducting school performance reviews and (2) to establish and administer rigorous professional standards for the preparation and certification of all professional educators and advocates for continuous improvements in educator preparation practice and

policy in order to promote high levels of student achievement.

Programs

For more information about EQA, visit [their website](#) and OCTP, visit [their website](#).



Accomplishments over Past Year

Educational Accountability

- Informed Oklahoma citizens of the performance of their local schools and school district;
- Distributed current School Report Cards (SRCs) to parents of all students;
- Provided multi-level statistical information and SRCs to researchers, grant writers, business/civic leaders and policy makers; and
- Conducted School Performance Reviews for Edmond, Blair, Kingfisher, and Bridge Creek.

Educational Quality

- Administered over 19,000 licensure exams;
- Facilitated assessment development aligned with the revised Interstate Teacher Assessment and Support Consortium (InTASC) Model Core Teaching Standards;
- Provided support and direction for the development of a clinical model for preparing teachers that centers coursework around experiences in P-12 classrooms;
- Piloted the edTPA (performance assessment) with 150 teacher candidates;
- Facilitated state accreditation for three educator preparation programs, 137 program reviews, and one candidacy approval;
- Developed assessments for new certification fields: Gifted Education and Elementary Mathematics Specialist;
- Provided candidates web-based access to assessment results and web-based access to accreditation data to educator preparation programs; and
- Set minimum requirements for mentor teachers, and increased the number of required hours of clinical experiences.

Goals for Upcoming Year

Educational Accountability

- Pursue an expanded role of research and development with the Secretary of Education;
- Expand role in assisting schools and districts in the use of educational statistics;
- Make public presentations to researchers, business/civic leaders and policy makers;
- Establish newsletter for previously reviewed districts; and
- Conduct School Performance Reviews for Crutcho, Yale, Greenville, Cimarron, Prague, and Mannsville.

Educational Quality

- Administer over 20,000 licensure exams;
- Align educator preparation with InTASC Model Core Teaching Standards;
- Create an Oklahoma Clinical Alliance;
- Facilitate teacher performance assessments;
- Develop a computer-based licensure examination program.

Major Agency Projects

Overall Agency

- Effectively merge personnel, program, and assets of the Commission for Teacher Preparation and the Office of Educational Quality and Accountability.
- Reestablish all systems and services for the newly merged agency; and
- Relocate newly merged agency to new location.

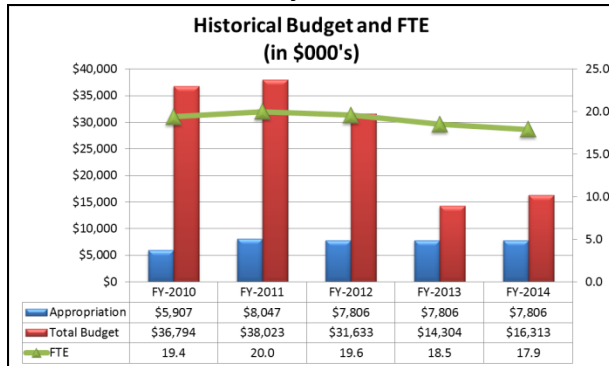
Educational Quality

- Supporting Oklahoma induction model assisting educators first three years in the profession;
- Piloting teacher performance assessments and clinically-based educator preparation programs.
- Developing a state/national educator preparation accreditation partnership;
- Developing a web-based Educator Leadership Oklahoma data system;
- Redeveloping educator licensure exams to align with the Oklahoma Academic Standards;
- Promulgating rules that advocate for continuous improvement in educator preparation; and
- Updating agency databases.

Savings, Efficiencies and Shared Services in FY-2014

- *Educational Accountability*: kept a vacant position unfilled, limited employee travel and reduced printing and distribution of the Educational Indicators reports.
- *Educational Quality*: kept vacant positions unfilled, continued contract with OMES-ABS for financial services, OMES-ISD for IT and consolidating with OMES-HCM for payroll/human resources.

Election Board Secretary of State



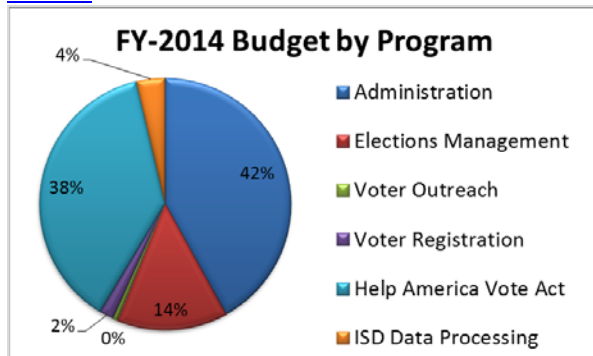
Mission

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.

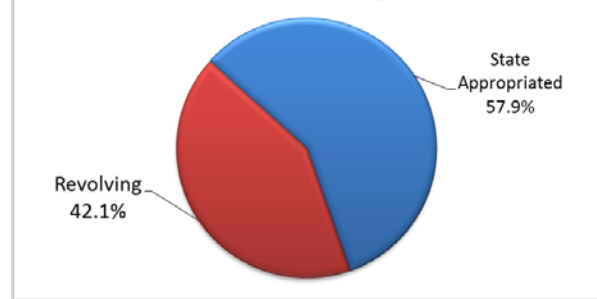
Programs

- Administration
- Data Processing
- Elections Management
- Voter Outreach and Registration
- Help America Vote Act

For information about the Election Board, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Completed the multi-year migration of Oklahoma's voter registration database and election management system to a new hardware and software platform; and
- Awarded a contract for an electronic absentee ballot delivery system for military and overseas voters.

Goals for Upcoming Year

- Successfully conduct the 2014 statewide elections; and
- Complete development of the absentee ballot delivery system for military and overseas voters and have it in place before the 2014 Primary Election.

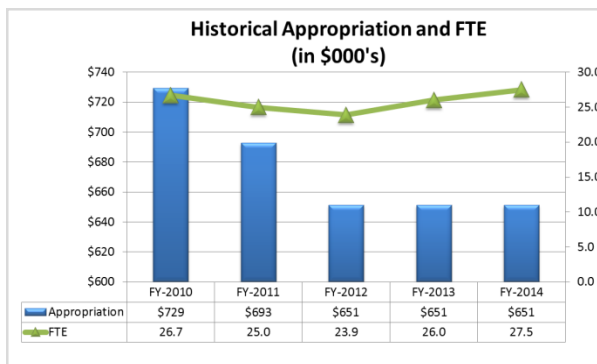
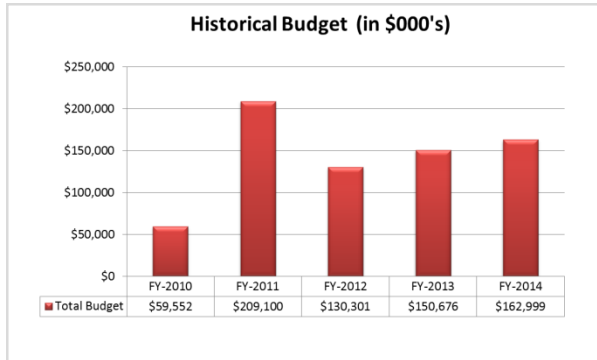
Major Agency Projects

- Developing and implementing an electronic absentee ballot delivery system. The State Election Board was awarded a contract in October 2013, for an electronic absentee ballot delivery system that will serve military and overseas voters securely and efficiently. It will allow these voters to obtain absentee ballots and track the status of their ballots in a manner that is compliant with state and federal law, including the ability to confirm their ballots have been received by the local County Election Board. The system is expected to be in use before the 2014 Primary Election.

Savings, Efficiencies and Shared Services in FY-2014

- Left several staff vacancies unfilled;
- Limited travel to necessary equipment maintenance and training; and
- Reduced printing and postage through the use of e-mail and the agency website.

Emergency Management, Oklahoma Department of (OEM) Safety and Security Cabinet



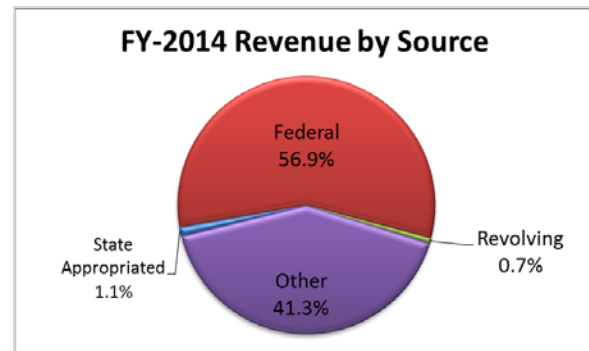
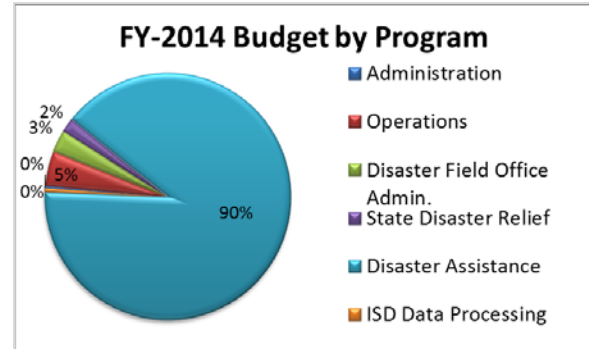
Mission

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.

Programs

- Administration
- Operations
- State Disaster Relief
- Disaster Assistance
- Disaster Field Office Admin.
- ISD Data Processing

For more information about OEM, visit [their website](#).



Accomplishments over Past Year

- **State Disaster Assistance** – Thanks to the Governor and State Legislature, OEM received \$45 million for the State Emergency Fund. This money paid the 12.5percent state matching funds to cities, towns, and counties for disaster related expenses that impacted roads, bridges, buildings and other public facilities, including the May 2013 tornadoes. It also funded disaster response costs of the Oklahoma National Guard during wildfires that required water drops as they taxed local capabilities.
- **Federal Disaster Assistance** – OEM delivered more than \$35.5 million in federal disaster assistance In FY-2014. This disaster assistance benefitted individuals, businesses owners, municipalities, counties, school districts, rural water districts and electric cooperatives impacted by Oklahoma disasters and emergencies. In 2013 and previous years, these disasters included tornadoes, straight-line winds, flooding, severe storms, wildfires and winter storms.
- **SoonerSafe Safe Room Rebate Program** – This individual 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 provided a 75-percent rebate – up to

\$2,000 – to eligible Oklahomans who installed above-ground or below-ground safe rooms. More than 30,000 people registered for the program since its launch in 2011, with more than \$2 million in safe room rebates delivered to Oklahoma homeowners.

- **State Local Assistance Program** – 95 local jurisdictions received \$1.7 million to fund local emergency management programs through the State Local Assistance Program (SLA). The SLA Program was funded by the Federal Emergency Management Agency through the Emergency Management Performance Grant and had a minimum 50 percent local cost-share requirement.
- **Disaster Grants Closed** - OEM surpassed the goal of six closeouts again in FY-2014. Five Public Assistance Grants and three Hazard Mitigation grants were projected to close by June 30, 2014.

Goals for Upcoming Year

- Close out a minimum of three Hazard Mitigation Grants and three Public Assistance Grants;
- Continue to implement the SoonerSafe Safe Room Rebate Program;
- Expand the new Safe Schools 101 program to provide training and assessments statewide; and
- Continue to Bolster the State Local Assistance Program.

Major Agency Projects

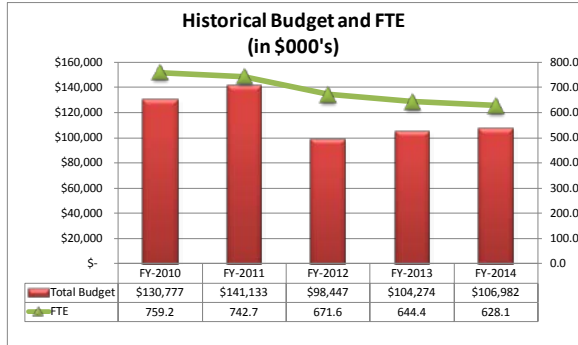
- **Safe Schools 101** - The newly launched program trains architects, engineers, emergency managers and other local officials to assess school buildings for safe room options as well as safe refuge areas already existing in schools. Classes feature lecture, hands-on exercises and on-site assessments for local schools. The program is intended to develop teams that can continue to assess schools throughout the state as requested by school districts;
- **SoonerSafe Safe Room Rebate Program** - The program, now entering its third year, provides a 75-percent rebate – up to \$2,000 – to eligible Oklahomans who install above-ground or below-ground safe rooms. More than 30,000 people have registered for the program by going to <http://www.soonersafe.ok.gov> with more than \$2 million in rebates already delivered to Oklahoma homeowners; and

- **Severe Weather Outreach** – OEM will launch a new public awareness and preparedness website and mobile application designed to prepare Oklahomans for severe weather and provide updates when severe weather or other disasters occur.

Savings, Efficiencies and Shared Services in FY-2014

OEM was at 26 FTEs (4 below authorized) to ensure fiscal responsibility within our budget. All OEM employees and over 96percent of contractors were paid via electronic deposit. OEM converted disaster and program grant payments to electronic payments for counties and cities.

Employment Security Commission (OESC) Commerce Cabinet



*The Oklahoma Employment Security Commission is a non-appropriated agency.

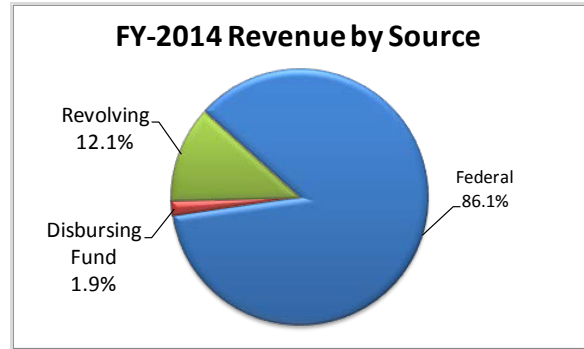
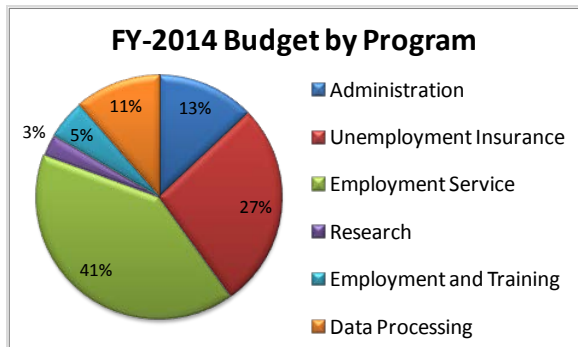
Mission

The mission of the Oklahoma Employment Security Commission (OESC) is to enhance Oklahoma's economy by matching jobs and job seekers, providing economic stability through the Unemployment Insurance program, providing access to the tools necessary to create a skilled workforce and disseminating labor market information to aid in the economic decision making process.

Programs

- Unemployment Insurance
- Employment Services
- Research
- Field Services
- Employment and Training

For more information about OESC, visit [their website](#).



OESC revolving funds support the Unemployment Insurance, Employment Services and Veterans Programs.

Goals for Upcoming Year

- Become demand driven by seeking customer input and using this information to provide responsive products and services. Improve customer experiences. Connect with Workforce Investment Boards and other stake holders and partners.
- Assure customers receive support and are connected to employment more quickly. Integrate registration for work into the UI claims application. Integrate planning, oversight and program service delivery. Provide for a fully integrated service delivery model throughout workforce service centers.
- Increase access to services and information through the use of information technology and partnerships. Implement OKJobMatch.com. Continue to build upon the UI modernization project. Redesign the online claims system (ONIC).

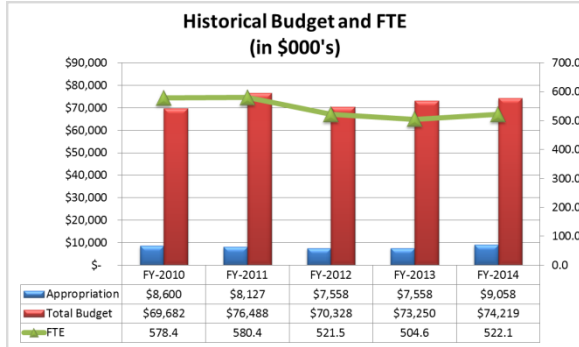
Major Agency Projects

- Voice Response/Call Center Management Project: Replace existing antiquated Voice Response and Call Center management hardware and software. Working jointly with OMES to implement a solution housed and maintained by OMES.
- Imaging and Workflow Project: Contracted with Persimmon Group to gather requirements for a RFP to implement a workflow and imaging solutions which use OMES current technology architecture.

Savings, Efficiencies and Shared Services in FY-2013

- OESC is fully implementing OKJobMatch.com, a more robust and user friendly web based tool that will help job seekers and employers connect. The implementation of OKJobMatch.com will provide job seekers enhanced resume and job search tools while allowing employers a more efficient way to identify prospective employees. This will result in improved reemployment outcomes. Survey respondents, which include both job seekers and employers, have indicated high levels of satisfaction with OKJobMatch.com
- As a non-appropriated state agency, OESC is using OMES network and communication services and has servers housed at the OMES Data Center. Once OESC's current contract with its security consultants has ended, OESC will be exclusively using OMES data and network security systems. OESC has completed the OMES email survey and is moving towards using only 'CORE' services provided by OMES's integrated financial system. OESC has also completed and submitted all surveys, IT organization charts, and IT asset inventory documentation to OMES. OESC is currently using OMES imaging systems and is in the process of implementing a voice response/call center management solution to be housed and maintained by OMES.
- OESC uses the PeopleSoft Financial Accounting, Purchasing, Human Resources, Payroll, Grants-Projects-Contracts (GPC) and AR Billing services.

Environmental Quality, Department of (DEQ) Energy and Environment Cabinet



Mission

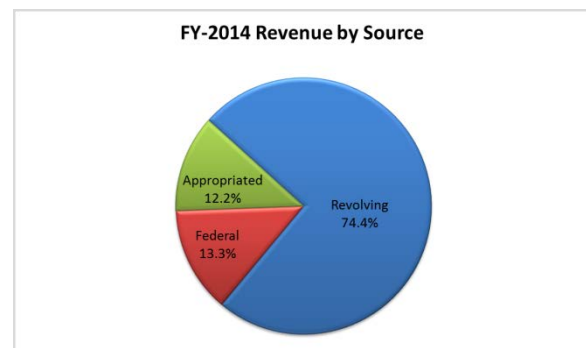
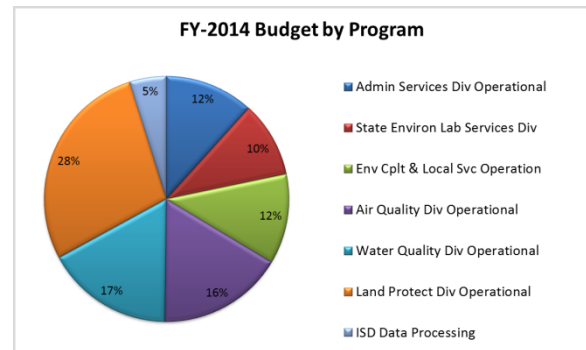
The mission of the Oklahoma Department of Environmental Quality (DEQ) is to enhance the quality of life in Oklahoma and protect the health of its citizens by protecting, preserving and restoring the water, land and air of the state; thus fostering a clean, attractive, healthy, prosperous and sustainable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

Programs

- Air Quality Regulation:
 - Air Emissions Inventory
 - Air Toxics
 - Air Monitoring
- Lead-Based Paint Regulation
- Asbestos Regulation
- Land Remediation:
 - Superfund
 - Voluntary Cleanup Program/Brownfields
 - Site Cleanup Assistance/Armories
- Hazardous Waste Regulation
- Radiation Protection
- Solid Waste Regulation:
 - Landfills
 - Planning & Systems Development
 - Waste Tire Program
 - Recycling
- State Environmental Laboratory
- Laboratory Accreditation
- Customer Assistance
- Small Business Assistance
- Risk Communication
- Major Drinking Water Regulation:

- Drinking Water Facility Construction Permit Approval
- Drinking Water State Revolving Fund
- Source Water Protection
- Groundwater Monitoring
- Operator Certification
- Wastewater Regulation:
 - Stormwater Regulation
 - Wastewater Facility Construction Approval
 - Industrial Wastewater Pretreatment
 - Integrated Water Quality Assessment
 - Total Maximum Daily Loads & Water Quality Modeling
 - Toxicity & Biomonitoring
 - State Review of U.S. Army Corps of Engineer Permits
 - Water Quality Management Plan (208 Plan)
 - Operator Certification
- Environmental Complaints
- Individual & Small Public Sewage Regulation
- Highway Remediation Contractors
- Septage Pumpers & Hauler Regulation
- Drinking Water Well Head Protection
- Stormwater
- Minor Drinking Water Systems
- Screening Inspections of Drinking Water, Wastewater, Solid Waste & Air Facilities

For more information about DEQ, visit [their website](#).



Accomplishments over Past Year

- Implemented EPA Rules for Continued State Primacy for Public Water Supply Program. DEQ met EPA's requirements to maintain and expand state "primacy" for the Public Water Supply (PWS) program. Primacy allows the public water supply program to be implemented by the state rather than EPA.
- Protected sensitive information regarding radiation sources. DEQ successfully pursued legislation to protect especially sensitive information regarding sources of radiation.

Goals for Upcoming Year

- Improve customer assistance by establishing an external affairs/customer assistance group. The new group will increase outreach to those entities that require assistance navigating regulatory pathways and facilitate resolution of complex matters involving various stakeholders.
- Continue development of electronic reporting and permitting systems to better serve the regulated community.
- Promote water conservation and reuse through process improvements, education, and outreach.

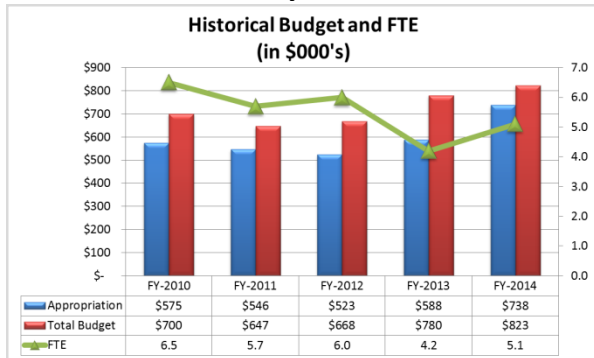
Major Agency Projects

- Identifying and exploring opportunities for moving regulatory reporting and permitting to an electronic format, for the convenience of the regulated community. Because of the wide variety and complexity of required reports and permits and the need to coordinate with evolving federal EPA requirements, this effort will extend over many years, but is one to which DEQ is committed and is devoting substantial resources.
- Aggressively exploring means to enhance water conservation and reuse in Oklahoma. DEQ continues to provide support to work groups involved in this effort; to bring forward rules for consideration and adoption by the Water Quality Management Advisory Council and the Environmental Quality Board; to produce informational materials; and to meet with stakeholders and other interested entities to further the objectives of smarter and more efficient water usage.

Savings, Efficiencies and Shared Services in FY-2014

- Moved renewal of Water and Wastewater Operator Certification licenses online. Approximately 11,000 of these licenses are issued each year. DEQ was able to eliminate one position, resulting in annual savings of \$56,708.
- DEQ's Air Quality Division began the process of converting to an electronic air quality permitting system. The first phase became available for use by the regulated community in the early part of 2014. This saves both the division and the industry significant time and cost.
- Completed the first phase of electronic Discharge Monitoring Report (DMR) submittals for wastewater discharge permit holders. Once totally implemented, permit holders will be able to submit DMRs electronically rather than on paper.

Ethics Commission Secretary of State



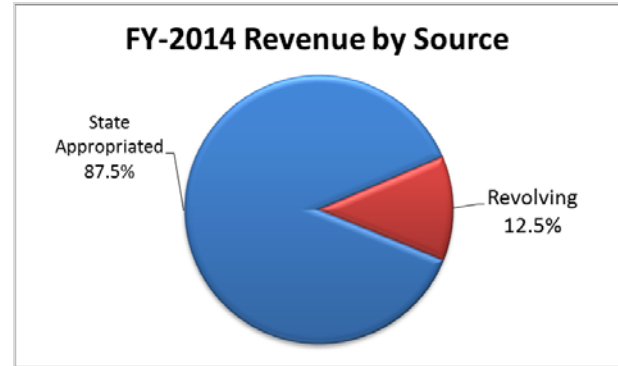
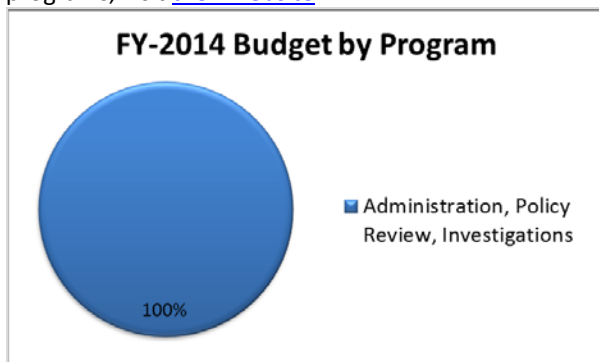
Mission

The Ethics Commission was created by the Article 29 of the Constitution to promulgate rules of ethical conduct for state officers and employees and for campaigns for elective state office and initiatives and referenda, including civil penalties for violations. The agency serves as a repository for all state campaign reporting, all lobbyist reporting and personal financial reporting for state officers and employees. Additionally, the Commission serves as repository for county campaign reporting pursuant to the Political Subdivision Ethics Act.

Programs

- Policy Review and Investigation
- Registration Services and Hearings

For information about the Ethics Commission's programs, visit [their website](#).



Accomplishments over Past Year

- Finished a complete review and comprehensive reform of the Ethics rules. This made the rules clear and concise and eliminated ambiguities and inconsistencies.
- Sought public input from regulated entities and met with elected officials, lobbyists, campaign consultants, state agency personnel, and news media representatives to identify problems within existing rules and to find solutions to those problems. The Ethics Commission held informal hearings in Enid and Tulsa and four formal public hearings at the Capitol.
- Redrafted Campaign Finance rules to show more clearly the flow of money into and out of campaigns.
- Revised the financial disclosure and conflicts of interest rules so that conflicts of interest can be more readily identified.
- Increased the number of reports that legislative lobbyists must file from twice a year to once a month during the legislative session.
- Required registration and reporting not only of lobbyists who lobby the Legislature but also lobbyists who lobby state entities other than the Legislature. Also required disclosure by state entities that retain lobbyists.
- Increased penalties for violations of ethics rules and shifted enforcement costs from taxpayers to violators.

Goals for Upcoming Year

- Redirect the commission's emphasis to voluntary compliance with the rules. For a period of time (possibly up

to six years) two sets of campaign reporting rules will be in effect—those applicable to committees formed prior to January 1, 2015 and those formed on or after January 1, 2015.

- Increase reliability by transitioning to new reporting software.

Major Agency Projects

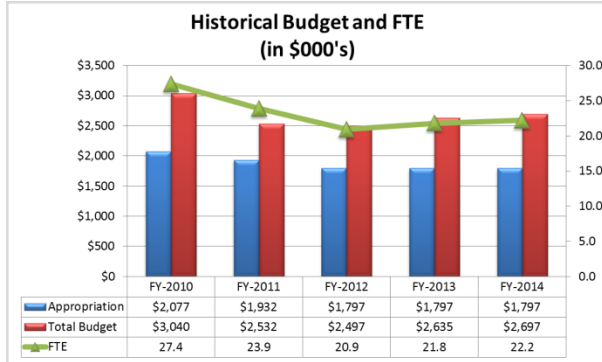
The Commission's major initiatives during the coming year will be to:

- Refocusing the emphasis on voluntary compliance with the rules by providing training and compliance assistance to regulated entities;
- Replacing current software with a user-friendly system that accurately preserves data and assists the agency with its auditing functions;
- Redesigning the website to make it user-friendly and to provide useful information.

Savings, Efficiencies and Shared Services in FY-2014

- Replaced 80percent of staff due to retirements between November 30, 2012 and September 1, 2013. Due to vacancies, the Commission saved approximately \$38,000.
- Utilized numerous shared services, including: budgeting, purchasing, accounting and claims services, financial reporting, financial management support, and human resources.
- Continued to make the website and reporting requirements more user-friendly through the use of interactive forms. This allowed electronic filing of required forms.

**Fire Marshal, Oklahoma State
(OSFM)
Safety and Security Cabinet**



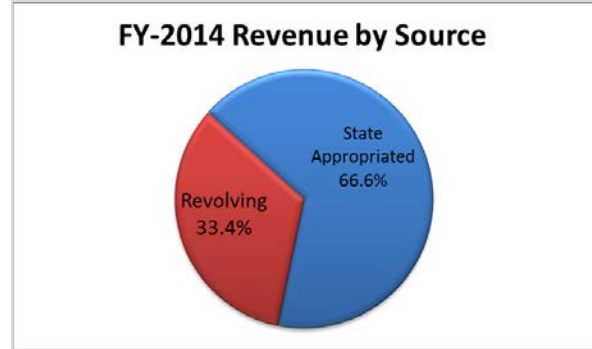
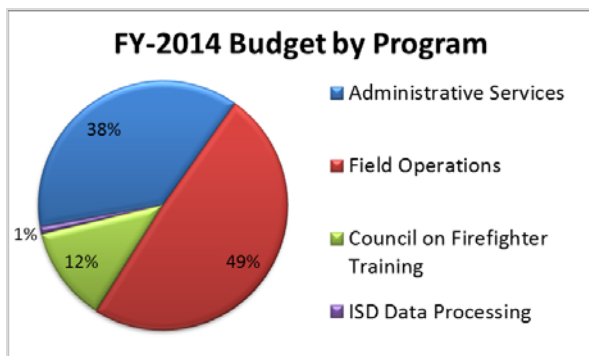
Mission

The mission of OSFM is to promote safety and awareness and reduce 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
- Council on Firefighter Training
- ISD Data Processing

For more information about OSFM, visit [their website](#).



Accomplishments over Past Year

- Introduced iPads for field personnel to promote wireless communications, reduce paper, and quicker report preparation and submittal;
- Leased CNG vehicles from the Office of Management and Enterprise Services (OMES) Fleet Management for several field personnel to promote the Governor’s Natural Gas Vehicle Initiative; and
- Implemented licensing programs for Fireworks Display Operators (Shooters) and Fire Extinguisher Industry;

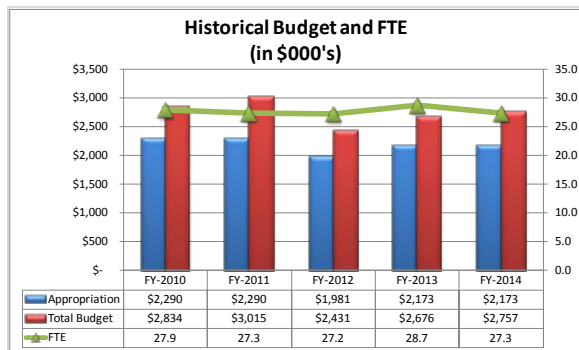
Goals for Upcoming Year

- Obtain pole camera search system to assist with fire investigations and life safety code inspections;
- Provide training for agency personnel for fire extinguisher industry licensing and suppression system inspections; and
- Provide instruction on an 80 hour fire investigation course and 8-16 hour introduction to fire investigation course to statewide fire departments and law enforcement entities.

Major Agency Projects

Implement statewide VHF radio communication network.

Governor



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

At the beginning of each session of the Legislature, the Governor presents the budget recommendations for the various state agencies and reports on the condition of the state of Oklahoma. Every bill passed by the Legislature during regular session and prior to adjournment is presented to the Governor, before it becomes a law. The Governor signs the bill if approved; if not, the bill is vetoed and returns with objections to the Legislature, which can override a gubernatorial objection by a two-thirds vote.

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

Additional duties of the Governor include:

- 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:

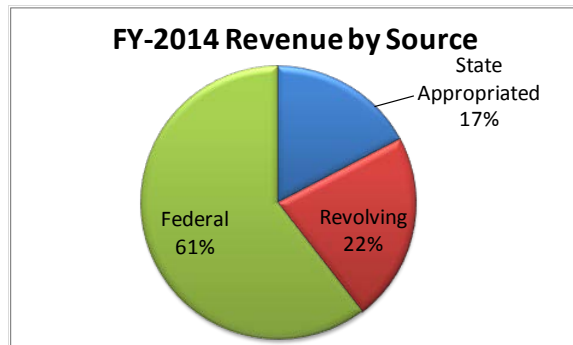
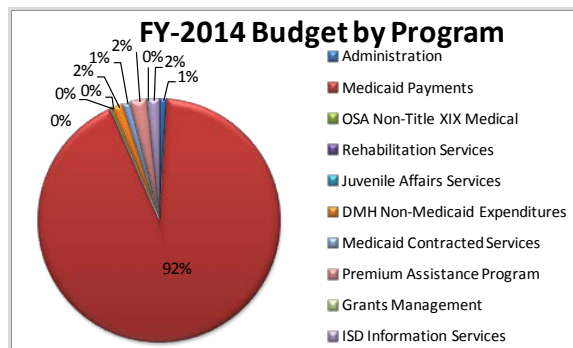
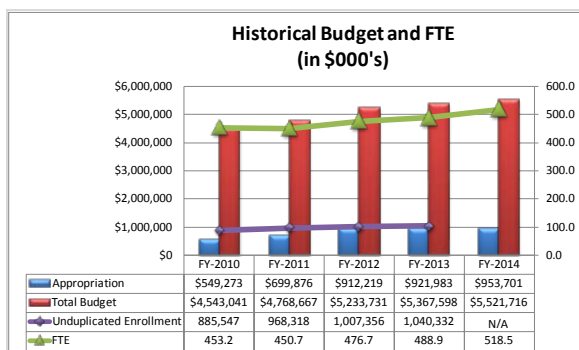
- Capital Improvement Authority (73 O.S. 98.2)

- Commissioners of the Land Office (70 O.S. 611)
 - Contingency Review Board (74 O.S. 1201)
 - 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 Growth Policy Board (74 O.S. 3501)
 - 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 in FY-2014

- As part of the Governor’s commitment to doing more with less, the Office of the Governor downsized operations by consolidating the Tulsa office to a smaller location. This resulted in a savings of \$400 per month;
- Rather than contract for specialized financial analysis relating to development of tribal economic initiatives, the Office of the Governor obtained assistance from the Harvard School of Government at no cost to state or federal taxpayers. This resulted in a savings of \$10,000 in advanced research services;
- Lease a CNG vehicle for daily travel, drastically reducing fuel costs;
- Utilize shared services through the Office of Management and Enterprise Services for all accounting, human resources, IT and purchasing;
- Enhance cost-savings through increased use of the state purchasing card system; and,
- Utilize of the online electric payment system and overall reduction of paper use.

Health Care Authority (OHCA) Health & Human Services Cabinet



Mission

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

The Oklahoma Health Care Authority administers SoonerCare which is Oklahoma’s Medicaid program. The Oklahoma Health Care Authority has the task of providing government-assisted health insurance coverage to qualifying Oklahomans. SoonerCare offers varying health benefit packages, and each has a different name. Each of those benefit packages is listed below:

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

For more information about OHCA, visit [their website](#).

Accomplishments over Past Year

- Achieved the lowest payment error rate measurement (PERM) for SoonerCare among 17 states in a recent federal comprehensive review. Oklahoma’s error rate for FFY-2012 was 0.28percent; the national average error rate was 5.8percent. PERM is a comprehensive, ongoing federal audit intended to measure improper payments in Medicaid. The audit includes a review of member eligibility, medical necessity of the services rendered and appropriate processing of the claims paid.
- Granted a one-year extension (through December 2014) for Insure Oklahoma. This was achieved after Governor Fallin corresponded with President Obama and Secretary of Health and Human Services Kathleen Sebelius, underscoring the importance of the program to the state.
- Reduced the number of non-medically indicated cesarean section (C-section) rates among SoonerCare mothers for first deliveries from 20.3percent in FY-2009 to 16.9percent in FY-2013 through partnerships with the Oklahoma State Department of Health and providers. Elective, repeat C-sections pose an increased risk in neonatal morbidity, neonatal intensive care (NICU) admissions and hospital stays greater than or equal to five days.

- Cut smoking rates from 48percent to 43percent between FY-2009 and FY-2013. This was accomplished through SoonerQuit which offers help with tobacco cessation counseling and products. Additionally, the Oklahoma Tobacco Helpline saw an 82percent increase in the number of SoonerCare callers from 2009 to 2012, nearly doubling in the last year alone.

Goals for Upcoming Year

- Completion of the dual feasibility study as commissioned by the Oklahoma Legislature. This study will look into care coordination models for individuals eligible for both Medicaid and Medicare, incorporating review and analysis of various factors affecting Oklahoma's Dual Eligible Population. These factors include demographics and Medicare/Medicaid claims utilization as well as the availability of Managed Care Organizations with the appropriate benefits, rate and provider networks.
- Design and implement secure patient "portals" which are online options for patients to view or download their records as well as send their health information to another provider. These changes set the foundation for members to better understand their health status, leading to better health outcomes for Oklahomans.
- Continue refinement of the Patient Centered Medical Home (PCMH)/Health Access Network (HAN) programs in order to maximize benefit to taxpayers. The PCMH program, initiated in 2009, provides financial incentives to primary care providers who agree to provide enhanced services that are likely to result in an overall decrease in the cost of serving SoonerCare members. In addition, OHCA began in 2010 investing in administrative HANs that help support care coordination and quality improvement among PCMHs in several specific regions of the state. Paid on a per-member-per-month basis, HANs are structured to give support to providers by enhancing their capabilities to provide specialty care and make strategic quality-improvement changes to their practices in cases of members with specific complex needs.
- Partner with the Department of Mental Health and Substance Abuse Services to launch a behavioral-health screening initiative that will require SoonerCare primary care providers (PCP) to add mental health considerations to practices

that previously focused almost exclusively on physical health. The program will require PCPs to perform a behavioral-health screening on all patients age 5 and over who are assigned to their practice with appropriate referrals for behavioral and/or substance abuse specialists encouraged.

Major Agency Projects

- Collaboration between public and private health care payers through the Comprehensive Primary Care initiative which hopes to strengthen primary care for Oklahomans. Medicare will work with commercial and state health insurance plans and offer incentive payments to primary care doctors who better coordinate care for their patients. Through this initiative, the OHCA collaborates with Medicare, Blue Cross and Blue Shield of Oklahoma and CommunityCare, sharing development, implementation, and operational technical advice on the PCMH program. It is hoped that within this information sharing environment other payers will embrace the PCMH principles and build similar financial incentives for their contracted PCP's.
- Shifting the structure of service delivery through the Health Management Program (HMP) which emphasizes development of member self-management skills and provider adherence to evidence-based guidelines and best practices. The program consists of two major components -nurse care management that focuses on high-risk patients and practice facilitation, which aims to assist providers in offering quality care for patients. A key change will embed nurses in health coaching roles in targeted primary care practices as opposed to the current combination of face-to-face and telephonic case management. Practice facilitation will remain an essential part of the program, focusing on strategies to improve efficiency and quality of care.
- Reducing emergency room use by educating and informing both members and their providers. If a member has more than one ER visit in a quarter, the member will receive a letter that requests the member contact OHCA and, if appropriate, may be referred to care management or behavioral health services. If the member exceeds a certain threshold, then several steps will be taken based on the number

of visits. These include contacting the member, referring them to the OHCA Legal Unit, and, for persistent users, Provider Services Education Specialist will immediately conduct outreach calls to the PCP when the visit occurs.

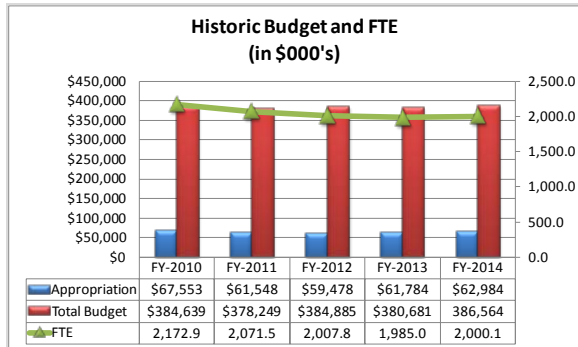
Projects, Savings, Efficiencies and Shared Services in FY-2014

- Saved the state of Oklahoma \$139.2 million, as of FY-2012, through the HMP since it began in February 2008. Some of the nurse care management outcomes included a reduction in hospital admissions and emergency department utilization as well as improvement in quality of care measures. The report also revealed reduced risk scores and gaps in care, high member satisfaction scores, and cost decreases resulting from cost avoidance.
- Achieved savings and efficiencies through the PCMHs. This was accomplished at the following levels:
 - *Health Care Expenditures*
Restrained growth to 1.4percent per member per month for the SoonerCare Choice population, less than half the average annual per capita national health expenditure increase of 3.2percent, according to a study done by the Pacific Health Policy Group for the time period of January 2009 to June 2012.
 - *Administrative Expenditures*
Achieved lower administrative costs through the PCMHs than Arizona achieved through its well-established MCO structure. SoonerCare administrative expenses were slightly under 5.5percent versus 11.4percent in Arizona. This comparison gauges the relative cost effectiveness of OHCA's model versus the standard MCO model. The PCMHs operate like a state-run MCO while Arizona operates the nation's oldest MCO system.
- Contracted with Mercer GHSC to evaluate the effectiveness of the SoonerCare Pharmacy benefit management strategies. The study concluded OHCA has a significantly higher generic dispensing rate than many commercial and other Medicaid programs at 88percent, while the national average for Medicaid programs was 79percent. Mercer GHSC also

stated that OHCA's contract costs with the OU-College of Pharmacy for management of the benefit is well below fees projected for a winning competitive bid with a savings of more than \$7.5 million.

- Worked with agency staff to make changes in non-emergency transportation (SoonerRide) that better meets the needs of families and has enhanced agency communication with members.
- Maintained exceptional partnerships with Oklahoma tribes through bi-monthly tribal consultation meetings for the purpose of gaining feedback on the impact of OHCA policies. Consultation with the tribes also helps to identify unmet needs and areas for collaboration. Beginning in September 2009, several state, private, and tribal entities partnered to provide supplies and dental education to nearly 500 Riverside Indian Boarding School students. The students now routinely receive appropriate preventive and acute dental health care.

Health, Oklahoma State Department of (OSDH) Health & Human Services Cabinet



- Consumer Health (Restaurant and Motel Inspections Sanitarians)
- County Jail Inspections (Health Resources Development)
- Quality Improvement Evaluation Services
- Veterans Center Inspections

Health Improvement:

- Center for the Advancement of Wellness
- Health Planning & Grants
- Office of Performance Management
- Center of Health Statistics
- Office of Communications
- Community Development
- Administrative Services

For more information about the OSDH's programs, visit [their website](#).

Mission

The mission of the Oklahoma State Department of Health is 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:

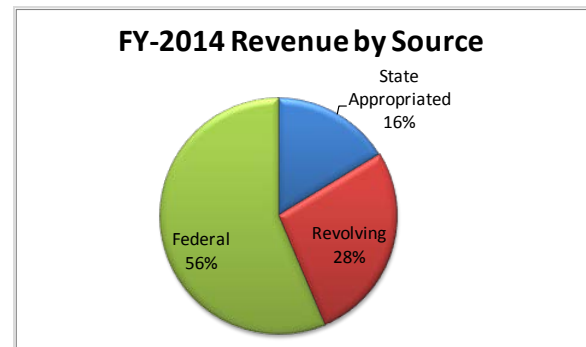
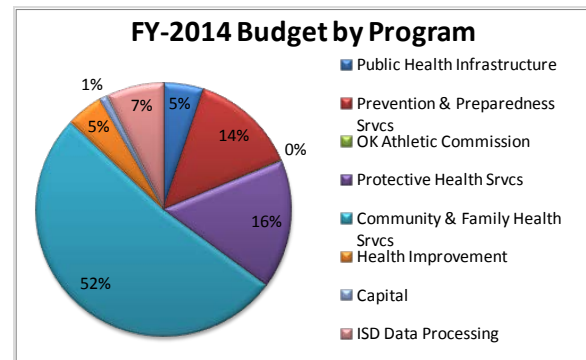
- County Health Departments
- Maternal and Infant Health Programs
- Children First
- Sooner Start
- Child Guidance Services
- Women, Infants and Children (WIC)
- Dental Health
- Family Support & Prevention
- Records Evaluation & Support

Prevention & Preparedness Services:

- Emergency Preparedness & Response Service
- Newborn Metabolic Screening (Screening Special Services)
- Chronic Diseases
- Injury Prevention
- Public Health Laboratory
- Communicable Diseases (State Epidemiologist)
 - Immunizations
 - Tuberculosis
 - HIV/STD - surveillance and prevention

Protective Health Services:

- Long Term Care Services
- Medical Facilities



Accomplishments over Past Year

- Became one of the first state public health departments to achieve accreditation from the Public Health Accreditation Board (PHAB);
- Accomplished partial IT consolidation with the Office of Management and Enterprise Services (OMES);
- Exceeded the national average for overall health security, according to the National Health

Security Preparedness Index (NHSPI)
(Oklahoma=7.3, national average=7.2);

- Reduced infant mortality from 8.6 infant deaths per 1,000 live births in 2007 to 7.7 infant deaths per 1,000 live births in 2012; and
- Improved the ranking among states for percentage of Oklahomans who smoke, moving from 47th to 39th in the nation. The percentage of Oklahomans who smoke dropped from 26.1percent in 2011 to 23.3percent in 2012.

Goals for Upcoming Year

- Obtain passage of a state law to prohibit the sale of e-cigarette/vapor products to minors. Oklahoma state law is currently silent on the sale of e-cigarettes to minors. These products contain carcinogens and nicotine, which is toxic, highly addictive and can negatively affect the developing brain.
- Provide a rebate for the construction of residential storm shelters or safe-rooms. The legislation supported by the department would create a one-time rebate to individuals and families for the construction of a residential above or below ground storm shelter.
- Continue progress under Oklahoma Health Improvement Plan (OHIP) - decrease the rates of obesity and tobacco use and improve children's health.

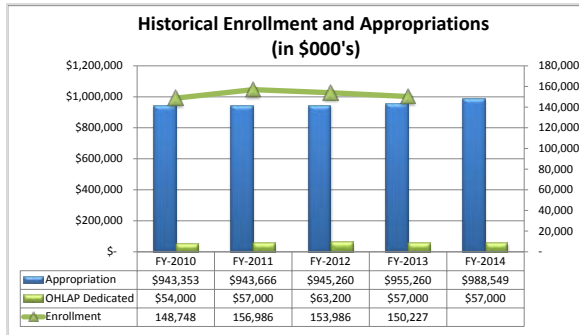
Major Agency Projects

- Continue renovation of OSDH central office building to achieve further savings and efficiencies.
- Continue the centralized billing project, in which all third party billing for health services will be created in a central billing office. This will create administrative efficiencies, greater consistency in billing practices, and modernization in billing services with online bill payment capability.
- OSDH is in the planning stages of building a new Public Health Laboratory (PHL) to ensure provision of high quality services and efficient workflow with the ability to expand testing and to adopt advancing technologies as they evolve, including testing for agents of bioterrorism and an increased scope of clinical testing.

Savings, Efficiencies and Shared Services in FY-2014

- Replaced the HVAC system and windows with modern, energy efficient fixtures, which will result in reduced utility costs and annual savings over \$170,000. Further savings will be realized through the elimination of repair and maintenance expenses for obsolete core systems of the building. Additionally, the OSDH is maximizing existing office space in an effort to cancel space leases costing \$200,000 annually.
- Consolidated printers and related devices in the central office building. The cost savings will be approximately \$260,000 per year.
- In accordance with Title 62 OS Sec 41.5 p-1 (HB 1032, 2009) the OSDH entered into a statewide contract with CSDC Systems to implement an online licensure system. The online licensure system will allow licensure activity to be transacted through a web portal, creating efficiencies and cost savings within government agencies.

Higher Education, State Regents for Education & Workforce Development Cabinet

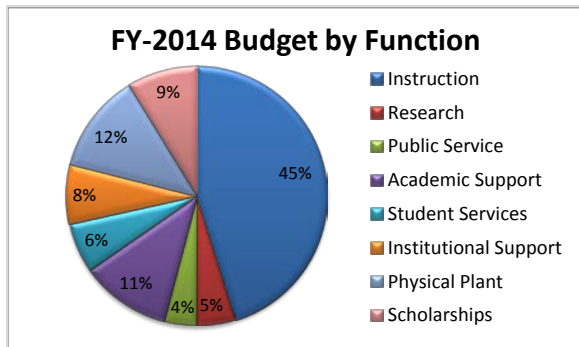


Mission

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, eleven regional universities, and 12 community colleges. For more information about OSRHE, visit [their website](#).



Accomplishments over Past Year

- Exceeded the Oklahoma's higher education Complete College America system degree completion goal for our first year. Oklahoma higher education institutions had a degree completion increase of 2,945, exceeding the 1,700 goal set by Complete College America Initiative.

- Earned a ranking of 8th in Higher Education Efficiency, 7th lowest in College Affordability and 19th in STEM Job Growth, according to "Enterprising States" a project of the US Chamber of Commerce and the National Chamber Foundation; and
- Utilized a Performance Funding Formula that emphasizes outcome measures for higher education institutions to receive additional funding. Oklahoma's Performance Funding Formula has been recognized by several national groups, including College Board as "lead(ing) the nation in developing and implementing a performance funding for higher education."

Goals for Upcoming Year

- Build upon 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 arrangement of credit transfers among institutions in our state system through the Course Equivalency Project with a special emphasis on on-line courses;
- Institute competitive grants for Oklahoma higher education institutions to help facilitate student services in academic advisement, career counseling, financial literacy and veterans' services;
- Provide an additional 25 Summer Academies throughout the higher education system with an emphasis on the Governor's STEM education initiative; and
- Establish a scholarship program that would match efforts undertaken by local communities and foundations that provide financial aid to adult degree seeking students.

Major Agency Projects

- Complete College America (CCA) Initiative, 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 67percent increase by 2023.
 - CCA is part of a unified economic policy that involves the Governor, postsecondary education, business and industry. Working through the CCA leadership team and key

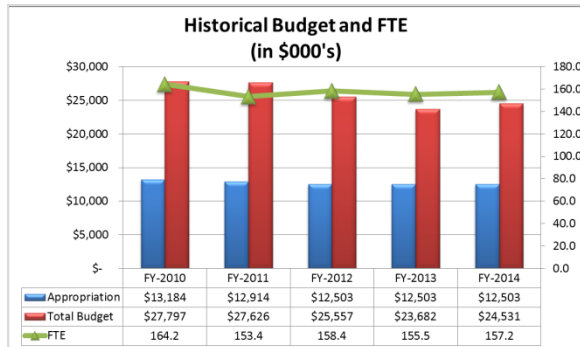
Cabinet officials, the call has come from the Governor for these priorities to be central to job creation and workforce development in the present and future.

- CCA and the National Governors Association's (NGA) Complete to Compete action plan is an acceleration of efforts to make significant improvements to two critical segments of the educational pipeline in Oklahoma: (1) restructuring remedial and developmental education, and (2) developing accelerated degree complete options.
- Supporting all of these efforts is Oklahoma's revised Performance Funding Formula that utilizes appropriate components of the state and campus level CCA and NGA metrics. These metrics reflect new priorities by measuring and rewarding improvement in outcome measures.

Savings, Efficiencies and Shared Services in FY-2014

- In FY-2014 Higher Education entities have budgeted over \$43.6 million in operational cost savings and efficiencies and over \$48.2 million in IT cost savings and efficiencies.
- From 2011-2015, Higher Education entities have a combined total cumulative cost savings and efficiencies of \$451.7 million.

Historical Society, Oklahoma (OHS) Tourism Cabinet



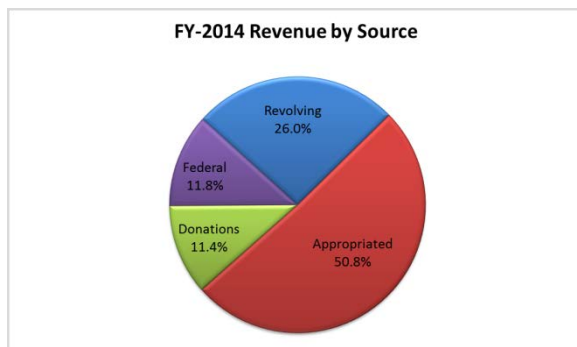
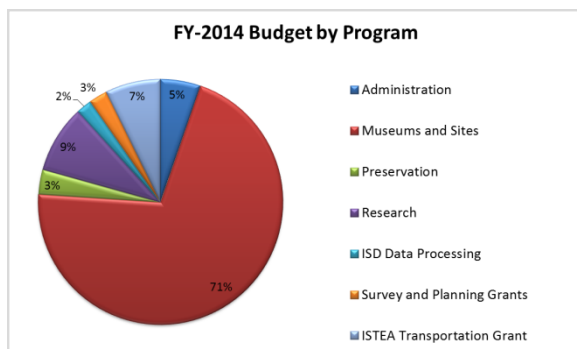
Mission

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

- Museums & Sites
- Historic Preservation
- Research Collections

For more information about the OHS, visit [their website](#).



Accomplishments over Past Year

- Completed site work and construction documents for a new museum to commemorate the Battle of Honey Springs, the largest battle fought in Oklahoma during the Civil War. The museum will be completed by the summer of 2015, the 150th anniversary of the war's end.
- Completed restoration of the six-reel silent film *Daughter of Dawn*, made in 1920 in the Wichita Mountains with a cast of 300 Kiowas and Comanches; a distributor was selected for film festivals, theatrical showings, and DVD sales.
- Averaged more than one donated collection per day.

Goals for Upcoming Year

- Establish a grants-in-aid program for local organizations to collect, preserve and share history at the grassroots level.

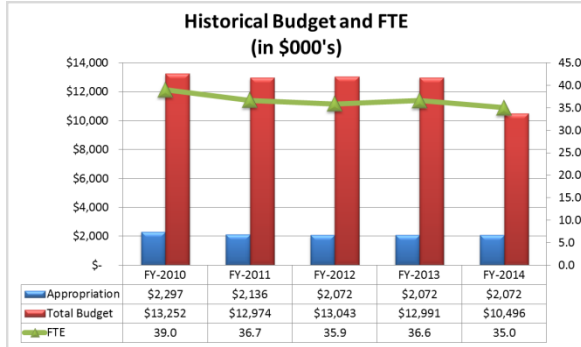
Major Agency Projects

- Digitization of the 1.4 million photographs included in OPUBCO collection (within two years the collection will be searchable on website); and
- Continuing exhibit initiative called "Crossroads of Commerce: A History of Business Innovation in Oklahoma." Projected to open in 2015, this exhibit will trace the evolution of the state and local economy from the 1720s to present.

Savings, Efficiencies and Shared Services in FY-2014

- Increased sharing of resources, reduced administrative overhead, and improved fund raising coordination efforts through consolidation of museums and historic sites into multi-site operational units;
- Completed a multi-year effort to reorganize research staff with full-time, experienced and motivated team leaders working with part-time and contract employees; and
- Contracted with Oklahoma Department of Corrections to stretch grant funds by using prison labor to digitize photographs at a fraction of the previous cost.

Horse Racing Commission, Oklahoma (OHRC) Agriculture Cabinet



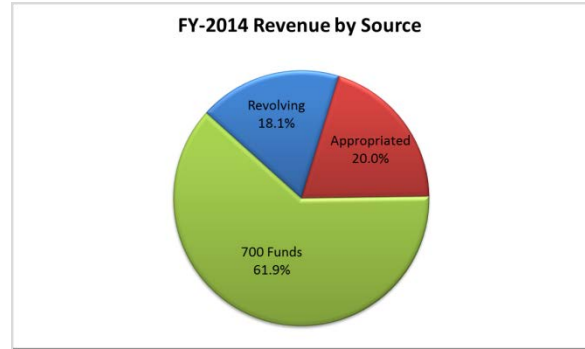
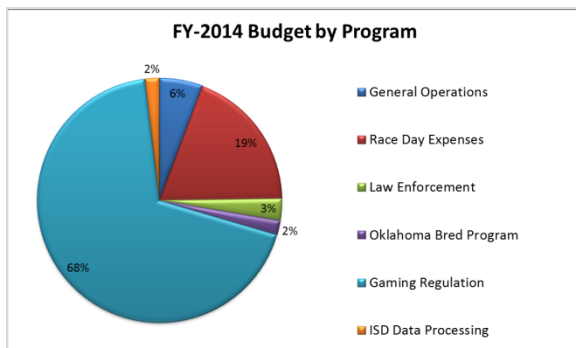
Mission

The Oklahoma Horse Racing Commission (OHRC) encourages agriculture and the breeding of horses, while generating public revenue through the forceful control of the highest quality Commission-sanctioned racing, which maintains the appearance, as well as the fact, of complete honesty and integrity of horse racing in Oklahoma.

Programs

- Race Day Expenses
- Law Enforcement
- Oklahoma Bred Program
- Gaming Regulation

For more information about OHRC, visit [their website](#).



Accomplishments over Past Year

- Initiated drug testing protocols for the detection of the powerful painkiller Dermorphin, which resulted in 15 equine positive reports, 14 of which were successfully prosecuted; and
- Continued upgrading the Commission's internal database, data entry programs and consolidation of numerous licensing functions.

Goals for Upcoming Year

- Continuing to detect and prevent the use of illegal substances through rigorous drug testing methods;
- Investigating and prosecuting illegal pari-mutuel horse racing; and

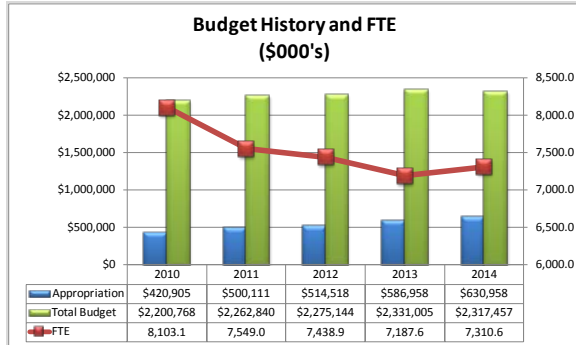
Major Agency Projects

- On-going project of updating and streamlining current databases and applications.

Savings, Efficiencies and Shared Services in FY-2014

- Continued contract with OMES for IT services.

Human Services, Department of (OKDHS) Health & Human Services Cabinet



Mission

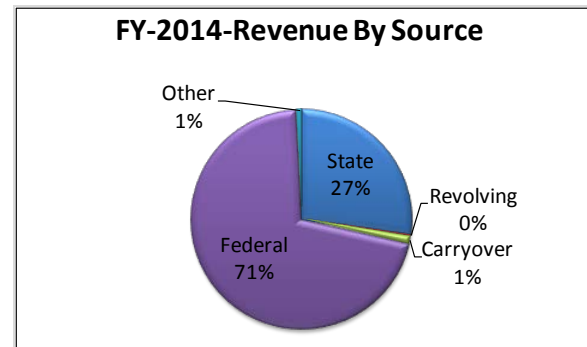
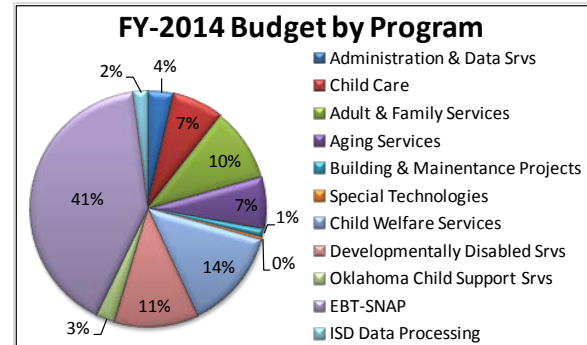
Oklahoma Department of Human Services (OKDHS) helps individuals and families in need to help themselves lead safer, healthier, more independent and productive lives.

Programs

- **Aging Services:**
 - ADvantage Program
 - Personal Care Program
 - Local Social and Nutrition Programs
- **Child Welfare Services:**
 - Adoptive Services
 - Foster Care
 - Child Welfare
- **Child Support Services:**
 - Paternity Establishment
 - Child Support Order Establishment and Modification
 - Child Support Enforcement
- **Developmental Disabilities Services:**
 - Institutional Facilities
 - Home and Community Based Waiver Programs
- **Adult and Family Services:**
 - Temporary Assistance for Needy Families (TANF)
 - Supplemental Nutrition Assistance Program "SNAP" (formerly Food Stamps)
 - Low-Income Home Energy Assistance Program (LIHEAP)
 - Child Care Subsidy
 - Refugee Assistance
 - Adult Protective Services

- **Child Care Services**
 - Child Care Subsidy
 - Child Care Facility Licensing

For more information about OKDHS programs, visit [their website](#).



Accomplishments over Past Year

Adult and Family Services (AFS)

The Business Development Strategy Unit evaluated statewide business practice with a goal of consistent, responsive customer service. This led to the development of statewide standards for operations.

Small-Scale Pilots designed by regional and county leadership worked to make reception more welcoming, created efficiency through shared caseloads across counties, increased accountability for social services specialists, and added focus to client interviews.

DHSLive became the preferred method of benefit renewal, improving access to services. Three regional support centers and a statewide customer service center were used to centralize routine business processes while also allowing a more flexible response to work load management.

Aging Services Division

Targeted beneficial grant opportunities, leading to increased services for Oklahoma’s seniors, including grants which funded the Oklahoma Farmer’s Markets and an expansion of the Chronic Disease Self-Management Program.

Provided over 180 senior veterans with Christmas gifts through the Veteran’s Christmas Project. This included 87 seniors at a local veteran’s facility and 107 homeless veterans in the Lawton area.

Child Care Services (CCS)

Required child care facility staff in Oklahoma to submit to fingerprint-based national background checks per Oklahoma law. This allowed better screening of applicants and existing employees. Also, CCS developed a web-based system giving providers real-time access to background investigation results.

Oklahoma Child Support Services

Oklahoma’s front line caseworkers have an average of 449 cases, and the need for their services is only expected to increase. DHS’s performance measures were as follows:

- **Paternity Establishment Percentage** – 121.50percent, comparing one year’s out-of-wedlock births with acknowledged and court-ordered paternities from the next year.
- **Support Orders Established** – 79.64percent of caseload
- **Current Support Collected** – 55.09percent, leaving less than 45percent still due and uncollected.
- **Arrears Support Collected** – 61.56percent of cases had collections.
- **Medical Support Orders Established** – 91.52percent of all cases with support orders also had medical support orders established.
- **Cost Effectiveness Ratio** - \$4.65 was recovered for each \$1 expended on the program.

Child Welfare Services (CWS)

The Pinnacle Plan, created as a result of the settlement agreement in the DG vs. Yarbrough case, outlines performance measures and important milestones which the CWS division must fulfill. Updates on the Pinnacle Plan are posted monthly to the DHS website to provide an unprecedented degree of transparency and allow the public to

monitor DHS progress in meeting the goals set out in the Plan.

Developmental Disabilities Services Division (DDSD)

DDSD continued to be one of the national leaders in employment of individuals with intellectual and developmental disabilities. Sixty-two percent of adults served are working in integrated worksites. This year, DDSD participated in the State Institute for Employing People with Disabilities as a part of the National Governors Association (NGA) Chair’s Initiative.

Finance Division

Reduced the process time on large federal grants from two and one-half months to approximately two weeks by automating direct cost certification.

Reduced paper warrants to 0.5percent of all benefit disbursements, greatly diminishing chances for fraud and providing more timely benefit distribution.

Office of Client Advocacy (OCA)

Overseeing the implementation the Pinnacle Plan is one of the main responsibilities of the OCA. In the past year, the OCA:

- Used the KIDS systems for all juvenile investigations;
- Modified substantiation protocols;
- Set up an on-call program to respond to priority juvenile investigations;
- Implemented the next stage of a Specialized Children’s Unit that conducts all investigations involving children and complies with staffing standards established by the Pinnacle Plan;
- Developed Immediate Protective Action Plans to address the safety of children while investigations are pending;
- Combined the Intake and Grievance Units to provide the best customer support and fully use all services offered by each OCA subdivision;
- Streamlined and updated the Intake process to include computerized tracking; and
- Initiated a Program Review Process for juvenile investigations to ensure due process and provide quality assurance.

Office of Inspector General (OIG)

Reviewed and updated the Internal Audit Policy and added the Security and Emergency Management Unit. Also, OIG implemented a more reliable database to manage Investigation Unit referrals, providing enhanced reporting functionality.

Goals for Upcoming Year

- Increase child support collection by working with employers and other community partners to find better long-term outcomes for clients;
- Improve community engagement by increasing cooperation with faith-based and community organizations;
- Complete Pinnacle Plan Year Two
 - Meet caseload targets set out by the Pinnacle Plan through increased hires and retention strategies;
 - Educate child welfare specialists through a certification and field-training program for new workers;
 - Provide increased support for child welfare specialists through the addition of a child welfare assistant;
 - Increase permanency of older youth placed in congregate care settings;
 - Implement a Quality improvement plan to identify issues and trends, set goals, and create action steps.
 - Train five tribal liaisons to assist in coordinating services and plans as outlined in the Tribal/State Agreements;
- Improve the investigative process for vulnerable adults by reducing completion times, ensuring necessary collateral interviews and documentation are included, and complying with initiation time frames; and
- Expand monitoring of local grievance programs to include a customer awareness evaluation tool and use of regular on-site and annual reviews.

Major Agency Projects

Child Welfare Services

Decreasing shelter utilization for young children is a priority for the agency. Since efforts began in January 2013, huge strides have been made in

diverting children younger than six from shelters into homes. This will be expanded to children under the age of 12 this year, and to older children over the next three years.

Increasing availability of foster homes is a continuing project. DHS and its private partners are working to increase the number of foster families available in order to continue moving children into family settings. New foster home providers will be held to a high standard of performance, with early reporting of public metrics.

Developmental Disabilities Services Division

Working toward the closure of both Northern Oklahoma Resource Center (NORC) and Southern Oklahoma Resource Center (SORC) as residents transition into the community.

During FY-2013, Oklahoma continued its aggressive pursuit of the best practice standard of services for its citizens with intellectual and developmental disabilities. For the first time, all residents of the two closing state-operated public facilities are being given the option to live in a regular home in a typical neighborhood in Oklahoma, exchanging the regulated, structured life of the institution with the freedom and choice every other citizen enjoys. No longer will individuals be required to live with large groups in old buildings on isolated campuses simply because they were born with a disability. Over the next eighteen months, the state will complete the closure of the state facilities and discontinue the outmoded model of regulation-driven programming in large state-run institutions. Full closure will mean Oklahoma’s previous investment in buildings will instead go towards direct services for our citizens.

Savings, Efficiencies and Shared Services in FY-2014

Aging Services

The Electronic Benefits Transaction initiative

modernized and streamlined claims payment processing and reporting for the adult day health program. It also ensured DHS only paid for actual usage and reduced human billing error and fraud. This initiative was recognized with a state award, and a multi-divisional team has further refined the initiative by incorporating the Lean Six Sigma methodology.

The redesign of the waiver management information system included a new provider portal access for service delivery providers which virtually eliminates the transmittal of paper documents by mail or fax, improving the delivery of services and creating greater efficiency.

Finally, the Aging & Disability Resource Consortium initiative granted consumers better access to needed services through a centralized information web portal system.

Child Welfare Services

The combination of the two division approach to child welfare into a streamlined simplistic organizational structure led to several efficiencies. This allowed front line staff more access to a leadership team with child welfare knowledge and experience, which led to better customer service and better outcomes.

Assessments of new hires were conducted to reduce turnover and the costs associated with hiring and training new staff. To ensure a qualified workforce, new hires were required to pass competency exams before being assigned a workload.

Child Support Services

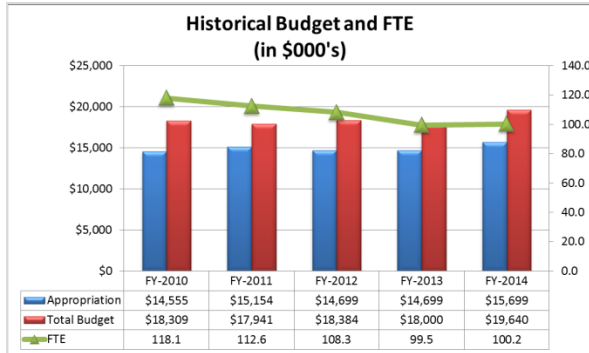
All Internal Revenue Service (IRS) confidentiality training was put online and all relevant documents were retained electronically. This reduced cost and increased accountability.

Lean/Six Sigma Process Improvement Projects reduced the average total time for internal contract award from 58 days to 19 days. Adult and Family Services training was documented, analyzed, and improved to ensure consistency and accuracy.

Child Care Services

A child care provider website allowed providers to access authorizations, attendance, and payment information in real time. Providers saved time normally spent waiting for confirmations in the mail, and the agency reduced the cost of its mailings.

Indigent Defense System (IDS) Safety and Security Cabinet



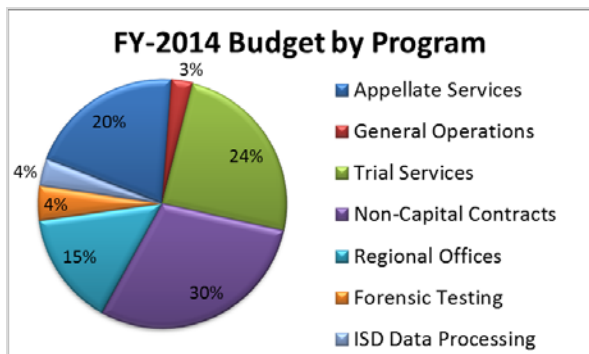
Mission

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.

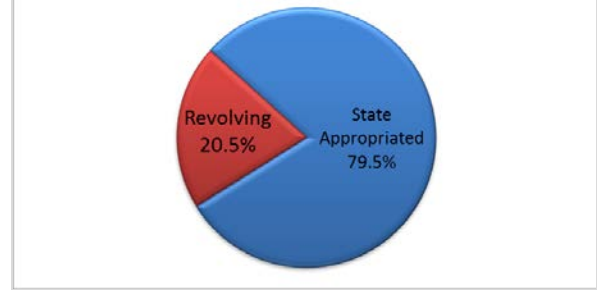
Programs

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

For more information about IDS, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

The agency's main goal was to continue ensuring adequate constitutionally-mandated legal representation to its court-appointed clients, which it was able to do.

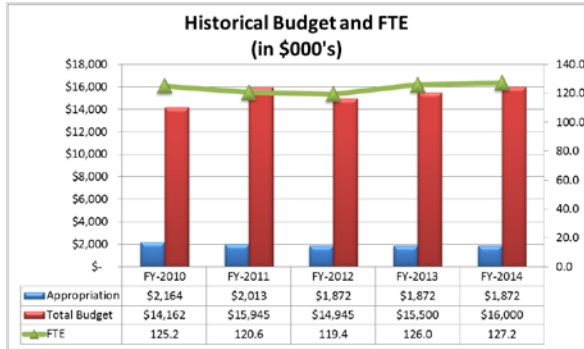
Goals for Upcoming Year

The agency seeks to continue providing adequate constitutionally-mandated legal representation to its court-appointed clients during the upcoming fiscal year.

Major Agency Projects

The agency is currently implementing virtual desktop integration of its computer system. It will allow agency attorneys effective and secure remote access to databases while in the field, substantially reducing paperwork generated in agency cases.

**Insurance Department, Oklahoma
(OID)
Finance, Administration, and Information
Technology Cabinet**



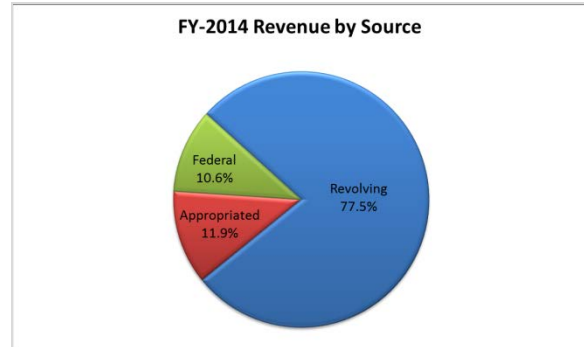
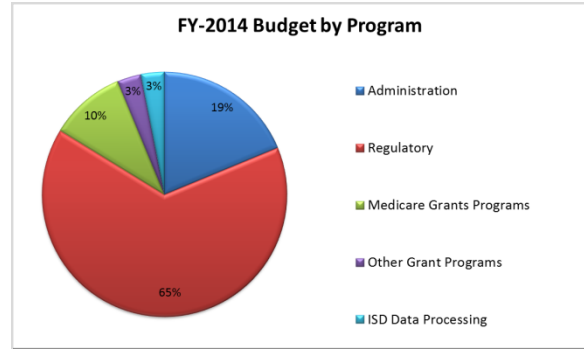
Mission

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

Programs

- Regulation:
 - Insurance companies
 - Agents
 - Adjusters
 - Health Maintenance Organizations (HMOs)
 - Business Entities
 - Real Estate Appraisers
 - Bail Bondsmen
- Financial Oversight:
 - Financial Examinations
 - Financial analysis
 - Rules
 - Statutes
- Anti-Fraud Unit
- Medicare/Medicaid Fraud Prevention:
 - State Health Insurance Counseling Program

For more information about OID, visit [their website](#).



Accomplishments over Past Year

- Responded Quickly to May Tornadoes:
 - Created a 24 hour mobile command center that allowed 2,967 licenses to be processed in 12 days during the disaster;
 - Helped local police scout for looters and warn the locals of fraudsters after the tragedy;
 - Held six town hall meetings to assist consumers with claims;
- Recovered \$675,400 through seven senior fraud conferences across the state;
- Implemented a 5-year exam policy for all domestic insurers;
- Conducted over 100 examinations for funeral homes and cemeteries; and
- Implemented digital file storage and continued work towards a paperless office policy.

Goals for Upcoming Year

- Lower the number of uninsured motorists across the state;
- Seek to improve Oklahoma’s Insurance Service Office (ISO) average rating in an effort to lower the home insurance rates across the state;

- Educate fire departments on ISO and how improving their rating correlates to lower insurance rates; and
- Ease financial burdens on businesses by educating them about the recent changes in law regarding captive insurance companies.

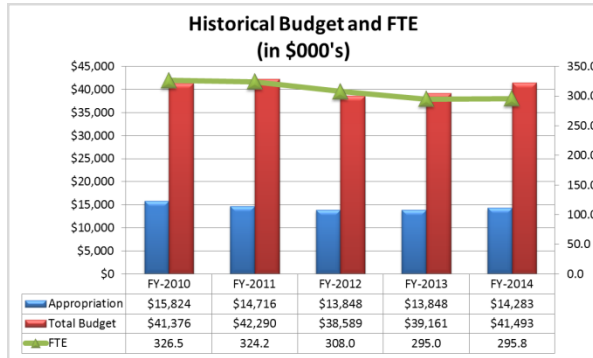
Major Agency Projects

- Improving efficiency and eliminating waste: OI is implementing a digital file storage and paperless policy, creating savings on paper, printer, and ink usage;
- Finding solutions to help lower home insurance rates by reaching out to more and more fire departments in an effort to improve their ISO ratings;
- Working with law enforcement to implement the provisions of the state’s new uninsured motorist law; and
- Educating and informing Oklahoma businesses on the benefits of the state’s new captive insurance company law.

Savings, Efficiencies and Shared Services in FY-2014

- Implemented in-house paperless initiative that reduced overall paper consumption;
- Decreased travel needs through video conferencing;
- Increased productivity through telecommuting initiative; and
- The city of Antlers dropped its ISO rating from 9 to 6. This drop will allow its citizens to save on their home owners insurance premiums. The Fire Chief estimated the entire savings for the city could reach over \$900,000.

Investigation, Oklahoma State Bureau of (OSBI) Safety and Security Cabinet



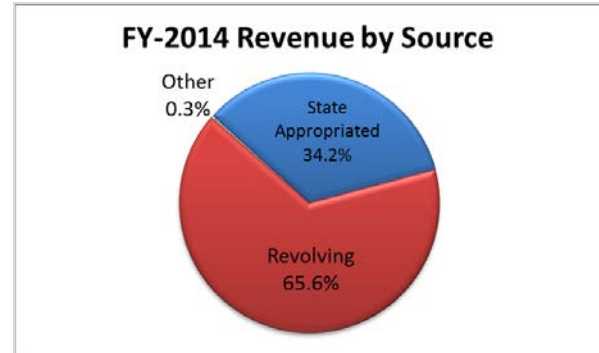
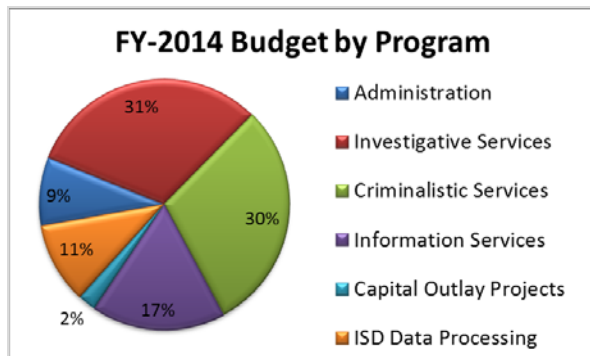
Mission

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

Programs

- Administration
- Investigative Services
- Criminalistic Services
- Information Services
- ISD Data Processing
- Capital Outlay Projects

For more information about OSBI, visit [their website](#).



Accomplishments over Past Year

- OSBI consolidated eight investigative regions into six investigative regions. This change adjusted some of our regional boundary lines and standardized our regional service areas;
- A new statewide Crime Scene Investigation Unit (CSI) was launched, creating standardized operating procedures throughout the state, crime scene training, and enhancing services provided to Oklahoma law enforcement in this specialized area;
- Procured 82 800 MHz portables with funding provided by the Oklahoma Department of Homeland Security, the Internet Crimes Against Children grant, and OSBI;
- The Criminalistics Services Division (CSD) purchased new instrumentation to replace aging equipment in the chemistry-based disciplines. The CSD also developed relationships with many in-state and out-of-state universities to collaborate on research projects in the field of forensics, resulting in new techniques for analyzing evidence which increases sensitivity, lowers costs, and shortens result times;
- The Information Services division went live with an on-line web-based SDA application;
- A web-based Uniform Crime Reporting program was developed to assist local agencies in reporting crime statistics. The system has built in edits which will assist the agencies in making sure they are correctly reporting the statistics; and
- Worked with the FBI to develop a process for reporting information to the National Law Enforcement Data Exchange for use by law enforcement agencies across the nation. OSBI uploaded information daily into the system.

Goals for Upcoming Year

- Reduce the average days open of laboratory casework to 30-45 days for the majority of case types;
- Reorganize the Forensic Biology/CODIS disciplines so that work is assigned and performed more efficiently. Through this reorganization, a new unit will be created focused specifically on Cold Cases and on Property Crimes. In addition, familial search capabilities in our CODIS unit will begin to be provided;
- Host the Midwest Forensic Resource Center's annual Lab Director's Meeting. This event brings together forensic leaders from 17 states in the Midwest;
- Increase the number of Forensic Research Consortium meetings held throughout the year; and
- Create a training program in which forensic experts travel throughout the state to educate officers and attorneys on our services.

Major Agency Projects

- Upgrade the Automated Fingerprint Identification System (AFIS) so that the OSBI can utilize more of the performance functions available through the latest version of the FBI's system;
- Re-engineer the Offender Data Information System (ODIS), which is utilized by many law enforcement agencies, into a modern web-based program; and
- Contract the installation of fiber optic cabling at the OSBI's Headquarters facility as well as the Forensic Science Center, enhancing the agency's networks and capabilities.

Savings, Efficiencies and Shared Services in FY-2014

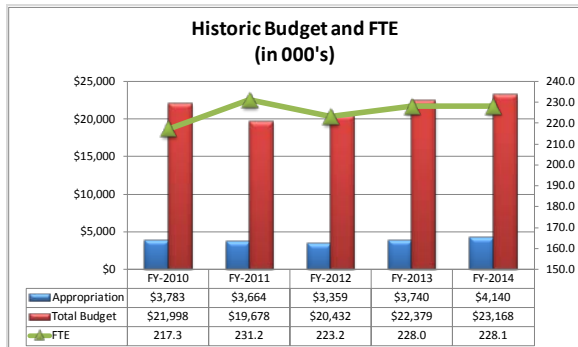
- Through funding from federal DNA grants, the CSD purchased Automate and "3500" Genetic Analyzers for processing DNA samples. These instruments greatly decreased the amount of hands-on time required by our analysts and reduced the time samples are on the instrument. The cost of performing DNA tests with the use of these new instruments resulted in significant cost savings in consumable costs. With our old instruments, the cost for running one DNA sample was \$128.44 to \$140.91

depending on the technique used. With the new instruments, the cost to run one DNA sample decreased to \$72.55 - \$85.04 depending on the technique. Our savings per sample average was \$52.04;

- The Drug and Toxicology disciplines went "paperless". By entering and storing all of their case information electronically, they drastically reduced the amount of paper, file folders and other office supplies they historically used to create standard case files. This modification to their work product also streamlined the process for logging-in cases that are submitted to our laboratory. This reduced the amount of time each Physical Evidence Technician dedicates to creating and managing files;
- The chemistry-based disciplines in the CSD purchased new instruments to replace our antiquated instruments which were no longer being maintained by the manufacturers. The new instruments have higher capacities and can process more samples in each individual run. The instruments performed the analyses in shorter time allowing us to analyze more samples in less time for drug and toxicology cases;
- The Forensic Chemistry Unit expanded training on the Fourier Transform Infrared Spectrometer (FTIR) so that analysts utilize this instrument to perform drug analyses on samples of higher purity. These samples were previously tested on the Gas Chromatography/Mass Spectrometry (GC/MS). By performing the initial analysis on the FTIR instrument, the analysis time was reduced by 67percent;
- The Latent Print Unit updated the alternative light source used to search for fingerprint evidence on items. The Unit purchased a Laser Light for this task which assisted analysts in locating evidence more quickly;
- The FBI modernized its Integrated Fingerprint Identification System (IAFIS) to perform latent print searches at a much higher accuracy level and in a shorter time frame than the previous version. Searches that historically took an entire work day now take less than 2 hours;
- A computer-based training module was created for re-certification of Livescan operators. In doing this, the agency personnel no longer spend hours on the road traveling to different locations throughout the state, saving personnel time and costs associated with travel; and

- OSBI contracted with a private vendor to scan old Self Defense Act documents into electronic format, saving storage space and making the files more accessible to personnel.

J.D. McCarty Center Health & Human Services Cabinet



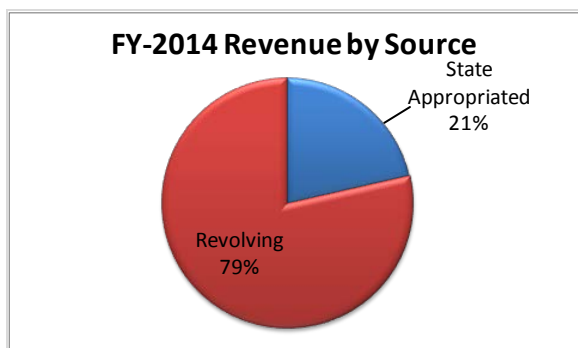
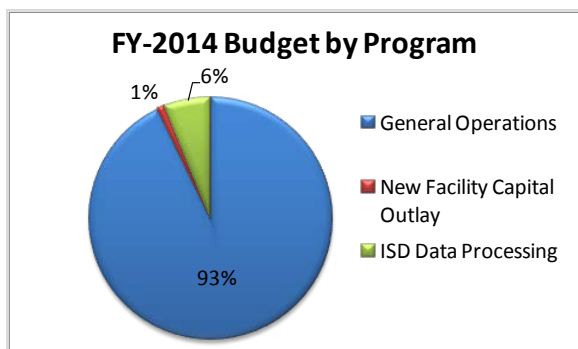
Mission

The mission of the J.D. McCarty Center for Children with Developmental Disabilities (JDMC) is to provide a comprehensive program of habilitative care to Oklahoma's children with developmental disabilities.

Programs

- Therapeutic Services
- Medical Services
- Clinics
- Specialized Services

For more information about JDMC, visit [their website](#).



Accomplishments over Past Year

- Reached a five-year high of 12,111 for total in-patient days;
- Served an all-time high of 8,852 outpatient therapy encounters, an increase of 5percent;
- Served 64 out of Oklahoma's 77 counties;
- Completed Title 18 CMS Certification survey process with no identified deficiencies;
- Processed an additional 20 Inpatient admissions, increasing from 163 to 183;
- Achieved 100percent on all Health Department Inspections;
- Decreased staff turnover rate from 39percent to 27percent;
- Collaborated with the Cleveland County Health Department and became a PUSH partner which will allow the agency to respond to an outbreak or other threats in tandem with the county health department by dispensing medication to the agency's employees, their family members, and the agency's clients; and
- Achieved accreditation for Camp ClapHans through the American Camping Association. Five camp sessions were held, serving 54 children throughout the state.

Goals for Upcoming Year

In addition to the established performance measures, the following FY-2015 goals were identified by the J.D. McCarty Center:

- Continue to work with Office of Management and Enterprise Services to acquire an Electronic Health Record System;
- Obtain F5 rated tornado shelters for the main facility;
- Increase the number of mobile screenings;

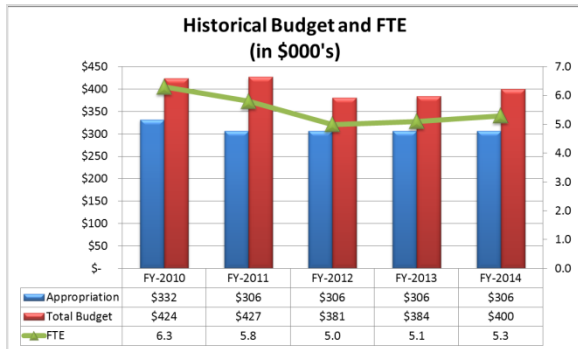
Major Agency Projects

- Conversion to an Electronic Health Record System from the current paper-based medical record system. This is scheduled to be in place by the end of calendar year 2014 as suggested by the Affordable Care Act.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Increased expenditures of 8percent from FY-2012 to FY-2013 were slightly outmatched by a 9percent increase in revenue year-over-year for a net gain of \$104,000.
- Expanded agency use of the purchase card program, increasing procurement efficiency and allowing for better service to patients and prompt payment to vendors. At the end of FY-2013, the agency had seen a 4percent growth in purchase card usage compared to the prior year.

J.M. Davis Memorial Commission Tourism Cabinet

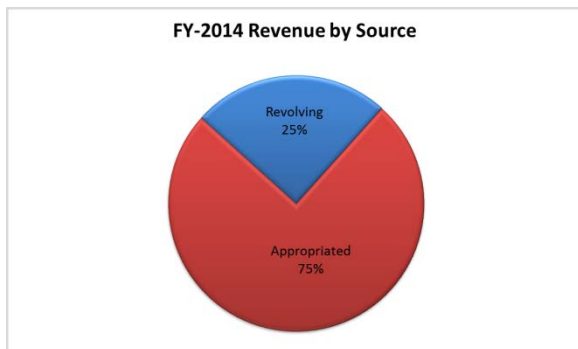


Mission

The mission of the J.M. Davis Commission is to protect, preserve and display the world's largest private arms collection and other unique artifacts in the J.M. Davis Arms and Historical Museum and to provide an historical and educational experience for the viewing public.

Programs

100percent of the budget for the J.M. Davis Commission is for Museum operations.



For more information about JM Davis, visit [their website](#).

Accomplishments over Past Year

- Held several public functions including the Claremore Wall of Fame and the US Flag retirement ceremony on Veteran's Day;
- Created a new and improved way of locating artifacts for visitors; and
- Added two new displays.

Goals for Upcoming Year

- Create a World War I display on the 100th anniversary.

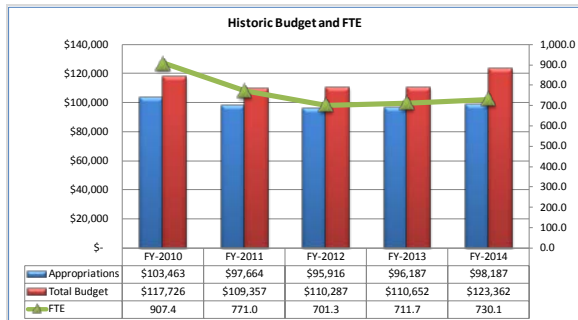
Major Agency Projects

- Raising funds to replace the museum's failing roof.

Savings, Efficiencies and Shared Services in FY-2014

- Continued contract with OMES for accounting and payroll;
- Completed OMES Information Technology consolidation; and
- Advanced ongoing effort to realize energy savings from newer lighting system.

Office of Juvenile Affairs (OJA) Health & Human Services Cabinet



Mission

The mission of the Office of Juvenile Affairs (OJA) is 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
- Level E Group Homes
- Specialized Community Homes
- Career Tech Training
- Therapeutic Foster Home Program

Non-residential Programs:

- Juvenile Services Unit - District/County Services
- Juvenile Offender Victim Restitution Work Program
- Regional Secure Detention Centers
- Graduated Sanctions Program
- Canadian County Sanctions Detention Program

Reintegration Programs:

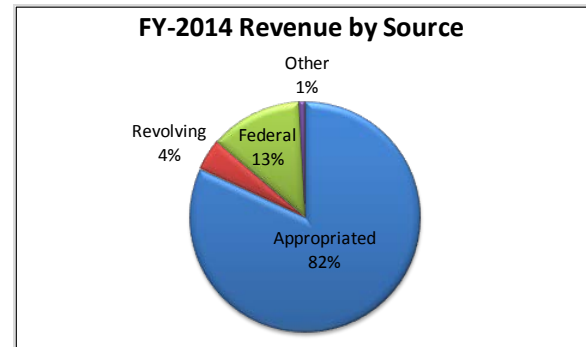
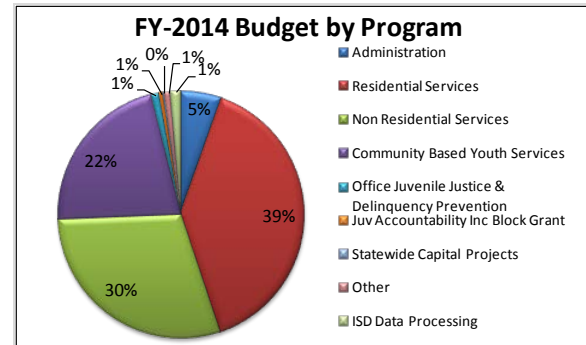
- Community-At-Risk Services
- Residential Substance Abuse Treatment
- State Transition and Reintegration Services (STARS)
- Community Based Youth Services

Community Outreach:

- First Offender Program
- Emergency Youth Shelters
- Community Intervention Centers
- Community At-Risk Services
- Juvenile Justice and Delinquency Prevention
- Juvenile Accountability Block Grants

- Santa Claus Commission
- Administrative Services

For more information about OJA programs, visit [their website](#).



Accomplishments over Past Year

- Implemented the Juvenile Upward Movement Program (JUMP) in the Oklahoma County Juvenile Detention Center;
- Required students to demonstrate an aggregate average growth in math and reading of at least one grade level on an annualized basis;
- Contracted with a private vendor to provide a 22 bed secure facility for females which has led to great improvement in the behavior of both the male and female juveniles; and
- Placed 220 new computer workstations in OJA offices to eliminate the oldest outdated computer hardware.

Goals for Upcoming Year

- Add career tech programs that will help transform the youth and their futures and are relevant to the needs of the communities and state;
- Install new security systems at both OJA operated institutions; and

- Upgrade OJA's training program to include computer-based training. This will reduce employee travel, improve delivery consistency, provide flexibility and match essential curriculum to individual training needs.

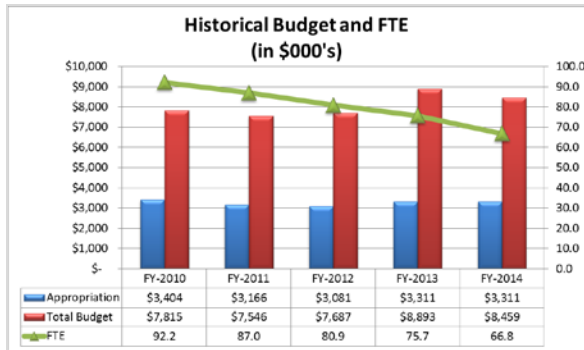
Major Agency Projects

- Improving the quality and cost efficiency of the education provided to the youth in the OJA institutions by joining together with ten other states and the University of Maryland's Center for Educational Excellence in Alternative Settings to form a consortium for this purpose;
- Upgrading the near 100 year-old water system at Central Oklahoma Juvenile Center; and
- Continuing the migration and development of the Juvenile On-Line Tracking System (JOLTS) to a web-based platform to provide more transparency between OJA, contractors, law enforcement and other health and human services agencies.

Savings, Efficiencies and Shared Services in FY-2014

- Utilizing video conferencing in multiple areas including staffing, meetings and court hearings, providing efficiency and travel savings to the agency;
- Replaced 31 old vehicles with newer, more fuel efficient vehicles;
- Saved \$120,175 on utility costs since the implementation of an energy conservation program in 2009;
- Updated policy and procedures for dealing with suicide in OJA institutions, leading to improved communication and a decrease in paperwork;
- Redeveloped and updated the OJA Restitution Program to provide better efficiency and effectiveness in the collection, safeguarding and disbursement of restitution monies to the court order victims; and
- Converted payroll from monthly to biweekly as required by law. The advantages of biweekly payroll include virtual elimination of overpayments and underpayments and a reduction in the number of monthly payrolls from as many as 7 per month to 1 every 2 weeks.

Labor, Department of (ODOL) Commerce Cabinet



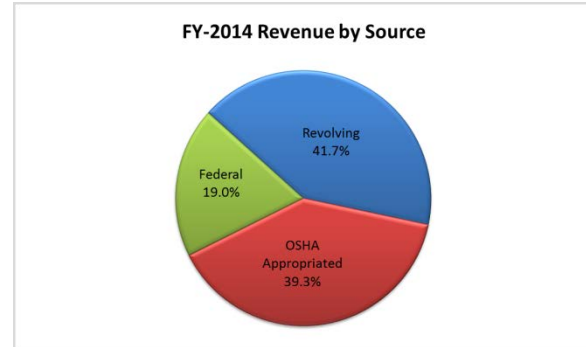
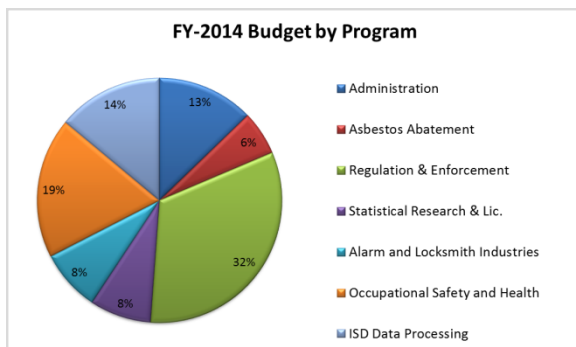
Mission

The Oklahoma Department of Labor (ODOL) was created by the Oklahoma Constitution in 1907 and is responsible for the 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

- Asbestos Abatement
- Regulation & Enforcement
- Statistical Research & Licensing
- Occupational Safety & Health
- Alarm and Locksmith

For more information about ODOL programs, visit [their website](#).



Accomplishments over Past Year

- Deployed remote staff for increased productivity;
- Offered Voluntary Buyout to employees in order to realign and meet goals; and
- Overhauled the Alarm & Locksmiths program.

Goals for Upcoming Year

- Open the Public Portal, allowing license holders to apply and renew online – “One-Stop Licensing”;
- Complete the AMANDA Licensing software implementation;
- Retire the home-grown Access Database;
- Deploy mobile licensing and inspection software;
- Replace all outdated hardware and equip inspectors with field devices; and
- Accept more programs through state-wide consolidation efforts.

Major Agency Projects

- Retire the home grown Access Database and replace it with the state mandated AMANDA Licensing software. This will allow the agency to operate more efficiency and effectively, while meeting the needs of our customers in a more timely manner.
- Deployment of the AMANDA Mobile Licensing software. This will allow inspectors to work with real time data at an inspection site.

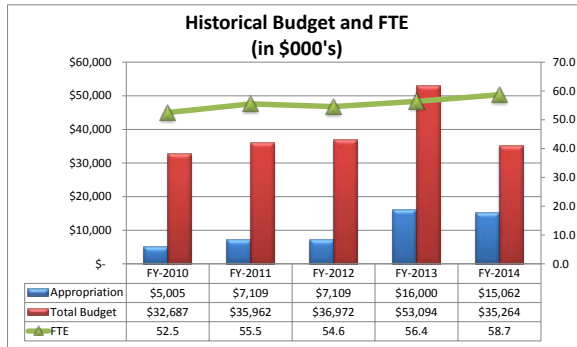
Savings, Efficiencies and Shared Services in FY-2014

- Upgraded the cell phones used by inspectors to smart phones, now using only one device for cell

phone and internet connectivity; this has streamlined processes, provided easy access to files from the field, and saved money for the agency.

- Closed Oklahoma Department of Labor Tulsa office, saving over \$60,000 annually through reduced overhead costs.

**Land Office, Commissioners of the
(CLO)
Finance, Administration & Information
Technology Cabinet**



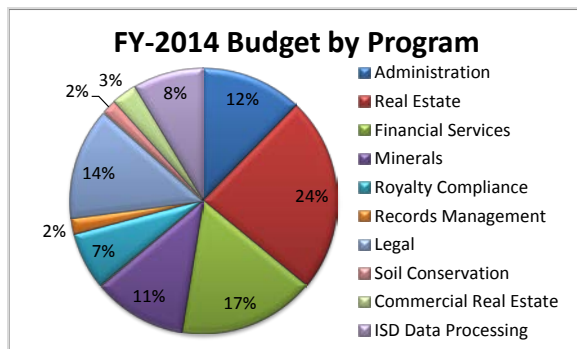
Mission

The Commissioners of the Land Office’s (CLO) mission is “managing assets to support education” as defined in the Oklahoma Enabling Act and Constitution.

Programs

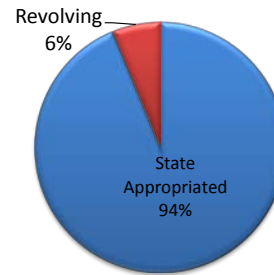
- Real Estate Management
- Investment Management
- Royalty Compliance
- Minerals Management

For more information about CLO, visit [their website](#).



*Does not include distribution to beneficiaries or investment fees

FY-2014 Revenue by Source



Accomplishments over Past Year

- Achieved second highest distributions to beneficiaries in CLO history: \$128.7 million;
- Achieved second highest distributions to Higher Education beneficiaries: \$35.7 million;
- Achieved third highest annual distributions to Common Schools: \$93 million;
- Earned record collections of royalty under payments: \$19.4 million;
- Earned record easement income: \$4.93 million;
- Received legislative authority to invest 3percent of investment portfolio in real property;
- Surpassed the \$2 billion mark in the Permanent Investment Fund; and
- Added Wildlife Department to CLO’s ‘Other Agency Minerals Program.’

Goals for Upcoming Year

- Increase the rate of participation in the electronic reporting system;
- Begin accepting electronic payments for oil and gas royalty payments and continue to pursue opportunities on commercial development;
- Finalize and implement GIS system;
- Maximize potential for downloading detail for royalty payments;
- Complete the redesign of the CLO website; and
- Implement processes to evaluate and acquire income producing commercial properties.

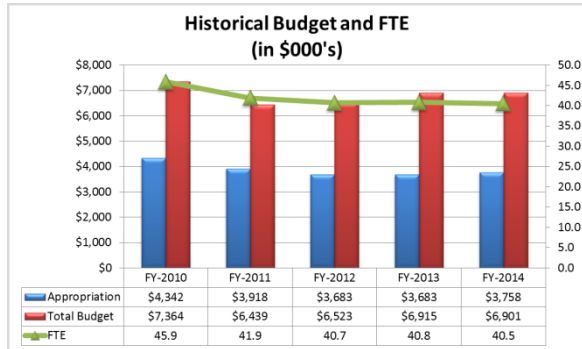
Major Agency Projects

- Geographic information mapping system;
- Electronic fund transfers;
- Records management;
- Electronic lease bonus auctions and video streaming of auctions;
- Business continuity plan; and
- Agency website.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Voucher Scanning Services through OMES;
- Increased P-Card purchases instead of regular voucher processing;
- Download electronic check detail instead of manual entry; and
- Used Payroll Shared Services.

Law Enforcement Education & Training, Council on (CLEET) Safety and Security Cabinet



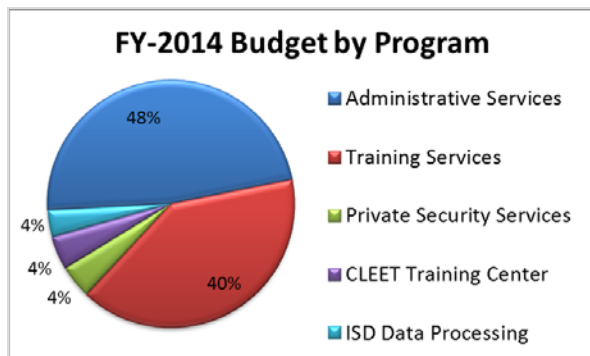
Mission

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 ensuring licensees practice within the provision of the law. This mission was adopted in 1967 when the agency was established.

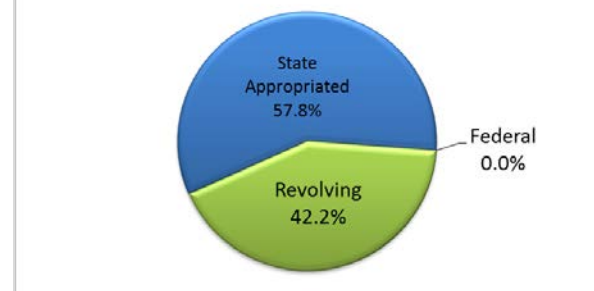
Programs

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

For more information about CLEET, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Refunded CLEET construction bonds;
- Successfully researched, developed, and implemented an abbreviated Basic Law Enforcement Academy (Bridge Academy) for qualifying Reserve Peace Officers. The Bridge Academy consists of 360 hours, bringing the total training received by these officers to 600 hours. The first Bridge Academy has been well-received and will commence in March of 2014;
- Updated 41percent of the Basic Law Enforcement Academy curriculum and brought the Reserve Law Enforcement Academy curriculum up to the Basic Law Enforcement Academy standard;
- Procured a new identification card system for Private Security Licensing. Developed and implemented the replacement of the old Private Security License cards with a new professional identification card;
- Designed, tested, and disseminated a new automated system for uploading law enforcement training records and firearms requalification, enhancing our e-commerce efforts and facilitating timely, accurate record transfers to CLEET law enforcement records;
- Implemented a new online training program, Go-To-Training, designed to create more continuing education training opportunities for certified law enforcement officers and deputies throughout the State of Oklahoma;
- Continued efforts to touch all areas of the state by conducting fall regional meetings throughout the State of Oklahoma;
- Held two one-week long training initiatives during the fall of 2013 (Moore-Norman Technology Center and NSU Broken Arrow) in an effort to maximize training opportunities for certified peace officers; and

- Continued to coordinate and support State of Oklahoma Homeland Security funded Advanced Law Enforcement Rapid Response Training.

Goals for Upcoming Year

- Continue to enhance advanced educational opportunities through offering three one-week long Training Initiatives, two in Broken Arrow and one in Norman;
- Rewrite Business Information Management System (BIM) software; and
- Partner with Oklahoma Office of Homeland Security as they develop and implement the school safety institute.

Major Agency Projects

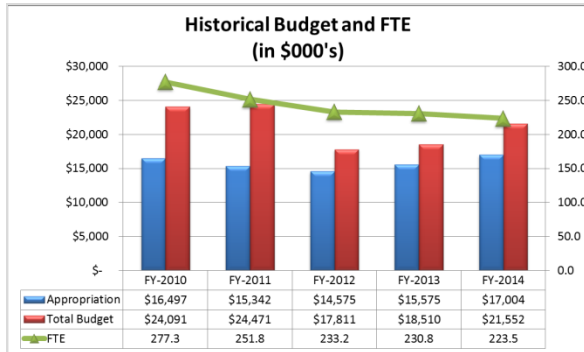
- Rewrite the CLEET Business information Management System which warehouses all State of Oklahoma peace officer certification and training records. This legacy system currently utilizes outdated programming libraries and requires frequent programming patches. It must undergo this upgrade to remain viable.

Savings, Efficiencies and Shared Services in FY-2014

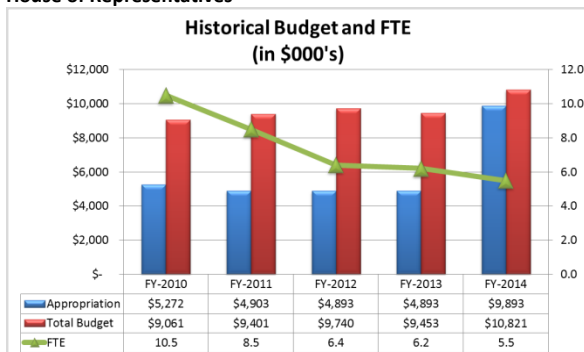
The development and implementation of an automated upload for law enforcement training records and firearms requalification creates an efficient method for the timely and accurate transfer of data from law enforcement agency training coordinators to CLEET. The process has also reduced the need to require mandatory employee overtime.

Legislature

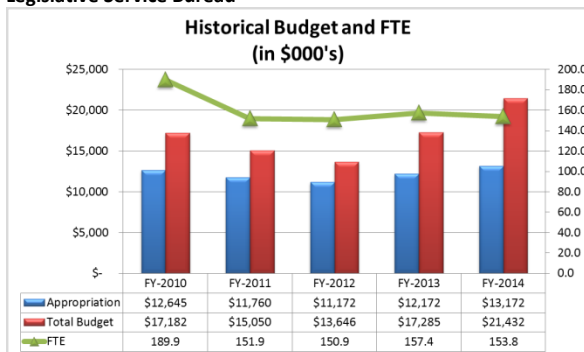
House of Representatives, Legislative Service Bureau (LSB) and State Senate



House of Representatives



Legislative Service Bureau



Senate

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 2 years. Members of the House of Representatives serve two-year terms.

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

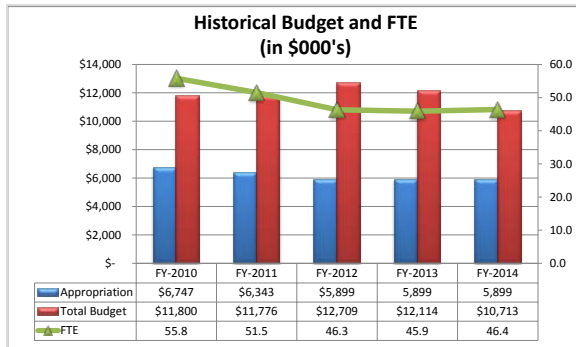
- Bills that will become law when passed by both chambers and signed by the Governor;
- Joint Resolutions that have the effect of law if passed by both chambers and signed by the Governor but may not become part of the statutes;
- Concurrent resolutions which express the will of both chambers; and
- 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](#)

Libraries, Oklahoma Department of Secretary of State Cabinet

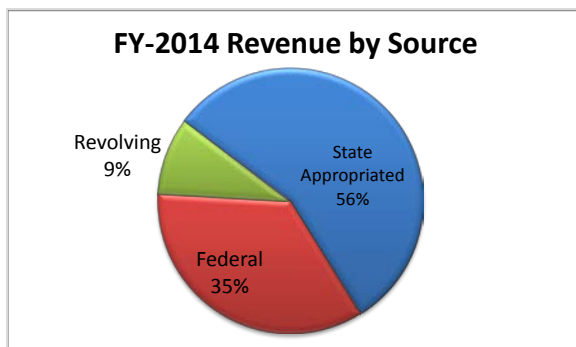
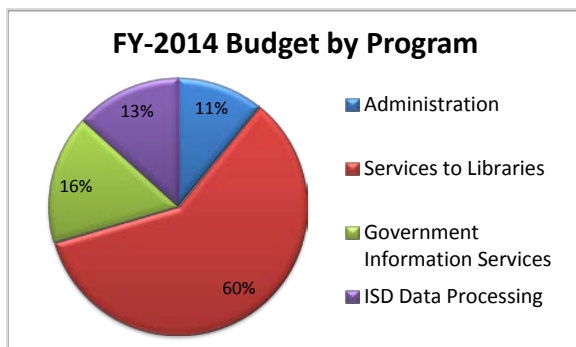


Mission

The Oklahoma Department of Libraries (ODL) serves the citizens of Oklahoma by providing excellent information services and preserving unique government information resources.

Programs

For more information about ODL, visit [their website](#).



Accomplishments over Past Year

- Completed implementation of a Broadband Technology Opportunities Program Grant:

- Customers of 44 rural public libraries enjoyed higher broadband speeds and videoconferencing capabilities. During FY-2013, these libraries used videoconferencing to offer classes, seminars, continuing education, job certification opportunities and health and safety programs to almost 1,500 Oklahomans.
- Increased digital access to state government information:
 - State government publications were viewed or downloaded more than 650,000 times via Documents.OK.Gov in FY-2013, the first full year of this legislatively-mandated service. Through Forms.Ok.Gov, state government forms have been viewed or downloaded almost 24,000 times. ODL and OMES were honored with a national library award for creation of the state government information portal.
- Completed four-year federal grant project to improve services and resources in Native American archives, libraries, and museums:
 - “Preserving Tribal Language, Memory, and Lifeways: A Continuing Education Project for the 21st Century” offered 64 distinct continuing education opportunities and events that helped improve the knowledge and skills of more than 6,800 library, archival and museum staff from across Oklahoma and the nation.
- Moved Health Literacy Initiative forward:
 - Following a successful state Health Literacy Summit, where more than 200 participants learned strategies to communicate health information to low-level readers, ODL provided program and outreach grants to five literacy councils. According to circulation, listenership, and viewership statistics, promotional activities increased awareness about health literacy issues for up to 370,000 people.

Goals for Upcoming Year

- Encourage adoption of new online benchmark tool, the ‘Edge Initiative,’ to increase public library support of community goals:
 - Edge is a tool to help America’s public libraries assess their vital public access technology (PAT) services for customers, and plan for the future. ODL is one of only

three state libraries involved in the national initiative since the beginning planning stages in 2011, when the Bill & Melinda Gates Foundation brought together selected library and community organizations to develop ways to improve PAT services in libraries.

- Provide customers of rural public libraries more online advanced services:
 - To stay current with best web practices, ODL will upgrade the templates and software available to help Oklahoma public libraries get on the web. These upgrades will make the sites easy to view whether a customer is using a computer, a smart phone or a tablet. In addition, librarians will find it easier to update the content on their sites.

Major Agency Projects

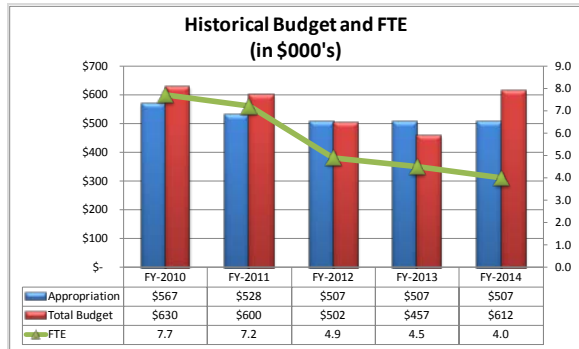
- Statewide Information Databases: ODL provides citizens in Oklahoma access to full-text articles from magazines, newspapers, journals, and encyclopedias to support college degree completion, homework assistance, and lifelong learning. By licensing content at the state level rather than at the individual library level, the taxpayers save approximately 90percent. The service—available through all types of libraries in the state—recorded more than 61 million searches for content in FY-2013. ODL provides awareness and training to librarians encouraging the use of these extensive resources.
- Websites for Public Libraries and Literacy Organizations: ODL provides server space, templates, training, and support that gives more than 40 public libraries and literacy groups a free home on the internet, connecting them to their communities 24/7. Pages on these websites were viewed more than 1.6 million times in FY-2013.
- Support for E-books and Audio Books: ODL has used federal funds to improve the collection of OK Virtual Library, a consortium established by the Stillwater Public Library to make e-books and audio books affordable for rural Oklahoma public libraries. ODL also provided grants to small libraries to underwrite the cost of their first year of participation in the consortium. Today, 60 municipal libraries and two multi-county library systems are members.

Oklahomans checked out almost 80,000 books through the service in FY-2013.

Savings, Efficiencies and Shared Services in FY-2014

- Moved management of its in-house collection of materials onto the cloud which is projected to save more than \$23,000 in annual maintenance fees. Cataloging no longer has to duplicate entries into a separate library management server at ODL, and use of FTE in the division is more efficient.
- Avoided the loss of almost \$300,000 in federal funds over two years by successfully applying for a waiver for failure to meet Maintenance of Effort expenditures of state funds. Eight states applied for the waiver but Oklahoma was one of only three waivers granted.
- Partnered with OMES in the development and launch of state government documents portal (Documents.OK.Gov). Because ODL already had an unlimited license for document imaging software, OMES did not have to invest in a software purchase (estimated at \$50,000), pay annual software fees (which ODL continues to pay), nor dedicate FTEs to the task. ODL was also able to maximize its existing investment.

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 (9) 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

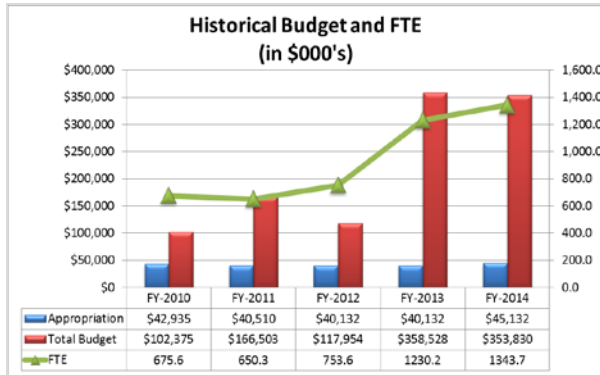
As President of the State Senate, the Lt. Governor utilizes the State Senate for IT services. The Lt. Governor’s office utilizes the Office of Management and Enterprise Services for all shared services.

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

Savings, Efficiencies and Shared Services in FY-2014

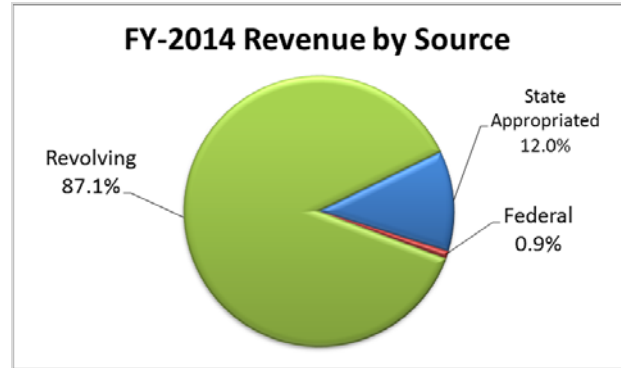
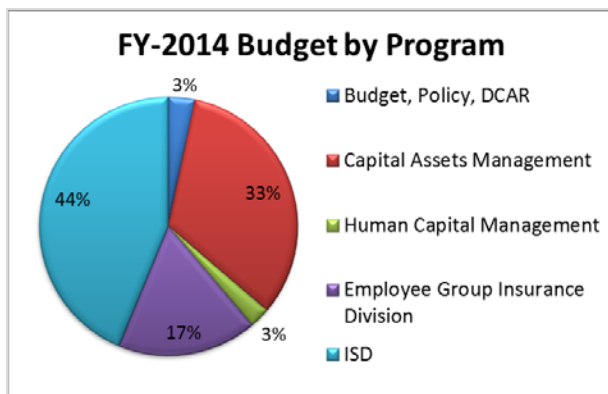
- Reduction in level of full-time employees;
- Utilization of the online electronic payment system and overall reduction of paper use; and
- Utilization of shared services through the Office of Management and Enterprise Services for all accounting, human resources, IT and purchasing.

**Management and Enterprise Services, Office of (OMES)
Finance, Administration, and Information Technology Cabinet**



Mission

The mission of the Office of Management and Enterprise Services is to provide quality and innovation to Oklahoma state agencies by delivering core services in the areas of finance, human capital, facilities and assets, information technology, procurement and performance.



**Accomplishments over Past Year
Information Services Division (ISD)**

- ISD continued working on consolidating all staff, equipment, and technology, as directed by HB1304. This includes identifying and locating IT staff and equipment throughout state agencies, aligning technological competencies of IT staff with the needs of the consolidated ISD, working with agencies' leadership to develop and implement transition plans, and acquiring support function of the consolidated agencies. This project is ongoing with 24 agencies consolidating during FY-2013 and another projected 14 agencies to be added during FY-2014, bringing the total to 64 agencies that have been consolidated into the information technology services model.

Human Capital Management (HCM)

- E-learning purchases have increased from 1,500 licenses completing 692 courses in FY2013, to over 6,000 licenses on pace to complete 3,000 courses in FY2014. This program allows employees to have access to training 24/7 at their desk, reducing travels expenses and workforce disruption for training.

The Employee Benefits Department

- Vaccinated over 8,000 state employees in 2013. Since the average employee loses 5 days of work time upon contracting the flu, these vaccinations increased productivity for the state
- Staff launched a statewide recruitment, onboarding, climate and exit survey into one system, the "Vita" system, to gather important data on the entire state employee life cycle.
- As part of its commitment to employee health, HealthChoice in 2012 began incentivizing members to stop using tobacco. The tobacco-

cessation program includes access to prescription medications and other over-the-counter products as well as counseling services through an arrangement with the Oklahoma Tobacco Settlement Endowment Trust at no cost to the member. Since its inception, the program has resulted in over 3,400 employees who now attest that they no longer use tobacco.

- HealthChoice completed the active phase of a bariatric pilot project. Ongoing observation of the participants in terms of weight loss, diabetes control, and health resource utilization will continue for a minimum of two years. Early analysis shows significant weight loss and improvement in glucose measures for participants.

Division of Central Purchasing (CP)

- 50percent conversion to electronic files;
- Development of performance metrics;
- Online learning – 5 Certified Procurement Officer training sessions, 9 Purchase card training sessions;
- Almost 10percent of counties signed up for the State Purchase Card program; and
- PeopleSoft e-pro module activated statewide – 90percent of agencies active.

Division of Capital Asset Management (DCAM)

- In order to better facilitate the statutory mission of DCAM Construction to unify and align process for capital asset management, the Construction Department developed a web portal for bidding of small construction projects. The Office of Facilities Management has initiated the use of facility maintenance standards utilizing the Integrated Work Management System of AssetWorks. Building operational standards are in line with current Ashrae standards and guidelines for facility comfort.
- Risk Management measures of success include tort liability rates before credit resulting in a 11.5percent decrease compared to the previous year’s pre-credit rate. Also, for the 10th straight year, premium rate credits have been provided to agencies, colleges, and universities.

Goals for Upcoming Year

Human Capital Management

- Increase number of employees with access to e-learning and begin

hosting state specific content on the e-learning platform.

- Increase HR consulting services offered to state agencies through workforce planning, classification and compensation, recruiting and hiring, and training and development, with the goal of reducing the amount the state is spending on consulting fees to private companies.
- Shift the Employee Assistance Program from a state shared service to a private vendor.

Information Services Division

- Complete information technology consolidation for an additional 14 executive branch agencies.

Division of Central Purchasing

- CP will continue work on the statewide consolidated spend initiative for travel.
- CP team will optimize the enterprise system procurement to pay function.

Division of Capital Asset Management

- State and Federal Surplus will be combined into one physical location;
- Surplus will implement new Asset Works software for State Surplus for better Federal and State reporting and accountability and integration with Fleet software on vehicles; and
- The Construction Department will renovate and modernize the library of archived state construction project documents, establishing and implementing non-mandatory paving program.

Major Agency Projects

Budget, Policy & Division of Central Accounting and Reporting (DCAR)

The Budget, DCAR and Policy teams will implement new budget software and processes that will facilitate efficiency, transparency and performance reporting for state agency budgets and programs.

Human Capital Management

- The State Employee Total Remuneration project will continue to be a major project as we begin

adopting law and policy to support the recommendations of the initial study. The Merit Reform project will continue as legislation to support the recommended changes works through the process and the associate changes are made in administrative code.

- The continued emphasis of consolidation of the Employee Department and the Employee Group Insurance Department (HealthChoice) with an emphasis on reduction of duplicated services, transparency, and streamlining of processes.
- Administering health insurance programs in accordance with provisions with the Affordable Care Act and the ongoing compliance efforts will be a major project for several upcoming years.
- HealthChoice has retained a pharmacy benefit consultant to review all aspects of the prescription drug benefit program to ensure it meets or exceeds industry benchmarks.

Information Services Division

ISD will complete the Security as a Service for all state agencies, securing the assets of the State of Oklahoma agencies.

Division of Central Purchasing

CP will implement electronic catalogs and contract management for statewide contracts. Central Purchasing will hire a vendor who will host statewide contracts online to help agency and political subdivisions find items on contract. This will increase the amount of spend under management, increase leverage to reduce cost, reduce difficulty finding items on state contracts, greatly enhance contract management and compliance.

Division of Capital Asset Management

- Utilizing Life Cycle Cost Analysis during the design process following completed major mechanical upgrades will provide long term cost avoidance.
- Facilities Management also has the following projects: Agriculture building HVAC central plant upgrade, Denver Davison building chiller replacement, Sequoyah building chilled water system and electrical distribution system upgrade and Kerr-Edmondson building boiler system upgrade.

Savings, Efficiencies and Shared Services in FY-2014

Human Capital Management

- The annual enrollment for benefits employee benefits saw 96percent of all state employees enroll online in 2013, reducing staff time spent on paper enrollments.
- Prior to consolidation efforts, OMES core agencies employed 7 full-time Human Resources (HR) professionals to assist employees. According to industry standards, the desired HR staff to employee ratio is 1:100. Due to consolidation of HR staff, OMES increased efficiency to incorporate the addition of the Information services division to achieve an HR staff to employee ratio of 1:156.
- HCM currently provides HR and/or payroll shared services for 72 out of 137 state agencies, or 53percent of agencies.
- HealthChoice implemented changes to its formula for reimbursing providers for injectable medications and dialysis services, resulting in over \$15 million in annual savings.
- HealthChoice continues to seek opportunities to reduce administrative costs of the HealthChoice plan. A recent analysis of plan administrative expenses noted that HealthChoice’s per member per month cost is \$16.19 (4.3percent of premiums) which is 38percent lower than the industry average of \$26.10 (8.9percent of premiums).
- HealthChoice realized \$4 million through provider claim and claims processing audits and \$2.3 million recovered from subrogation.

Division of Central Purchasing

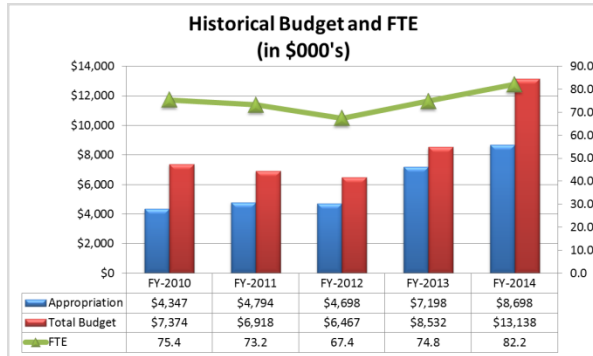
- CP achieved \$25mil in cost savings through statewide contracts and agency acquisitions.
- Purchase card receipt imaging added at no cost to agencies.

Division of Capital Asset Management

- Through the Federal and State Surplus Program, DCAM saved agencies \$105,669 in recycling shredding costs. State Surplus returned \$ 5 million to state agencies in FY13. The LESO program has saved state and local law enforcement agencies \$13 million on 2,000 weapons plus aircraft and vehicles in past 9 years. Federal Surplus saved agencies over \$12 million in FY13 on donation property. State Surplus also saved state agencies from hiring movers by doing pickup and delivery in OKC metro area.

- Facilities Management completed the following projects designed with improvements to energy efficiency:
 - Connors & Hodge buildings, automation system upgrade.
 - Department of Libraries, exterior tuck-pointing & window sealing.
 - Department of Transportation, exterior tuck-pointing & window sealing.
- Based on the established 2008 baseline, overall energy usage in buildings maintained by Facilities Management has dropped 24 percent.

Medical Examiner, Office of the Chief (OCME) Safety and Security Cabinet



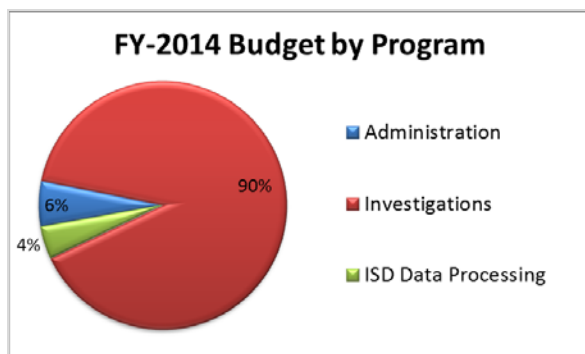
Mission

The mission of the Office of the Chief Medical Examiner is to protect the public health and safety of Oklahomans through the scientific investigation of deaths as defined by state statutes. This process involves scene investigation and medicolegal autopsy (including radiology, toxicology, histology, and microbiology) complementing the activities of law enforcement agencies, district attorneys and public health officials and we accept the responsibility with integrity, diligence and compassion in order to best assist and provide answers to families, law enforcement and taxpayers of this state.

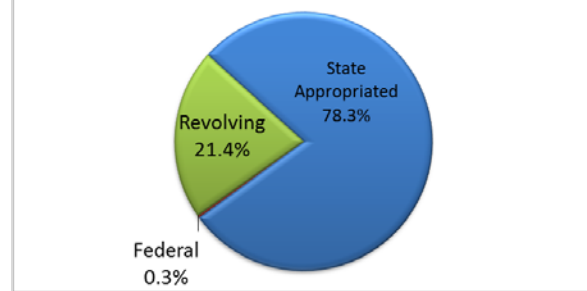
Programs

- Administration
- Investigations
- ISD Data Processing

For more information about OCME, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Corrected minor deficiencies from previous year's Graduate Medical Education Committee (GMEC) audit;
- Established Internal Review Committee (IRC) with doctors from the University of Oklahoma (OU), University of Central Oklahoma (UCO) and Oklahoma State University (OSU);
- Prepared application for another fellowship in the Tulsa office;
- Hired Forensic Pathologists and support staff
- Continued to implement National Association of Medical Examiners (NAME) policies and procedures;
- Revised mass fatality plan;
- Established current immunizations on employees;
- Worked with UCO and architectural firm to develop a plan for updated practice buildings;
- Continued improvements in the cremation/out of state transport permit department. Implemented electronic workflow to allow for increased turnaround time. Half the project is completed and the second half is close to completion. The completed half saved approximately 13,000 faxes and 26,000 sheets of paper a year, in addition to decreasing the need for one FTE;
- Conducted an internal review of market salaries for our classes of employees. By consolidating some upper echelon administrative positions, we were able to develop a performance-based progressive tier salary structure that brought the entire OCME staff up to market salaries;
- Four Forensic Pathologists and one Fellow Forensic Pathologist joined OCME in the past year. One additional Forensic Pathologist committed to join in July 2014. Only four more Forensic Pathologists are needed to achieve the NAME standard; and

- Purchased a digital x-ray machine for both locations, (Tulsa and OKC), a Liquid Chromatography-Mass Spectrometry (LCMS) for the OCME laboratory, evidence drying cabinets for both locations, replaced light fixtures and scales, established DNA system and storage, and developed more secure evidence, skeleton and tissue storage.

Goals for Upcoming Year

- Begin construction of the new headquarters building for the central practice and begin design and construction of the remodel of the Tulsa morgue; and
- Hire additional forensic pathologists, three rural investigators, an anthropologist, a lab technician, and a pathologist assistant to increase turnaround time for decedent's families, as well as allowing additional time for more thorough examinations.

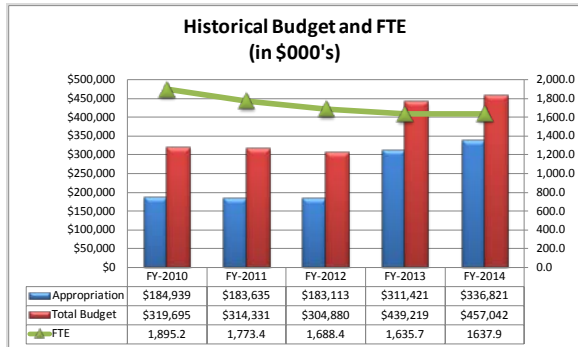
Major Agency Projects

- NAME re-accreditation by 2018 (buildings, staff and equipment);
- Second Fellowship position Accreditation by 2015; and
- Make geographic improvement in rural district Investigator coverage. Currently, Southeast Oklahoma has no scene investigations.

Savings, Efficiencies and Shared Services in FY-2014

- Received a rebate from OG&E to replace lighting in both morgues with T8 lighting which are brighter and more energy efficient;
- Changed most of fleet vehicles to CNG and/or new vehicles. Fuel billings have decreased over \$1,000 a month. Investigators have not been stranded since the vehicle change;
- Installed intelligent thermostats that regulate the usage of heat/air during non-working hours;
- Asked staff to turn off all unnecessary lights and apparatus during off hours; and
- Digitized records which are more cost effective with storage/space, toner, paper, personnel time and overall security.

Department of Mental Health and Substance Abuse Services (ODMHSAS) Health & Human Services Cabinet



Mission

The mission of the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS) is to promote healthy communities and provide the highest quality care to enhance the well-being of all Oklahomans. ODMHSAS is the authority responsible for prevention, treatment and recovery of mental illness and substance abuse disorders. The agency's core mission is to assure that prevention and treatment services are provided. The agency, primarily through a network of contracted private providers, delivers treatment services to approximately 80,000 Oklahomans annually and prevention activities in all 77 counties. It is also directly responsible for the certification and review of more than 3,300 public and private treatment providers (both organizations and individuals) throughout the state. The agency is also responsible for management and oversight of Oklahoma's Behavioral Health Medicaid program that serves an additional 106,000 persons a year.

Programs

ODMHSAS is charged with the treatment and prevention of mental illness and substance abuse and addiction. ODMHSAS pursues these objectives in partnership with a network of providers spread throughout the state.

Program areas related to treatment and recovery include:

- 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

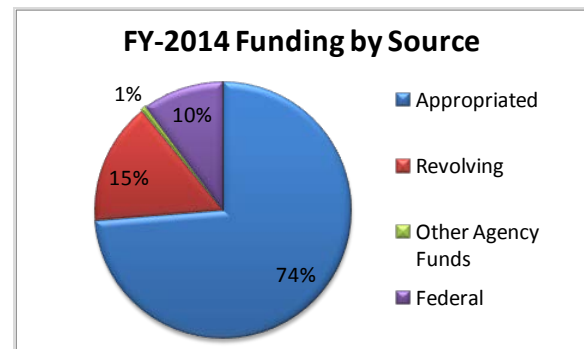
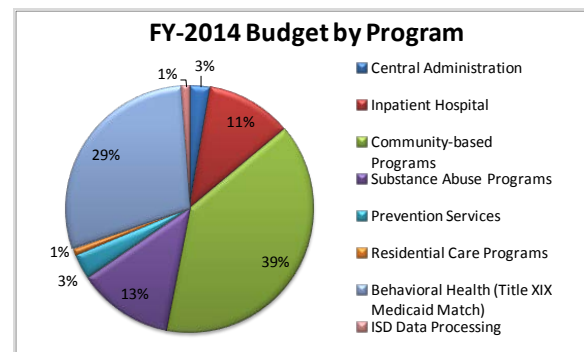
Prevention programs include:

- Regional prevention coordinators
- Underage Drinking initiatives
- Synar (Illegal Tobacco Sales to Minors) Compliance

Behavioral Health Medicaid programs include:

- Pre-authorization
- Reimbursement
- Policy and Rules

For more information about ODMHSAS's programs, visit [their website](#).



Accomplishments over Past Year

- With the Governor's leadership and support, ODMHSAS advanced implementation of additional components of the agency's Smart on Crime proposal including awarding the bid for an additional crisis center in Tulsa (three new crisis centers over the past two years including two in the Tulsa area, and one in Ardmore).

Each additional center will serve approximately 2,000 Oklahomans.

- Implementation of the offender screening and assessments is currently available in 18 counties. This has resulted in 1,090 offenders screened. There have been 378 final dispositions recorded including 28percent drug/mental health court, 26percent prison, 20.5percent DOC supervision, 8.7percent DA Supervision, 3.5percent dismissed and 13.3percent other outcomes.
- Created a statewide Prescription Drug Abuse Prevention initiative (www.takeasprescribed.org).
- Expanded suicide prevention efforts by training suicide prevention gatekeepers, who have referred 6,715 youth at risk for suicide of which 99.8percent have received services.
- Expanded underage drinking enforcement compliance checks with the help of Regional Prevention Coordinators assisting law enforcement with the completion of 2,102 alcohol compliance checks for youth access, resulting in an 86.67percent reduction in sales to minors over the past three years in Canadian County. In addition, the 2M2L Law Enforcement Task Forces in Oklahoma and Tulsa Counties conducted 4,027 alcohol compliance checks over the past two years resulting in a 16.21percent reduction in underage sales in those counties.
- Implemented the SBIRT project, a joint pilot project with Mercy Hospital, which has led to the program being used across five states; OU Physicians (Edmond) adopted behavioral health screening; and all 800 medical homes will be required to do behavioral health screening.
- Implemented mental health first-aid training in schools.
- Reduced the department's administrative cost rate to 2.8percent.

Goals for Upcoming Year

- Curb Medicaid growth spending; and
- Continue progress of ongoing improvement efforts and system enhancements, which deliver significant cost savings to the state.

Major Agency Projects

- Prescription Drug Abuse Prevention Initiative – The department is beginning a statewide campaign to address prescription drug abuse

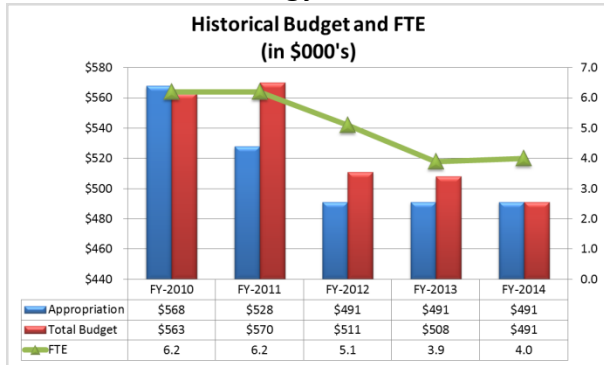
prevention that will include media, public outreach and information sharing, education and training for health/medical professionals (including promotion of the Naloxone program), data analysis and community partnership.

- Suicide Prevention Initiative – ODMHSAS is expanding suicide prevention efforts throughout the state and working to identify key intervention strategies targeting high risk populations.
- Jail Screenings – ODMHSAS will continue to advance efforts related to jail screenings and to advance efforts beyond the 18 counties where services are currently offered.
- Crisis Services (operation of 2nd center in the Tulsa area) – ODMHSAS, with the Governor's support, has worked to expand crisis services available in the state (New services in Ardmore and Tulsa became operational in FY-2013). Efforts continue with the most recent contracted services set to begin in the Tulsa area in April (Urgent Care Services targeted to begin in February).
- Behavioral Health Medicaid – ODMHSAS will continue progress related to the State's behavioral health Medicaid system. The agency's previous efforts have resulted in millions of dollars in cost-savings. Activity is planned to further those savings and realize increased efficiencies/quality of care.
- Disaster Response – ODMHSAS assumed a new role for the department as a result of the May storms that impacted Central Oklahoma. The agency assumed the lead role in providing behavioral health services in disaster-impacted areas responding within hours of the tragic events with provider training (more than 600 trained and available for deployments), establishment of area mobilization and point-of-impact service delivery, along with coordination of activities with other first-responder and disaster response organizations. Services continue in these areas with a long-term recovery plan being successfully implemented by the department and its partners. The need for services persists as the recovery effort continues, such as aid to teachers, parents and students in the impacted school districts.

Savings, Efficiencies and Shared Services in FY-2014

- The shift of behavioral health Medicaid responsibilities to ODMHSAS in FY-2012 has resulted in \$21.5 million in cost savings from the use of evidence-based purchasing in the last 18 months. Annual Medicaid growth prior to the transfer was at 14percent, a rate that has been slashed by more than half.
- Other efficiencies related to Medicaid include the agency's submission of rule revisions to address a dramatic increase in the amount of behavioral health rehabilitation (BHR) services being delivered to SoonerCare members, which will further control utilization of BHR services by imposing limits on the number of units that qualified providers will be reimbursed for all age groups. In addition, the utilization limits will be prior-authorized by the Department based on the individual member's level of need. The change saved an estimated \$7,823,775 (\$2,814,994 State Savings) in FY-2013, and will result in an additional savings of \$18,777,062 (\$6,755,986 State Savings) in FY-2014.
- Full implementation of the ODMHSAS telemedicine program, recognized by the American Telemedicine Association as having the largest telemedicine network in the nation that specializes in behavioral health, with more than 140 sites statewide. In FY-2013, the agency saved \$3.4 million by delivering services via telemedicine, up from \$2.4 million in FY-2012. Approximately 26,590 Oklahomans were served – nearly 5,000 more than in FY-2012.

**Merit Protection Commission
Finance, Administration, and Information
Technology Cabinet**



**Savings, Efficiencies and Shared Services in
FY-2014**

The consolidation of our IT services with the Office of Management and Enterprise Services has resulted in savings to our agency.

Mission

The Oklahoma Merit Protection Commission is an independent quasi-judicial agency established to protect the integrity of the state’s merit system, utilized by state agencies and their employees. The Commission and the Office of Human Capital Management (a division of the Office of Management and Enterprise Services) act independently to form a ‘checks and balances’ method of managing the merit system. The Commission was established in 1982 as a bi-partisan effort of the legislature.

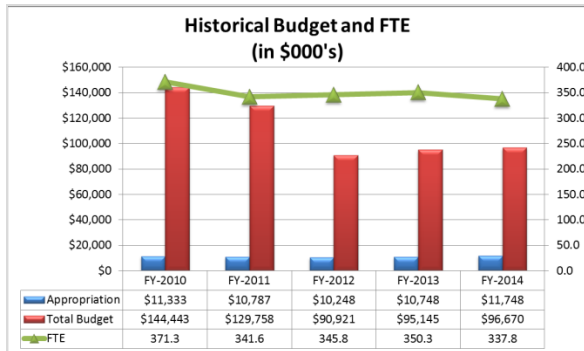
The agency receives and acts on complaints, counsels persons and groups on their rights and duties, and obtains voluntary compliance with provisions of the Oklahoma Personnel Act (when possible). Merit Protection also investigates alleged violations of the Personnel Act and Merit rules, Whistle-blower claims, discrimination claims, and sexual harassment claims.

The agency maintains an Alternative Dispute Resolution program designed to assist the parties in resolving their disputes through mediation and negotiation.

Programs

For information about the Merit Protection Commission’s programs, visit [their website](#). The Merit Protection Commission is funded 100percent by state appropriation.

Military Department (OMD) Military Affairs Cabinet



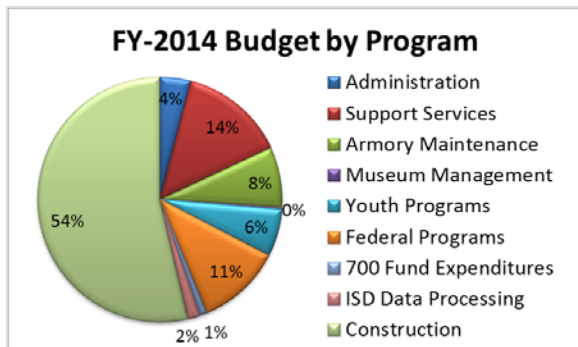
Mission

The Oklahoma National Guard (OKNG) provides public safety by supporting the preservation of rights of all citizens of our state and nation. The Oklahoma Military Department (OMD) supports the administration and funding of critical missions, training, and facilities, in order to provide trained and ready forces when called into service by the Governor or the President of the United States.

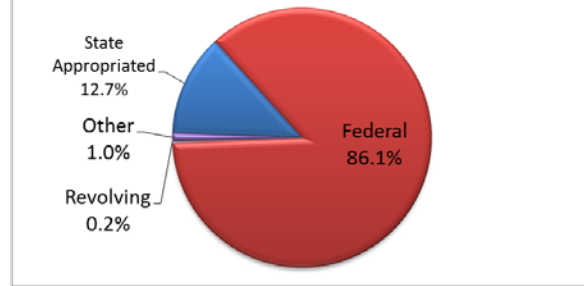
Programs

- Armory Maintenance
- Museum Management
- Youth Programs
- Construction

For more information about OMD, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Successfully supported the training, facilities, mobilizations and overseas deployment of members of the OKNG;
- Provided continuous oversight and ensured proper reimbursement of millions of dollars to the state through federal cooperative agreements; and
- Provided trained and ready forces to support state missions, such as tornado response and wildfire fighting missions throughout the year.

Goals for Upcoming Year

- Appropriately resource, build and maintain adequate and safe training facilities for the members and youth programs of the OKNG to ensure enduring mission success; and
- Improve and modernize armories across the state.

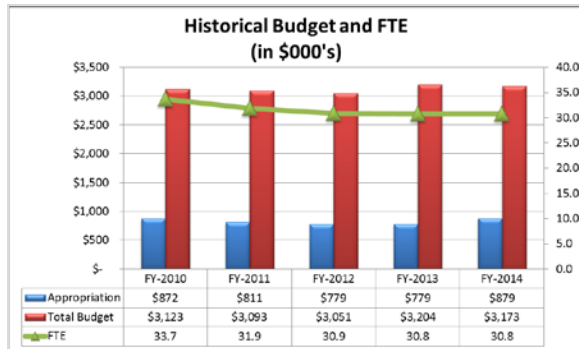
Major Agency Projects

- Continuing the [Thunderbird Youth Academy](#) which assists high school dropouts with returning to school or entering the workforce and avoiding the juvenile justice system; and
- Programming and executing two armory modernizations per year.

Savings, Efficiencies and Shared Services in FY-2014

OMD has taken advantage of the voluntary buyout program to retire state employees as well as continue to do "more with less" with regard to personnel numbers.

Department of Mines (ODM) Energy and Environment Cabinet



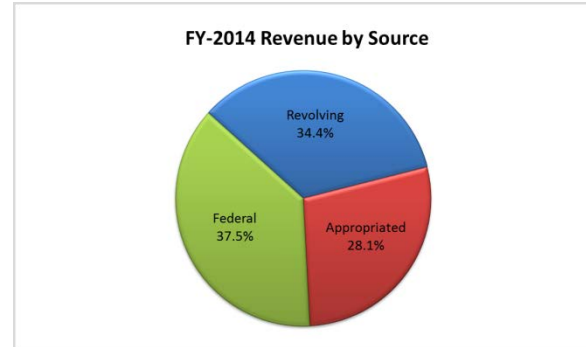
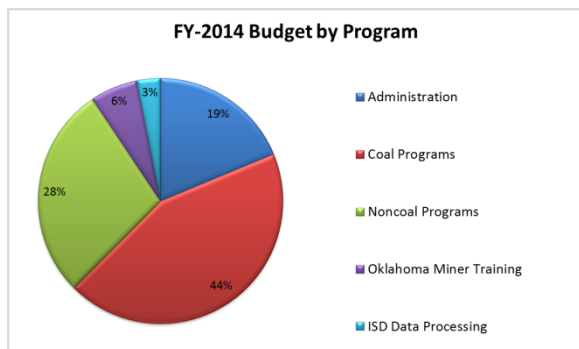
Mission

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

Programs

- Coal Programs:
 - Coal Combustion Byproducts (Fly Ash)
- Non-Coal (Minerals) Programs:
 - Non-Mining Blasting Compliance
- Post-Mining Reclamation
- Permitting:
 - Performance Bonding
- Inspections
- Legal Enforcement
- Oklahoma Miner Training Institute

For more information about ODM, visit [their website](#).



Accomplishments over Past Year

- Completed the Office of Management and Enterprise Services (OMES) IT consolidation process. This conversion allows for more shared information, IT coordination, technical support, and better information services provided to the public.
- Updated and moved all historical mine maps into fireproof and waterproof storage cabinets.
- Achieved the Gen4 template for the agency website which enhanced the permitting process for Oklahoma mining clients.

Goals for Upcoming Year

- Fully implement the blasting program to meet inspection mandates and to formalize permitting requirements;
- Add a permit mapping interface for users on the ODM website; and
- Continue scanning project to preserve surface and underground mining maps and make them available to the public on the ODM website.

Major Agency Projects

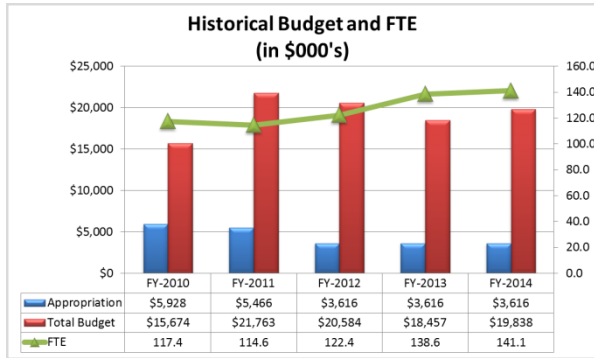
- Ongoing website production and improving information services to the public;
- Assuring the reclamation of specific coal mine and non-coal mines sites that were left without reclamation or abandoned by the companies;
- Working with the Mine Safety and Health Administration to reinstate the federal grant funds that were eliminated in FY-2014, previously used for the operation of the Oklahoma Miner Training Institute; and
- Continuing cooperation with the Attorney General's office in litigation with the federal government in U.S. District Court, for the Eastern District of Oklahoma, in order to rectify the federal government's seizure of Oklahoma's

State priority of the surface coal mining program.

Savings, Efficiencies and Shared Services in FY-2014

- Consolidated payroll processing with OMES resulting in elimination of one FTE, which led to a total savings of \$34,000; and
- Updated two inspection vehicles, reducing the downtime on maintenance issues and assisting the agency in meeting the desired inspection frequencies.

Narcotics and Dangerous Drugs Control, Oklahoma Bureau of (OBND) Safety and Security Cabinet



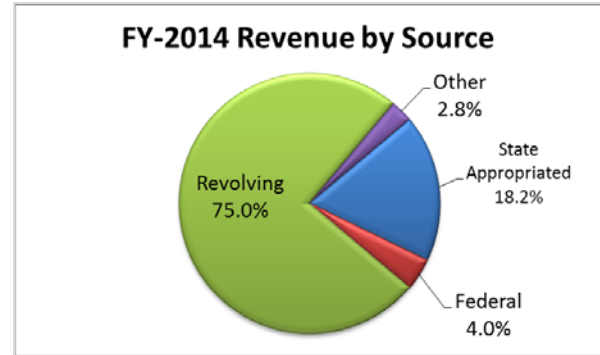
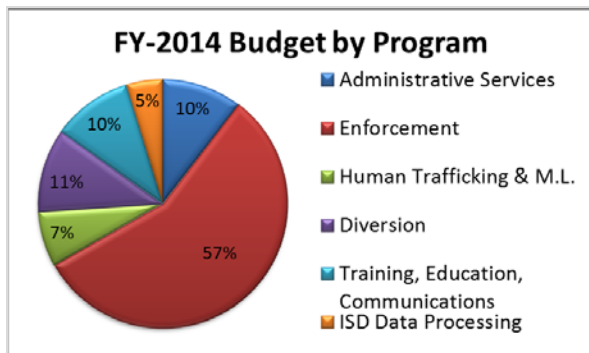
Mission

Committed to honor, integrity, and excellence, the Oklahoma Bureau of Narcotics will serve the citizens of Oklahoma in the quest for a drug, human-trafficking, and money-laundering free state.

Programs

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

For more information about OBND, visit [their website](#).



Accomplishments over Past Year

- Worked to approve legislation giving the agency Subpoena Power for Human-Trafficking investigations;
- The Human Trafficking Division worked on multiple investigations throughout the State to identify victims of human trafficking. The agency was able to identify and rescue several victims and place them in a safe shelter, including a fifteen (15) year old. The agency also solved the high-profile disappearance and murder of Weatherford teenager, JaRay Wilson;
- Over the past two years installed nearly 150 drug take-back boxes. Collected and destroyed approximately 48,000 pounds of medications and converted the same to clean energy at no cost to the State of Oklahoma;
- Conducted statewide training for the Oklahoma Drug Endangered Children’s Program to protect and rescue children found living in deplorable conditions inside drug homes;
- Worked with legislators to become one of the first states to ban several new synthetic drugs that have recently hit the market and resulted in hospital visits and deaths;
- Worked with legislators to adopt a national tracking program (NPLEX) to track the sale of Pseudoephedrine, the key meth ingredient;
- Worked with local law enforcement agencies to shut down several stores and suppliers which were found in violation of Oklahoma’s synthetic drug laws;
- Provided youth and adult free drug education programs;
- Dismantled drug distribution organizations; and
- Reduced the local availability of drugs for illegal use.

Goals for Upcoming Year

- Continue to expand the Human Trafficking Division;
- OBNDD has multiple projects underway to further reduce prescription drug addiction and fraud, including take-back container promotion, school education programs, and a statewide media awareness campaign;
- Conduct statewide training for the Drug Endangered Children Program;
- Target Mexican cartel drug distribution and marijuana growing organizations;
- Assist with state law enforcement and national tracking programs to address the meth lab surge in Oklahoma;
- Tackle the rise in synthetic drug production and abuse; and
- Increase school drug education programs.

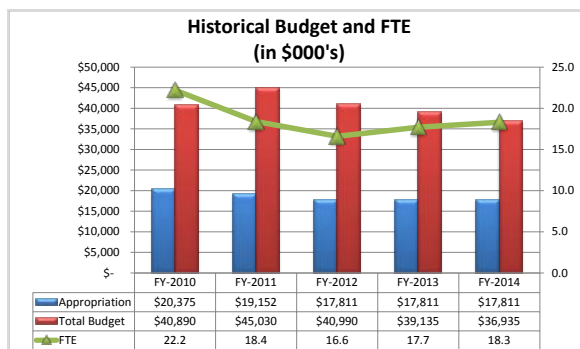
Major Agency Projects

- Sustaining the Prescription Drug Monitoring Program which is the nation's only real-time prescription drug monitoring program used to address the prescription drug abuse epidemic;
- Coordinating the nation's only statewide Take-Back Program which has safely disposed of nearly 48,000 pounds of unwanted drugs from home medicine cabinets and converted the waste material into clean energy at no cost to the State of Oklahoma through a partnership with Covanta Energy in Tulsa;
- Deploying a Human Trafficking Unit to address this growing threat and rescue victims;
- Coordinating the statewide Drug Endangered Children (ODEC) program to reverse the alarming trend of children injured or killed in drug environments;
- Continuing to provide meth disposal containers for law enforcement to more efficiently and effectively address the current meth lab surge through the Meth Lab Container Project; and
- Coordinating a statewide Prescription Drug Task Force to more efficiently and effectively address the prescription drug abuse and fraud epidemic in Oklahoma.

Savings, Efficiencies and Shared Services in FY-2014

- OBNDD purchased and installed 150 drug Take-Back boxes for the public to safely dispose of unwanted home medication. OBNDD partnered with Covanta Energy in Tulsa to destroy the drugs and convert the waste material into clean energy at NO COST to the state of Oklahoma. This program earned the prestigious Henry Bellman Award for Excellence in 2012.
- OBNDD installed meth lab disposal containers in strategic locations around the state. This has saved hundreds of law enforcement man-hours and saves the state approximately \$1.4 million per year in disposal fees.
- OBNDD provides FREE drug education programs for schools which save school districts thousands of dollars otherwise spent paying private drug education organizations.

Oklahoma Center for the Advancement of Science and Technology (OCAST) Science & Technology Cabinet



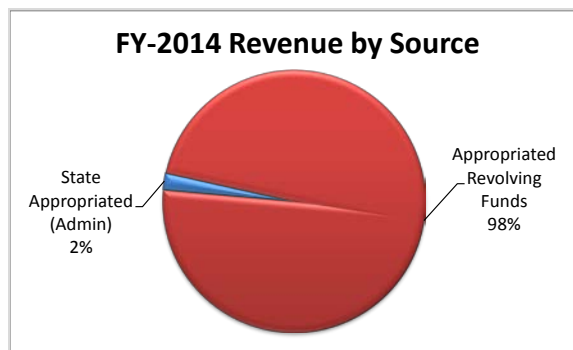
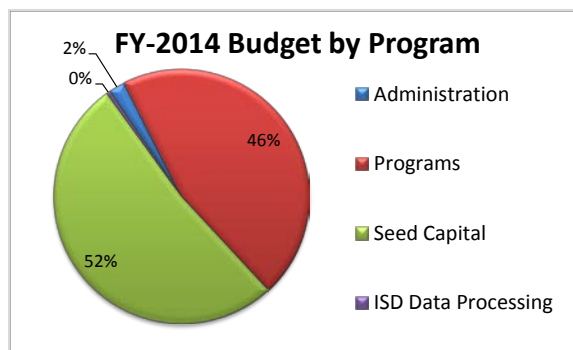
Mission

The Oklahoma Center for the Advancement of Science and Technology's (OCAST) mission is to foster innovation in existing and developing Oklahoma businesses by supporting basic and applied research; facilitating technology transfer between research laboratories, firms and farms; providing seed capital for innovative firms and their products or services; and fostering enhanced the competitiveness of Oklahoma companies and small-to medium-sized manufacturing firms.

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

For more information about OCAST, visit [their website](#).



Accomplishments over Past Year

As the state's technology-based economic development agency focusing on technology, development, transfer and commercialization, OCAST's overarching goal is to advance Oklahoma in the innovation economy. OCAST sets and annually measures its impact on Oklahoma's economy, including: return on investment (ROI) that incorporates the attraction and leverage of private and non-state dollars; jobs created and retained; total economic impact including revenue growth and the value of intellectual property; and the number of clients served, among others. Highlights from the 2014 Impact Report include:

- 2,873 jobs were created or retained;
- \$213.6 million direct impact on gross sales at participating companies;
- 66 student interns supported by OCAST grants;
- 2,455 projects supported in our 26 year history (\$5.1 billion cumulative financial impact); and
- 22:1 cumulative return ratio (including attraction of private and non-state investment).

Goals for Upcoming Year

OCAST seeks to enhance the value and efficiency of the state's investment in technology by delivering:

- optimal results through disciplined strategic investment in applied and basic research;
- innovation capital;

- manufacturing and small business support;
- innovative new programs that meet client needs and that help advance our state in the knowledge and innovation-based economy; and
- increased public/private collaborations to accelerate the commercialization of research that leads to an improved quality of life and standard of living for the citizens of Oklahoma.

Major Agency Projects

- Oklahoma Applied Research Support Program (OARS) – accelerates the development of technology to commercialize the products or services to stimulate Oklahoma’s economy.
- Plant Science Research Program – focuses on Oklahoma’s agricultural strengths, stimulating the development of new products and services.
- Oklahoma Nanotechnology Applications Project – focuses on nanotechnology research and applications.
- Oklahoma Technology Commercialization Program – provides expert assistance in technology, business, management, and marketing; and provides access to assistance with legal and intellectual property matters to technology-based firms (operated by i2E).
- Small Business Research Assistance (SBRA) Program – provides assistance to Oklahoma firms to successfully apply for research funding under the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs.
- Oklahoma Inventors Assistance Service (IAS) – assists Oklahoma inventors through the complicated process of developing their invention and with patenting/licensing, marketing and manufacturing issues (managed by Oklahoma State University).
- Seed Capital Fund Program – provides seed capital investment in very early-stage Oklahoma companies engaged in commercialization of promising new technologies. Matching funds are required, and repayments will be available for future investments. The intent is for the seed capital fund to eventually become self-sustaining (operated by i2E).
- The Oklahoma Industrial Extension Service – assists Oklahoma’s small- and medium-sized manufacturers to compete successfully in the global marketplace (operated by the Oklahoma Manufacturing Alliance).

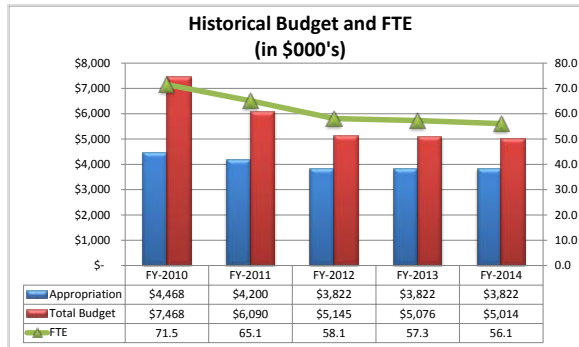
Savings, Efficiencies and Shared Services in FY-2014

- Continuing to benefit from conversion of program solicitation cycle and award processes from hard copy to an electronic version through the OKGrants project; and
- Continuing implementation electronic applications-submittal processes (E-APPS).

Additionally, OCAST achieves part of its mission through public-private partnerships with strategic partners:

- The Oklahoma Manufacturing Alliance, a 501(c) (3), is a coordinated network of application engineers and extension agents that assists small- and medium-sized manufacturers to become more competitive in their marketplace.
- i2E, a 501 (c) (3), manages the OCAST Technology Commercialization Program and Seed Capital Fund. The Technology Commercialization Center provides commercialization bridging and mentorship programs for the management teams of start-up and existing companies.

Oklahoma Educational Television Authority (OETA) Education & Workforce Development Cabinet



Mission

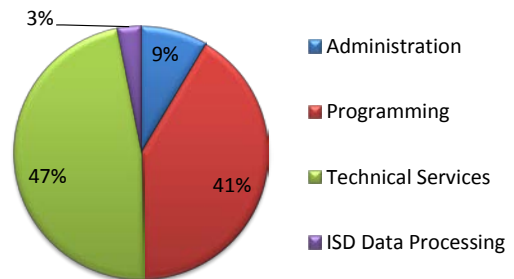
The Oklahoma Educational Television Authority's (OETA) mission is to provide essential educational television content and multimedia services that inform, inspire and connect Oklahomans to ideas and information that enrich our quality of life. The intent of OETA is to assure that new educational technologies, both over the air and on-line, benefit all citizens of the state. This opens new opportunities for more educational content, improved local services, increased civic engagement, and more coverage of state government and innovative bandwidth management. With the right investment in equipment & personnel, the state of Oklahoma will be able to provide instant, statewide, essential two-way communication for emergencies/public safety, training and citizen involvement via OETA's broadcast spectrum and ancillary bandwidth.

Programs

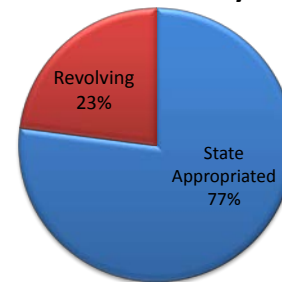
- Programming
- Technical Services

For more information about OETA, visit [their website](#).

FY-2014 Budget by Program



FY-2014 Revenue by Source



*Does not include OETA Foundation Funds

Accomplishments over Past Year

- Increased OETA *Learning Media* educator usage by more than 400percent. Currently more than 5,000 Oklahoma educators use OETA's online library of more than 35,000 free classroom tools and teacher resources.
- Conducted a statewide listening project to connect with Oklahomans in all regions of the state and collect feedback on how OETA can better address issues in communities and foster awareness and positive growth in Oklahoma:
 - Crafted new Strategic Plan for the Oklahoma Network;
- Doubled attendance to Read Across Oklahoma, with more than 2,000 at-risk pre-schoolers and 2,000 additional children and families from the general public attending a day full of interactive literacy activities and receiving free books.
- Launched a series of relief efforts in response to the devastation caused by the recent May tornados, leveraging our statewide reach and resources:
 - OETA website *After the Storm* aggregated resources, volunteer opportunities and community needs, as well as a repository of content designed to aid parents and caregivers in talking to children about tragic events and "scary news;" and

- Partnered with Griffin Communications (KWTW), OKC Thunder player Kevin Durant and the Red Cross to host a two-day phone bank that raised over \$200,000 for the Red Cross relief effort.
- Provided 90 Electronic Field Trip scholarships in partnership with the Oklahoma Foundation for Excellence to Oklahoma schools. OETA's Electronic Field Trip Programs take thousands of Oklahoma students through U.S. history via a live broadcast that includes Q&A with historians and experts of U.S. history.
- Delivered adult literacy services through GED Connection and TV 411 with help from the OKC Community Foundation.
- Installed Harmonic Encoding System, enabling OETA to double its over-the-air services and eliminating audio issues; OETA now has FOUR Statewide Channels, with *Create* and *Kids* joining existing *Okla* and HD channels in all 77 counties.

Goals for Upcoming Year

As OETA continues building on its legacy of excellence, it is dedicated to providing the highest quality educational programming and outreach services possible to connect Oklahomans to ideas and information that enrich the quality of our lives:

- Launch a \$12 million "Fulfilling the Dream Campaign" with assistance of the OETA Foundation that will help fund the type of new and creative, informative, and inspiring content and engagement necessary to connect Oklahomans to a lifetime of learning and discovery.
- Continue to work with other news organizations such as eCapitol and The Journal Record to gather and disseminate information about the legislative process, issues of statewide significance, and free enterprise in Oklahoma.
- Enhance news and public affairs coverage through "State Impact Oklahoma," an Oklahoma public media partnership that pools news-gathering resources to produce in-depth news material that would otherwise be impossible.

Major Agency Projects

- LIVE Coverage of the State of the State with Governor Mary Fallin and increased legislative coverage through a new connection from the State Capitol to our TV Production facilities. If private funding is secured, OETA will develop opportunities for OPEN – the Oklahoma Public

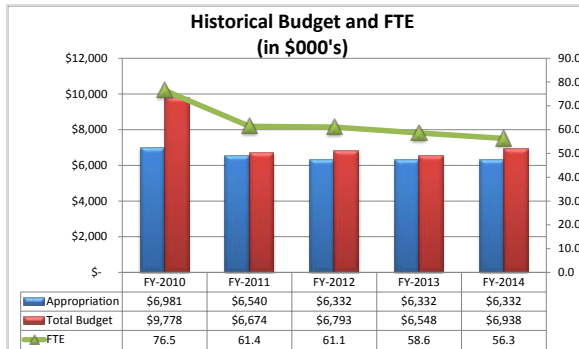
Events Network - a CSPAN style coverage of the legislature including committee hearings and floor debates from the State Capitol.

- OETA is exploring options to connect the 4 quadrants of the state through various partnerships with regional Colleges and Universities, private businesses and local media. The thought is to lend voice to the various regions through news reports and interviews utilizing regional personalities and potentially engaging local media students. Connectivity through fiber and Stream Boxes is being explored.
- With assistance of the OETA Foundation, OETA plans to launch a \$12 million "Fulfilling the Dream Campaign" which will help fund the type of new and creative, informative, and inspiring multimedia content and engagement necessary to connect Oklahomans to a lifetime of learning and discovery.
- Implementation of a statewide teacher professional development training program with the guidance of the State Department of Education for educators to assist with classroom instruction using OETA/PBS online and television content, as well as available community level programs. Over 35,000 digital assets along with OETA's library will be aligned with Oklahoma Academic Standards (OAS) and made available through OETA.TV.

Savings, Efficiencies and Shared Services in FY-2014

OETA continued to only fill vacant positions that if vital to the organization and continues to pursue additional savings through energy efficiencies and staff realignment.

Oklahoma School of Science & Mathematics (OSSM) Education & Workforce Development Cabinet



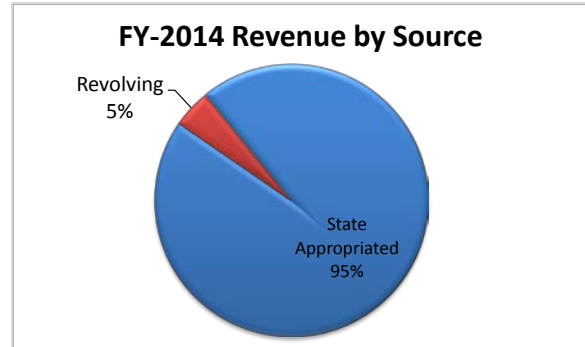
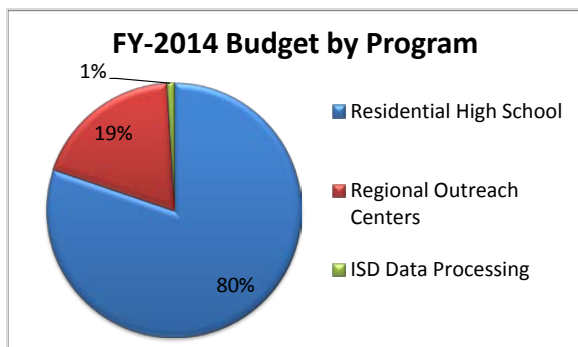
Mission

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

For more information about OSSM, visit [their website](#).



Accomplishments over Past Year

OSSM graduated its 22nd class and maintained the operations of twelve regional centers.

Some of the achievements accomplished by the main campus graduating class:

- Increase of ACT Composite Scores from 27.6 to 31.7;
- Three Oklahoma Foundation for Excellence Academic All-State Scholars;
- Three National Merit Scholars and 15 National Merit Finalists;
- Six National Merit Commended Scholars;
- Two National Achievement Scholars;
- First Place Team in the Oklahoma Mathematics League;
- Two Oklahoma Medical Research Foundation Sir Alexander Fleming Scholars;
- One 2012-13 Siemens Award for Advanced Placement Scholar;
- One Semifinalist for the U.S. Physics Olympiad Team, one for the U.S. Biology Olympiad Team, and one for the U.S. National Chemistry Olympiad Team;
- 23 College Board Advanced Placement Scholars;
- 24 Oklahoma State Regents for Higher Education Scholarship Recipients;
- One Recipient of a State Superintendent Award for Arts Excellence; and
- 27 Presidential Service Award Winners;

OSSM's regional centers graduated 181 students.

Goals for Upcoming Year

The primary goal of OSSM remains to providing quality educational program at the main campus, regional centers and outreach programs. This quality of service is not only mandated but is expected. The challenge includes keeping the level of services in the residential and regional center

programs without compromising the integrity or quality of the programs, maintaining the operations of all existing regional centers and continuing to expand the outreach program.

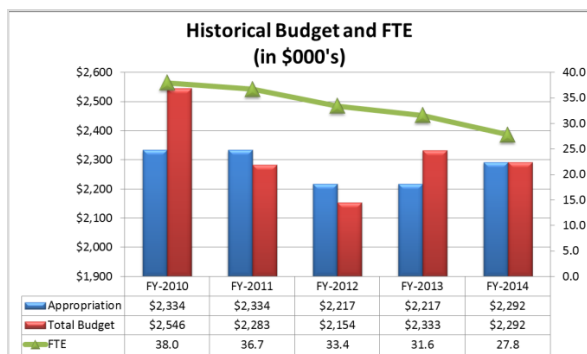
The second phase of the dormitory will be completed in FY-2014 and OSSM's goal is to obtain adequate funding to begin the expansion of this once in a life time opportunity to additional Oklahoma students beginning in FY-2015.

Savings, Efficiencies and Shared Services in FY-2014

OSSM is a relatively young agency and operations were established to be as efficient as possible, with any available resources being committed to educational activities before allocating to other activities. While some efficiencies have been achieved with the advancement of technology (using the state financial and budget system for all operations), the only significant savings have been through the reduction of personnel and the enforcement of furlough days.

OSSM has enlisted its students to help develop and implement possible energy efficiency and conservation efforts.

Pardon and Parole Board (PPB) Safety and Security Cabinet



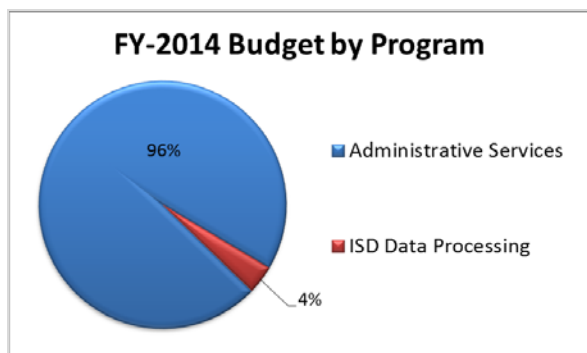
Mission

The mission of the Pardon and Parole Board (PPB) is to provide quality and timely information to the Pardon and Parole Board members and Governor for them to make informed Clemency decisions on adult incarcerated felons.

Programs

- Administrative Services
- ISD Data Processing

For more information about PPB, visit [their website](#).



Accomplishments over Past Year

- Began first phase of updating obsolete operating system enabling parole Investigators to enter parole information one time which then is electronically converted to a monthly parole docket. This system reduced labor and report preparation time;
- New PPB web page went live March 2013;
- Completed redistricting of PPB field staff for more efficient statewide coverage; and

Goals for Upcoming Year

- Complete second phase of updating obsolete operating system which will include implementation of docketing system, parole processing certificates and parole tracking system. In addition, other entities will have “portal” access to our system cutting down on each entity repeatedly entering the same information and allowing for one instance of data entry and data sharing; and
- Continue to make the parole process more efficient which will result in additional savings to the State of Oklahoma.

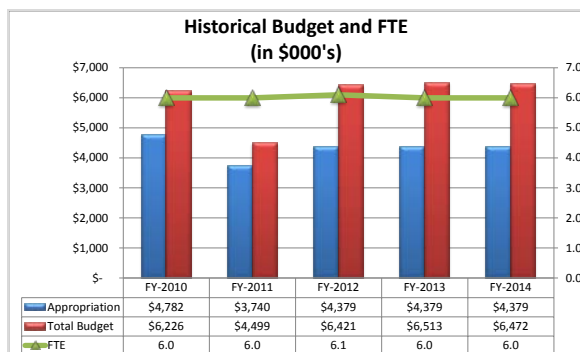
Major Agency Projects

- Phase Two operating system upgrade to enable the parole decision process, certificate preparation, tracking system and docketing process to be rolled into the web-based system and allow other entities to have portal access to the parole process preventing duplication of duties on several levels;
- Monitor staffing and continue to adjust redistricting project to work efficiently; and
- PPB is attempting to implement video-conferencing of staff meetings to improve cost savings, and implementing an on-line tutorial training system to ensure continuing education and professionalism for our Investigators in the field while maintaining current cost reductions.

Savings, Efficiencies and Shared Services in FY-2014

- Used shared services through the Office of Management and Enterprise Services (OMES) for business office activities: financial, purchasing, accounting, human resources, and IT services;
- Implemented procedures to process non-violent paroles more efficiently. This resulted in cost savings to the state by decreasing the processing time for paroles from 30 to 90 days down to two weeks;
- Upgraded the antiquated computer system, which reduced redundancies and created efficiencies; and
- The redistricting plan enabled more efficient staffing and more full coverage of the facilities throughout the State.

**Physician Manpower
Training Commission
Education & Workforce Development
Cabinet**



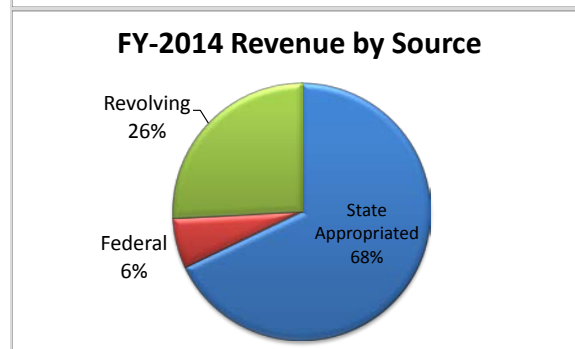
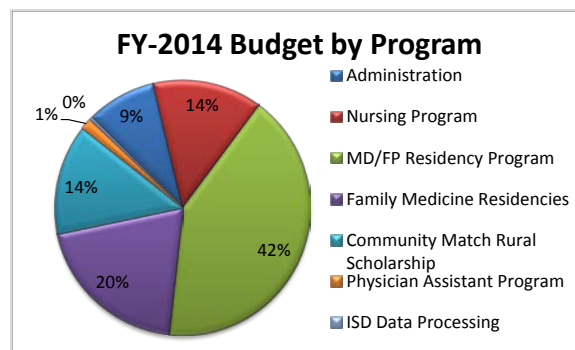
Mission

The mission of the Physician Manpower Training Commission (PMTC) 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 establish a 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
- Community Match Rural Scholarship Incentive Programs
- Osteopathic Residency Program
- Nursing Student Assistance Program
- Physician Assistant Scholarship Program

For more information about PMTC, visit [their website](#).



Accomplishments over Past Year

- 241 nursing students received scholarship funds;
- 18 medical students received scholarship funds;
- 18 family practice residents received scholarship funds;
- Two physicians received scholarship incentive funds to begin practice in a rural community;
- Seven physician assistant students received scholarship funds; and
- One physician contracted and began practice obligation for the Oklahoma Medical Loan Repayment Program.

Goals for Upcoming Year

- Increase Oklahoma Medical Loan Repayment Program (OMLRP) participation; and
- Maximize the number of scholarship recipients according to appropriated funds available.

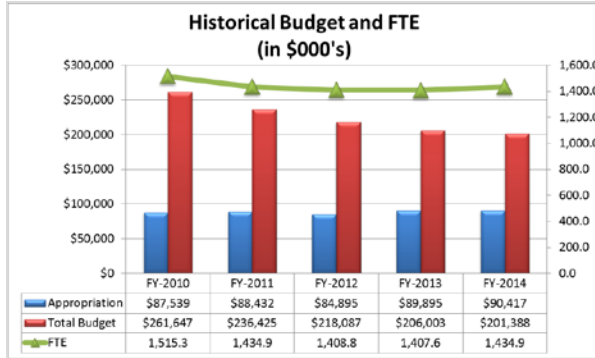
Major Agency Projects

- Maximizing the placement of physicians in rural Oklahoma through OMLRP.

Savings, Efficiencies and Shared Services in FY-2014

- Continued lower than historical administrative costs with current copier lease;
- Implemented fully a paper recycle program.

**Public Safety, Oklahoma Department of (DPS)
Safety and Security Cabinet**



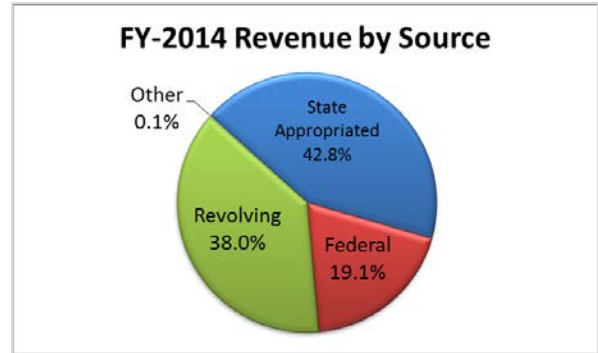
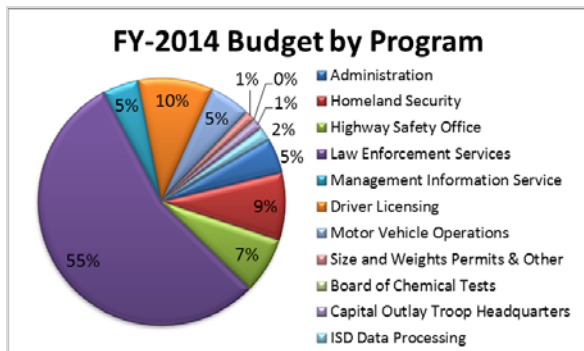
Mission

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

For more information about DPS, visit [their website](#).



Accomplishments over Past Year

- The Oklahoma Highway Patrol graduated (42) cadets from the 61st Academy; and
- The Driver Licensing division added 22 examiners from SB652 funds as well as updated several licensing sites to help reduce customer wait times throughout the State.

Goals for Upcoming Year

- The Oklahoma Highway Patrol has already selected cadets and will begin the 62nd OHP Cadet Academy which will be complete before the end of FY-2014.
- The Driver Licensing division will continue to modernize services, including customer “people flow” queuing system to further reduce wait times for the citizens.

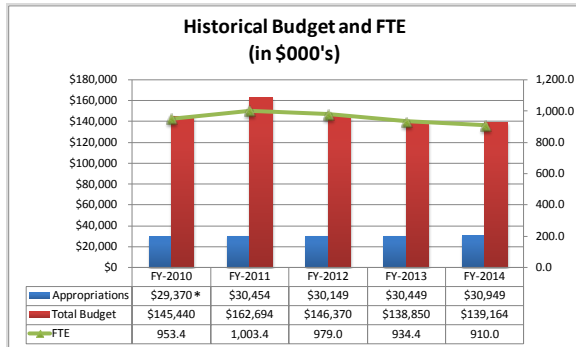
Major Agency Projects

- Continuing construction on the new Troop K headquarters;
- Refurbishing an old car dealership on I-240 to consolidate space and agency resources; and
- DPS relocated our Troop C headquarters to the Muskogee Reserve Center. This relocation also includes driver licensing services and an additional DL examiner.

Savings, Efficiencies and Shared Services in FY-2014

Drivers Licensing wait times have decreased significantly because of increased staffing levels and the new on-line scheduling system.

Rehabilitation Services, Department of (DRS) Health & Human Services Cabinet



* FY-2010 state appropriation includes a \$1.2 million supplemental.

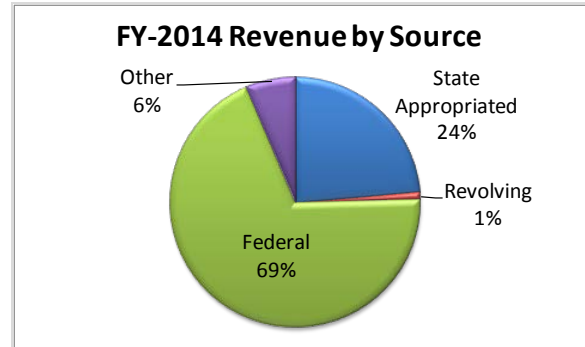
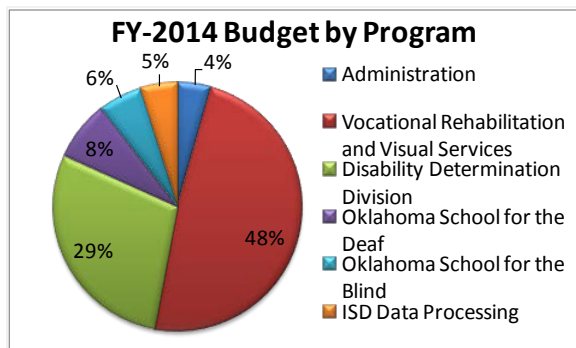
Mission

The mission of the Department of Rehabilitation Services (DRS) is to provide opportunities for individuals with disabilities to achieve productivity, independence, and an enriched quality of life.

Programs

- Vocational Rehabilitation Division
- Visual Services Division
- Disability Determination Division
- Oklahoma School for the Blind
- Oklahoma School for the Deaf

For more information about DRS programs, visit [their website](#).



Accomplishments over Past Year

- Vocational and Visual Services Division assisted 2,241 individuals in finding gainful employment;
- Achieved a 100percent graduation rate at Oklahoma School for the Blind and School for the Deaf;
- Served 881 high school students with disabilities by preparing them for life after high school and contributed over \$1.5 million in supporting transition-aged clients through its various programs;
- DRS Vocational Rehabilitation Social Security Reimbursement Program earned more than \$4 million by removing 318 social security recipients from the Social Security Administration rolls. DRS is reimbursed by SSA when vocational rehabilitation services result in someone reaching this level of sustained employment success;
- Served 27 students in Project SEARCH- a one-year, worksite-based school-to-work program for high school students with disabilities;
- Completed the 3rd WINGS Leadership Training cohort in October of 2013;
- Cold Case Unit received 424 referrals from Vocational Rehabilitation/Visual Services counselors and obtained resolutions for 57percent of those cases. This is first unit of its kind in the country and serves as “promising practice” for other rehabilitation programs;
- DRS fostered partnerships with the Office of Juvenile Affairs (OJA), the Oklahoma Commission for Children and Youth, Oklahoma Employment Security Commission, State Independent Living Council, Oklahoma Rehabilitation Council and Local Workforce Boards to improve the lives of individuals with disabilities;

- Placed a DRS Transition Counselor at the Central Oklahoma Juvenile Center to help transition juveniles into the job market; and
- Maintained cooperative agreements with all 9 Tribal VR Centers in Oklahoma which allows for the provision of the most beneficial and appropriate services for Native Americans with disabilities in an efficient and cost effective manner.

Goals for Upcoming Year

Vocational Rehabilitation/Visual Services:

- Meet or exceed federal program standards and indicator guidelines;
- Establish an operational framework through cooperation with Oklahoma workforce system partners, and ultimately create a talent pipeline of appropriately skilled and credentialed Oklahomans that will meet the talent demands of Oklahoma employers; and
- Begin the next WINGS Leadership Training in February 2014 to end in July 2015.

Oklahoma School for the Blind and Oklahoma School for the Deaf:

- Increase community and statewide awareness of school educational services;
- Meet federal and state educational standards as well as meet/exceed public expectations;
- Maintain 100percent graduation rates with graduates attending college and/or reaching employment goals; and
- Maintain state and national accreditations.

Disability Determination Division:

- Meet or exceed federal program production standards by continuing quality performance while dealing with significant workload increases; and
- Find qualified physicians and psychologists to meet current needs for determinations.

Major Agency Projects

- Implement Vocational Rehabilitation and Visual Services Return on Investment (ROI) project to identify benefits and costs for participation of all applicants. ROI study will provide a full accounting of purchased and in-house service costs. In addition, the study will assess impacts of services on

employment probability and earnings of program participants.

- Continue to implement VR/VS Client Case File **Imaging Project**. In order to move to a paperless case file system, DRS has integrated with the internal client system to allow the creation of accessible electronic case files and storage in a central repository that can be searched and viewed from within a client's file.
- Expanding the use of business intelligence software in conjunction with AWARE, the DRS client management software, to increase the speed at which voluminous data sets can be accessed, analyzed and shared beyond the client service data sets.

Savings, Efficiencies and Shared Services in FY-2014

- Expanded the Paperless Imaging Project to include administrative support documents in the form of contracts, purchasing and claim documentation. The project continues to yield savings through less physical storage needs, broader access to information, and expanded accessibility of information.
- Increased participation with the Regional Workforce Boards to enhance the agency's presence in the business community and so increase opportunities for employment among disabled individuals.
- Assisted employers with hiring and training costs for qualified workers with disabilities. DRS may also pay a percentage of the new employees' monthly salaries for a short time with the understanding that they will be hired on a permanent basis if they meet the job standards.

Retirement Systems

The State retirement systems consist 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 two main 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 other type of plan includes OPERS, URSJJ, TRS and Wildlife which are defined benefit plans. 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.

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 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 funded 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.

The total funded ratio of Oklahoma’s public pension systems is 66.5% with an unfunded liability of \$11.36 billion. The unfunded liability and funded ratio of each plan is as follows:

- Teachers Retirement System, \$8.11 billion, 57.2%;
- Firefighters, \$1.27 billion, 58.8%;
- Law Enforcement, \$165.4 million, 81.4%;
- Public Employees, \$1.58 billion, 81.6%;
- Police, \$228.6 million, 89.3%;
- Judges and Justices, \$6.9 million, 97.3%.

Ultimately, the responsibility for this debt falls on the shoulders of all Oklahomans.

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

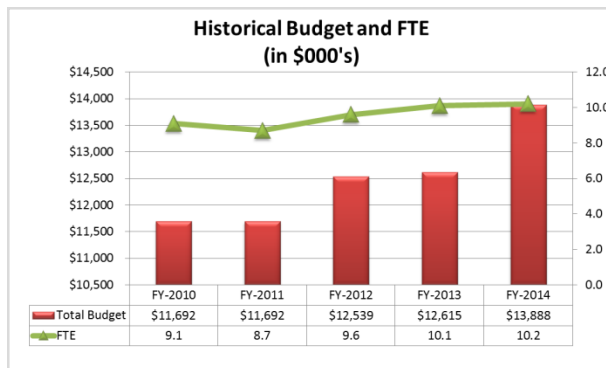
The state systems differ from many other defined benefit retirement plans since several of the systems receive contributions other than employer and employee contributions. TRS, Firefighters, OLERS, and Police are all recipients of dedicated revenue streams.

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.

Firefighters Pension & Retirement System Finance, Administration, and Information Technology Cabinet

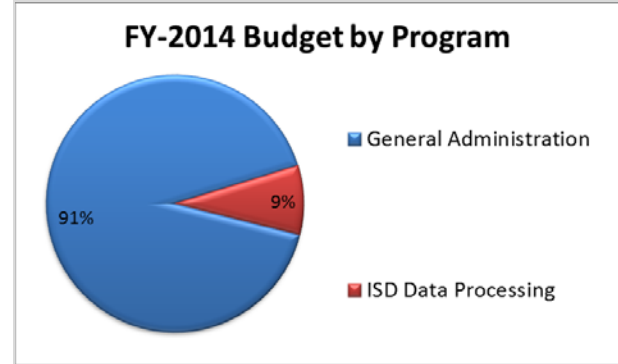


Mission

The mission of the Firefighters Pension & Retirement System is to be responsive in administering retirement benefits to firefighters of Oklahoma, to manage the firefighters' retirement fund prudently, and to embrace the highest ethical standards with regard to these endeavors.

Programs

For more information about the Firefighters Pension & Retirement System, visit [their website](#).



Accomplishments over Past Year

- Started the process of getting all members of the pension system who draw a benefit to sign up for direct deposit and began working with Xerox to set up a debit card system for those who do not have a direct deposit bank account available;
- Began a Request for Proposal (RFP) on a new data system for member records to replace the antiquated version currently used; and
- Increased the level of customer service for our members.

Goals for Upcoming Year

- Complete the debit card system and continue to encourage these members to use direct deposit;
- Continue work towards a new data system for member records; and
- Provide excellent customer service.

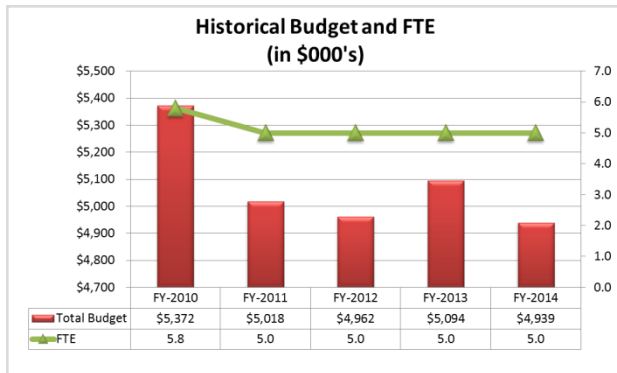
Major Agency Projects

- Creating a debit card system for members not using direct deposit and working toward the elimination of paper checks; and
- Continuing efforts to transition from an antiquated data records system.

Savings, Efficiencies and Shared Services in FY-2014

Reduced over 4,000 checks written per month to under 100, greatly decreasing costs of paying benefits through lower bank fees and less postage.

Law Enforcement Retirement System (OLERS) Finance, Administration, and Information Technology Cabinet

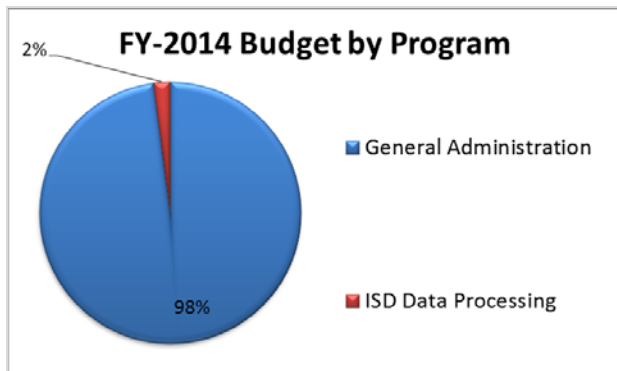


Mission

To ensure that all members who contribute to the Law Enforcement Retirement System (OLERS) will find upon retirement adequate funds to meet the benefits guaranteed them. This is accomplished by directing investment of the system's funds in an attempt to maximize gains, minimize losses, and protect the trust.

Programs

For more information about the OLERS, visit [their website](#).



Accomplishments over Past Year

Kept up with information regarding deceased members in order to ensure accurate tracking and payment of benefits.

Goals for Upcoming Year

To become a paperless office.

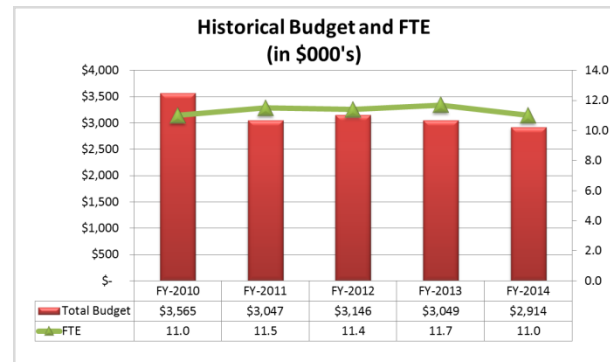
Major Agency Projects

Continuing the process of becoming a paperless office. The plan is for this to take place over the next two fiscal years.

Savings, Efficiencies and Shared Services in FY-2014

Increased information available via the website and reduced the number of paper copies mailed out, thus preventing unnecessary waste of paper.

Police Pension & Retirement System (OPPRS) Finance, Administration, and Information Technology Cabinet

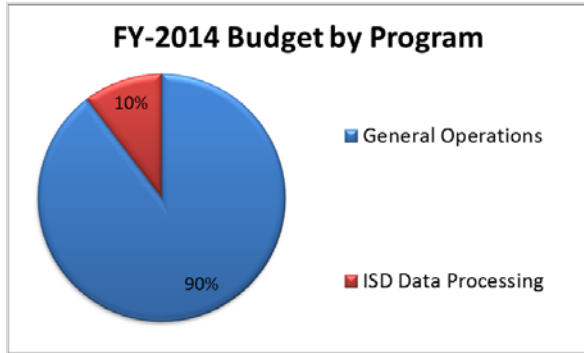


Mission

To provide secure retirement benefits for members and their beneficiaries.

Programs

For more information about OPPRS, visit [their website](#).



Accomplishments over Past Year

Provided an updated and improved member benefits calculator on the system’s website.

Goals for Upcoming Year

- Provide several direct, live instruction pension/retirement planning sessions to members throughout the state;
- Provide active member annual statements and direct deposit advices through member web-services in lieu of mailing; and
- Move ACH transaction processing services to the Office of the State Treasurer.

Major Agency Projects

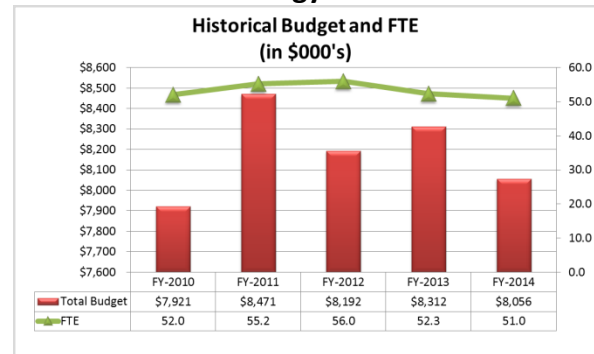
Working closely with external auditors and actuaries to meet new Generally Accepted Accounting Principles (GAAP) standards required for the preparation of FYE June 2014 and June 2015 financial statements, which includes assisting participating employers with this implementation.

Savings, Efficiencies and Shared Services in FY-2014

OPPRS converted a long-short investment vehicle originally managed by an outside manager to a new structure managed by the Board, CIO, and Investment Advisors. The new investment structure pursues the same general strategy and eliminates external management fees of between \$700,000 and \$1 million annually.

Public Employees Retirement System (OPERS)

Finance, Administration, and Information Technology Cabinet

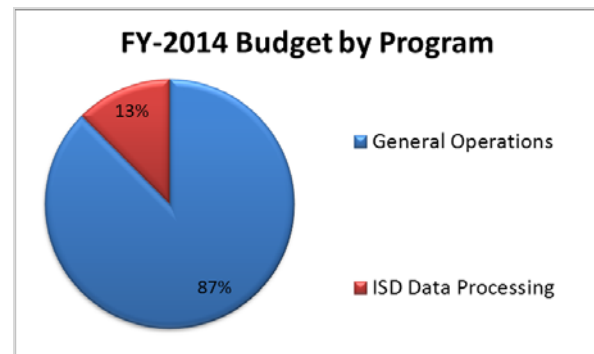


Mission

The mission of the Oklahoma Public Employees Retirement System (OPERS) Board and staff is to provide and promote comprehensive, accountable and financially sound retirement services to Oklahoma’s public servants in a professional, efficient and courteous manner.

Programs

For more information about OPERS, visit [their website](#).



Accomplishments over Past Year

- Conducted 80 seminars for 1,732 members for the class “Controlling Your Financial Future,” and 8 seminars for 199 members for the class “Managing Your Retirement Income.”
- Tailored an HCM Training & Development class covering the literacy class topics, and added general information about OPERS’ pension benefits. OPERS presented 8 of these HCM training classes entitled “Principles of Financial

and Retirement Planning” to 199 of our members.

- Presented 31 pre-retirement seminars for 1,063 members.
- Used existing resources to deal with increased workloads due to an upward trend in retirements. OPERS had 1,624 retirees in FY-2009, 1,814 in FY-2010, 2,209 in FY-2011, 1,722 in FY-2012, and 1,773 in FY-2013. No additional staff has been hired to deal with the increased workloads.
- Achieved solid investment performance in 2013, beating the policy index by 130 basis points for a 16.6% return. Long-term performance placed the system in the top 25% of its peer group.
- Kept investment manager fee levels at the lowest in Oklahoma and perhaps the nation. The Oklahoma Pension Commission reported that OPERS’ only paid 8 basis points (.08%) in calendar 2012 compared to an average of 48 bps (.48%) paid by the other four statewide retirement systems.
- The Contact Center continued taking on more varieties of calls and transactions, including those related to SoonerSave and retirees. The center handled more than 40,000 inbound calls in 2013, 36% more calls than in 2012.
- Increased enrollments in SoonerSave. In 2013, enrollments were 29% higher than in 2012, which added approximately 3,700 state employees to the SoonerSave program.
- Chose an off-site location for disaster recovery. Backup servers were purchased, aiding with the goal of having a fully operational computer system recovery site within 48 hours of a disaster.
- Key legislation was passed that permitting OPERS to collect data and vital documents from employers and members earlier in the retirement process. This helps OPERS reach its ultimate goal of having no payment interruption between active employment and retirement.
- OPERS and the URSJJ were again recognized for outstanding achievement in financial reporting by the Government Finance Officers Association (GFOA). OPERS’ Consolidated Annual Financial Report (CAFR) was recognized for the 16th consecutive year, while the URSJJ CAFR was recognized for the 15th consecutive year. In addition OPERS was recognized for the fourth straight year by the GFOA for its Popular Annual Financial Report (PAFR). This “plain English” and

shortened financial report gives members the most important financial information about OPERS and the URSJJ in easily understood language.

- Won a Public Pension Coordinating Council (PPCC) Standards award for the third time in 2013. The PPCC’s award program issues the awards to public plans for achieving adequate actuarial funding as well as superior administration and plan design.

Goals for Upcoming Year

- Finish migration to OPERS database server for Pension Administration and continue improvements to this system;
- Improve OPERS website with more online member transactions;
- Begin to pay retirees one month after their retirement date with at least an estimated benefit;
- Implement new accounting standards in GASB 67 & 68 dealing with reporting pension liabilities on the financial statements of employers; and
- Test the disaster recovery plan to ensure computer systems and other systems can be brought online within a reasonable time.

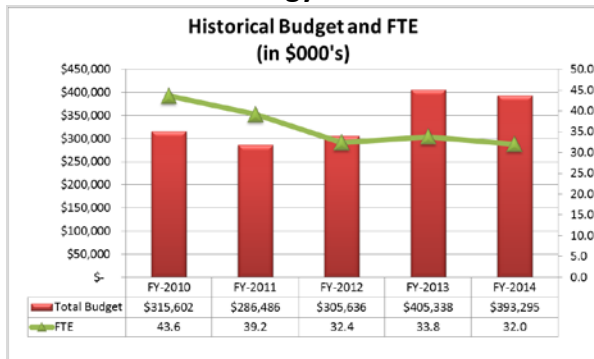
Major Agency Projects

- OPERS is nearing implementation of a new pension administration system using database software and improved workflows. Phase One of this project involves moving the legacy applications to systems created with Oracle software. This phase is virtually complete. Phase Two will involve cleaning up the data and improving the workflows. Phase Two will also add new features to the applications such as integrating imaged documents with the database.
- Finish redesign of the website in 2014. OPERS members will be able to perform many transactions with OPERS online.
- Update disaster recovery plan to include an off-site location for I.T. equipment and a reduced onsite workforce.
- Image all documents received by OPERS with workflow routing to staff.

Savings, Efficiencies and Shared Services in FY-2014

- OPERS continued to see benefits from its new agreement with the State Auditor & Inspector (SAI) to specifically audit payroll, enrollment and hiring issues related to OPERS at the county level. Since the inception of this program in FY-2012 and continuing through the end of calendar 2013, SAI identified numerous instances of employers failing to timely enroll employees in OPERS and a variety of other deficiencies. OPERS has billed approximately \$332,000 and has collected about \$244,000 to date in delinquent contributions.
- Implemented “voucher scanning.” Instead of a paper-intensive process, vouchers are scanned and sent electronically to the Office of Management Services (OMES). This decreases storage costs and makes the underlying data searchable, thus the data is more accessible.
- SoonerSave distributed \$1.7 million to member accounts in March 2013 as a result of a reduced fee structure with the program’s recordkeeper Great-West.
- Automated the process to confirm that its disability retirees are still receiving Social Security disability payments. Once the members are identified, the computer system generates the proper documents and stores them in the imaging system. This process was previously much more labor intensive.

Teachers Retirement System (OTRS) Finance, Administration, and Information Technology Cabinet

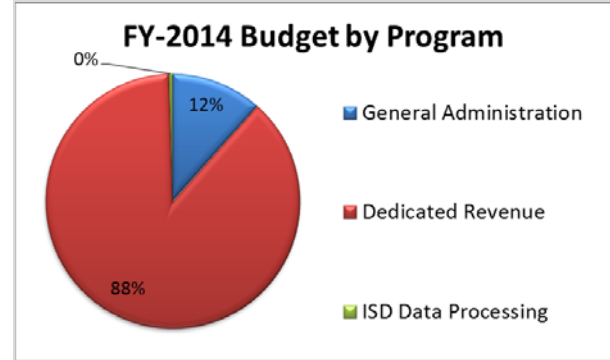


Mission

The mission of the Oklahoma Teachers Retirement System (OTRS) is to collect, protect and grow assets to provide a secure retirement income for public education employees.

Programs

For more information about OTRS, visit [their website](#).



Accomplishments over Past Year

- Conducted retirement planning seminars at various locations in the state to educate OTRS clients;
- Paid 54,581 retirees approximately \$984 million; and
- Served 54,581 retirees (total retired and active members is 143,914).

Goals for Upcoming Year

- Migrate all “audited” client records to the new “ALICE” system; and
- Conduct two retirement planning seminars to educate OTRS clients.

Major Agency Projects

Continuing migration of “audited” client records to the new “ALICE” system and continuing upgrades and enhancements to the ALICE system. Completion of these will allow clients to access their own account information and generate their own estimates which will results in increased transparency.

Savings, Efficiencies and Shared Services in FY-2014

- Continued upgrades to the Client Accounting system, which resulted in better service for our clients. When the upgrades are completed,

teachers and retirees will be able to use the internet to view individual account information and interact with the agency..

- Used the OMES Oracle Financial Accounting to process its 200 fund expenses and Human Resources programs for time reporting and payroll processing.

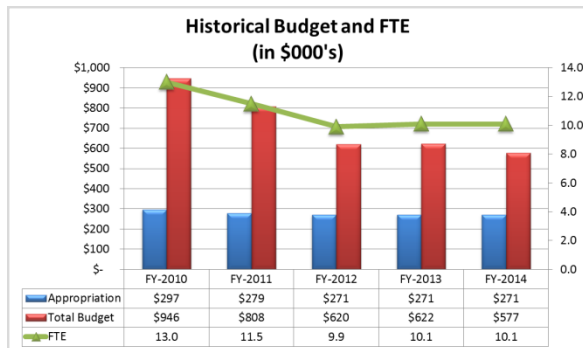
Department of Wildlife Retirement Plan (DWR)

The Department of Wildlife Retirement Plan (DWR) is a single-employer defined benefit and contribution plan. This retirement system is unique since a single agency manages the retirement system for its own employees. All permanent, full-time Department of Wildlife Conservation (ODWC) employees hired prior to July 1, 2010, are eligible to participate in the Defined Benefit Plan on the date of their employment. Employees hired after July 1, 2010 are enrolled into a Defined Contribution Retirement Plan. The Defined Contribution Plan currently has 43 members.

The Defined Benefit Plan has 288 active participants and 208 retired and inactive participants. It has a funded ratio of 77.6%. The revenue sources for the retirement funds come from the department's contribution and the employee's contributions. The funds are held and invested through a trust account.

The employer contribution is based on the annual valuation report and is currently set on a 12-year amortization schedule to fund the liability.

Scenic Rivers Commission (OSRC) Tourism Cabinet



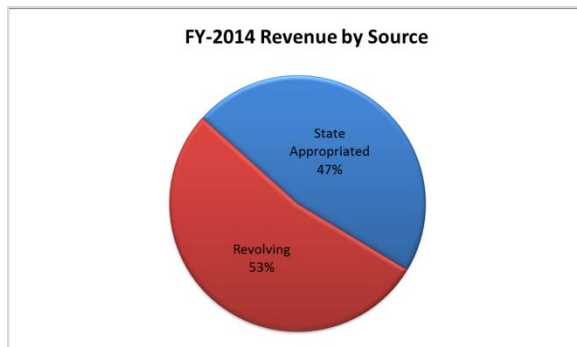
Mission

The mission of the Oklahoma Scenic Rivers Commission (OSRC) is to protect, preserve and enhance Oklahoma’s designated “Scenic Rivers Areas.”

Programs

For more information about Scenic Rivers Commission, visit [their website](#).

100percent of the budget for the Scenic Rivers Commission is for operations.



Accomplishments over Past Year

- In partnership with the Oklahoma Attorney General’s Office, Oklahoma Secretary of the Environment, and sister state agencies, OSRC developed and executed with the State of Arkansas a Second Statement of Joint Principles and Actions for Shared Scenic Rivers.
- Completed the transition of all shared administrative services with the Office of Management and Enterprise Services (OMES);

- Completed conversion to PeopleSoft Time and Labor, Information Technology Consolidation, and implemented Online Licensing with OMES;
- Partnered with the U.S. Army Corps of Engineers to manage and clean up public use areas located adjacent to the Illinois River and Barren Fork Creek;
- Partnered with the Oklahoma Department of Environmental Quality, Oklahoma Conservation Commission and Oklahoma Department of Wildlife Conservation to leverage \$79,500 in state funds with \$118,900 federal cost-share match provided by U.S. Geological Survey and U.S. Army Corps of Engineers to fund \$198,400 **Cooperative Illinois River Basin Water Quality Monitoring and Stream Gaging Network**;
- Partnered with the Oklahoma Department of Transportation and Oklahoma Department of Wildlife Conservation to provide public access to scenic rivers;
- Partnered with the Oklahoma Conservation Commission on the Conservation Reserve Enhancement Program and stream bank erosion stabilization projects;
- Partnered with the Cherokee Nation Youth Environmental Fair, Oklahoma Conservation Commission, and Oklahoma Department of Environmental Quality on education outreach programs;
- OSRC river rangers made 230 arrests and issued 235 citations, along with 703 written warnings, totaling 1,168 contacts with individuals who violated agency regulations and state law related to scenic rivers; and

Goals for Upcoming Year

- Collaborate with scenic rivers stakeholders to begin a review and update of the 1999 Illinois River Management Plan.

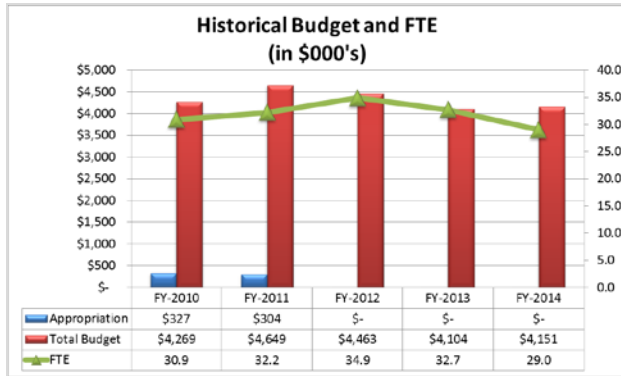
Major Agency Projects

- Implementing online commercial flotation device licensing, private user fee permitting applications, and issuance of licenses and permits; and
- Designing and deploying new agency website, along with undertaking efforts to become paperless.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Partnered with the Oklahoma Conservation Commission, Oklahoma Department of Environmental Quality, Oklahoma Department of Wildlife Conservation, U.S. Army Corps of Engineers and U.S. Geological Survey to continue deployment of the Illinois River Basin Water Quality Monitoring and Stream Gaging Network;
- Transferred most administrative and I.T. services to OMES; and
- Terminated in-house postage meter and increased electronic mailings, saving over \$1,000 annually.

**Secretary of State (SOS)
Secretary of State Cabinet**



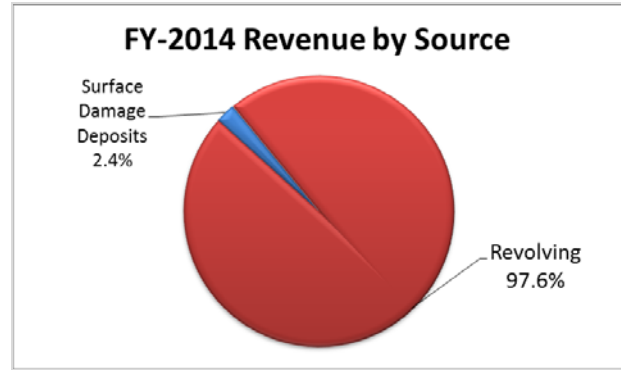
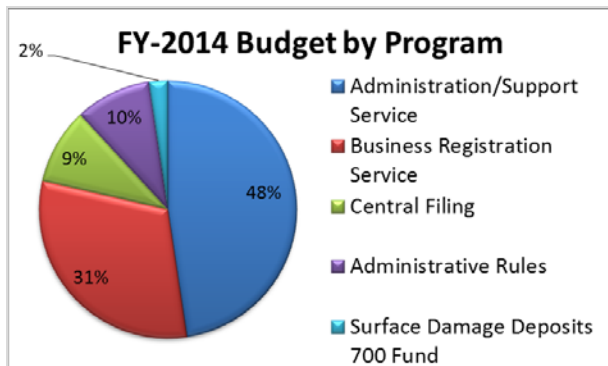
Mission

To provide the registry and safekeeping of vital state instruments through prompt, accurate service and complete satisfaction for our public, business, and government agency clients.

Programs

- Business Registration Services
- Executive and Legislative Services
- Central Filing
- Administrative Rules

For more information about the Secretary of State, visit [their website](#).



Accomplishments over Past Year

- The Agency processed 332,212 requests for entity filings, Apostilles, and copies during Fiscal Year 2013. Of the year's 250,881 entity filings, 42percent were initiated through the SOS website, a dramatic increase from online filings in FY 2010 (19percent of total filings). As the website online filing application is improved, we anticipate greater participation for online filings.
- Online orders from clients requesting a document copy have grown to 90percent of total orders, requiring only 10percent of remaining orders to be processed by SOS employees.
- The Office of Administrative Rules (OAR) published over 8,800 Meeting Notices online, including over 3,200 that were posted directly to the SOS website. Of the 1,914 Oklahoma state public bodies, 1,012 agencies and commissions posted their own meeting notices to the SOS website, therefore exercising greater control over the process by receiving immediate email confirmations of postings. Additionally, the public was able to access the information in a timelier manner.
- Other improvements to the Secretary of State Website:
 - Executive Proclamations and Tribal Compact Agreements
 - Meeting notice forms and posting ability
 - State Online Filing System for Rules now complies with SB 1507
 - Single click entry to functional areas of service
 - File charitable organizations, professional fundraisers, and solicitor documents online

Goals for Upcoming Year

- The Central Filing Services (CFS)/Notary Division was merged with the Office of Administrative Rules (OAR) in September 2013, thereby eliminating one Director's position, reducing inefficiencies and consolidating equipment/supply needs. OAR staff will be cross-trained on processing CFS and Notary filings and responding to inquiries serving as backup to CFS/Notary, when needed. CFS processed 11,648 agricultural lien filings during FY 2013. The Notary division processed 47,920 applications for notary appointments. 30percent of the applications were submitted online.
- The Business Services Division is targeted for process changes. With major employee turn-over the past fiscal year, the agency plans to review the business filing process to improve efficiencies while using the minimum time, equipment, and labor.

directly through the Secretary of State's website.

- The ability for businesses to electronically receive notification of a required filing allows the customer to immediately follow the provided link to file their documents online. The process is much quicker than filing their documents by mail. Documents filed online are usually returned to the customer, electronically, within 24 hours compared to filing by mail which may result in a turnaround time of more than a week.

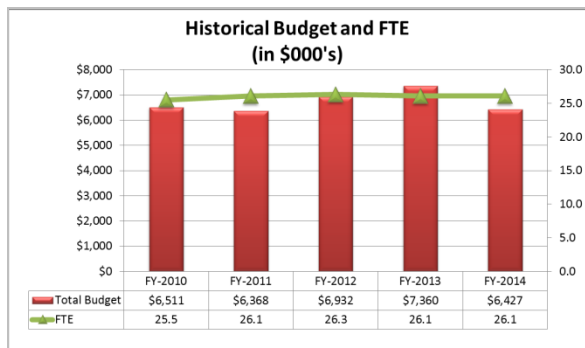
Major Agency Projects

- Enhancing and restructuring SOS internal processes with the goal of moving walk-in customers through the process more effectively and efficiently. The increased productivity will offer an improved, customer-friendly experience for all SOS customers.
- Continued redesign of the various filing and accountings systems used by the SOS. The redesign would include both hardware and software. The goal of redesign efforts is to improve the effectiveness of SOS systems and provide customer-friendly online services thereby enabling the efficient use of tax payer dollars.

Savings, Efficiencies and Shared Services in FY-2014

- The Secretary of State began collecting email addresses for all LLCs beginning October 2012. Annual certificate notices will be sent via email rather than printing the documents and physically mailing them. This new process will reduce mailing costs – FY-2014 estimated savings is \$41,924 and \$52,203 in FY-2015. This enhancement will provide for a much more efficient notification system while allowing the customers to file their annual certificates

Securities, Department of Finance, Administration, and Information Technology Cabinet



Department of Securities is a non-appropriated agency

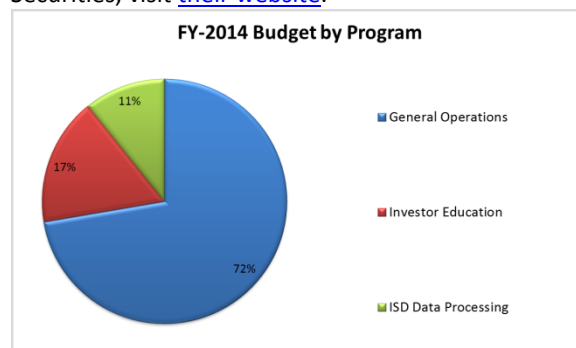
Mission

The primary mission of the Department of Securities is to provide investor protection through the administration and enforcement of the Oklahoma Uniform Securities Act of 2004, an act prohibiting fraud in securities transactions and requiring the registration of broker-dealers, agents, investment advisers and investment adviser representatives, and the registration of securities. The Department also administers the Oklahoma Subdivided Land Sales Code, Oklahoma Business Opportunity Sales Act, and the Oklahoma Take-Over Disclosure Act.

Programs

- Investigation and Enforcement:
 - Oklahoma Subdivided Land Sales Code
 - Oklahoma Business Opportunity Act
 - Oklahoma Take-Over Disclosure Act
- Registration:
 - Broker-dealers
 - Agents
 - Investment Advisers and Representatives
 - Securities
- Examinations:
 - Securities Professionals and Issuers
- Investor Education:
 - Invest Ed® – University of Oklahoma
 - Investor Education in Your Workplace (IEIYW)
 - Elder Investment Fraud and Financial Exploitation Prevention Program (EIFFE)
 - Students Tracking and Researching the Stock Market (STARS)

For more information about the Department of Securities, visit [their website](#).



100 percent of the funding for the Department of Securities comes from agency revolving funds.

Accomplishments over Past Year

- Transitioned from federal to state registration of investment advisers with assets under management of over \$25 million and less than \$100 million;
- Purchased an e-discovery on-site software solution that will enable more efficient management of enforcement investigations and response to discovery requests; and
- Completed the third investor education documentary based on the Matthew McClintock case.

Goals for Upcoming Year

- Assist the SEC in implementing additional measures under the JOBS Act;
- Develop financial analysis solutions to facilitate efficiency and accuracy in the Department's investigations of securities fraud; and
- Acquire and utilize a secure website for receipt of records from securities professionals, targets, and victims for efficient performance of the Department's compliance and enforcement functions.

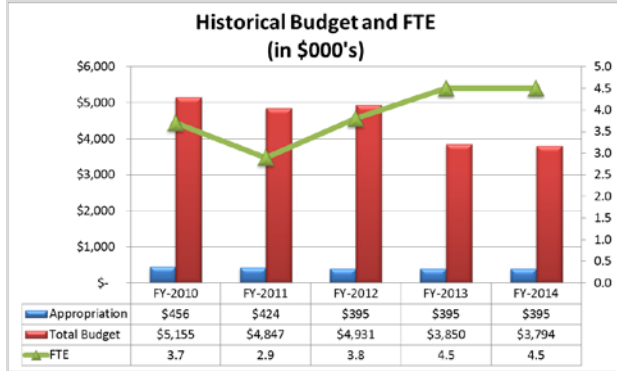
Major Agency Projects

- Producing a new documentary based on the Phillip Ragland case;
- Monitoring the JOBS Act's impact on new offerings;
- Providing input in the formulation of federal rules pertaining to crowdfunding; and
- Participating in the state Coordinated Equity Review of Regulation A Plus offerings.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Continued contract with the Office of Management and Enterprise Services for financial accounting and accounts payable services; and
- Consolidated and streamlined certain investigatory and legal functions, together with more defined process flows, resulting in greater efficiencies.

Oklahoma Space Industry Development Authority (OSIDA) Science and Technology Cabinet

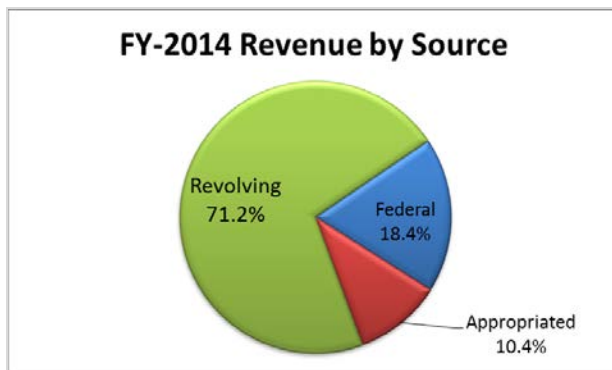


Mission

The mission of the Oklahoma Space Industry Development Authority (OSIDA) is to be aggressive, deliberate and forceful 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 as well as 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.

Programs

For more information about OSIDA, visit [their website](#).



Accomplishments over Past Year

- The Oklahoma Space Industry Development Authority attracted two

new tenants to the facility. An aircraft dealership from Texas now occupies office space in the control tower and leases one of our larger hangars. A second tenant has expanded their operations from Midland, Texas, and also rents two of our largest hangars for utilization.

- Completed the new Operational Control Center in 2013. It will house OSIDA operations and will also provide a base of operations for companies engaged in research and development testing at the facility.

Goals for Upcoming Year

- Work with the Oklahoma Department of Commerce to develop a new marketing website for OSIDA.
- Remove the former military structures on the property that are in a state of disrepair. The Corp of Engineers is responsible for the cleanup and disposal of through the Former Unused Defense Site Program (FUDS); and
- Secure additional tenants at the Oklahoma Air and Spaceport.

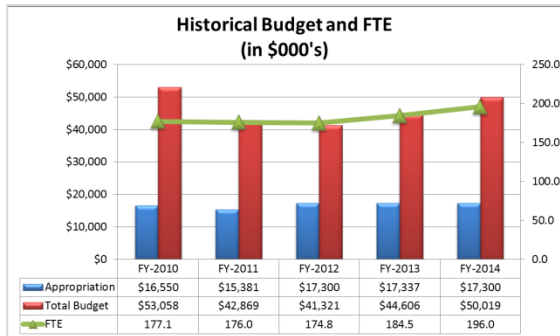
Major Agency Projects

- Painting the exterior of four aircraft hangars and the control tower;
- Repairing runway joint seals on the primary runway;
- Replacing runway and taxi-way lighting cable and fixtures; and
- Remodeling offices in the control tower to make them suitable for leasing.

Savings, Efficiencies and Shared Services in FY-2014

The agency has achieved substantial operational savings by means of the Air Force Joint Use Agreement (JUA). The JUA pays for a large percentage of all airfield maintenance, utilities and equipment. It also pays for 100percent of the Air Traffic Control personnel and provides crash and rescue equipment and staffing for the airfield.

Supreme Court of Oklahoma Judiciary Cabinet



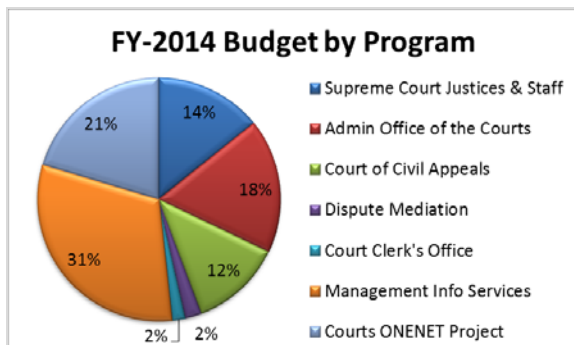
Mission

The mission of the Supreme Court of Oklahoma is to provide a fair and impartial justice system.

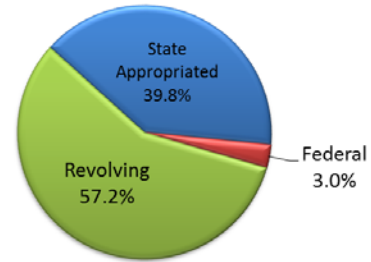
Programs

- Supreme Court Justices & Staff
- Admin Office of the Courts
- Court of Civil Appeals
- Dispute Mediation
- Court Clerk's Office
- Management Info Services
- Courts' ONENET Project

For more information about the Supreme Court, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

Continued the custom design and implementation of a new unified case management system (UCMS) for the trial courts and appellate courts. The first pilot of the UCMS, Noble County, has been implemented complete with an e-filing feature. The next UCMS pilot county is on schedule for implementation in April.

Goals for Upcoming Year

- Continue implementation of the new UCMS in pilot counties;
- Implementation of the pilot jury management program in Cleveland County;
- Work on the new court fund accounting system; and
- Implement video conferencing to provide statewide court reporter coverage and expand the trial court's ability to secure certified courtroom interpreter services from other jurisdictions.

Major Agency Projects

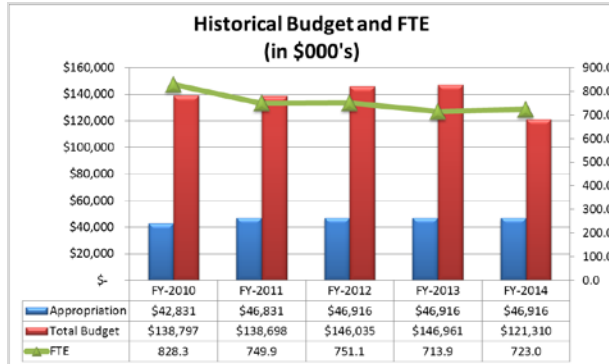
The Supreme Court is in the process of implementing a statewide unified case management system for the trial and appellate courts which will provide many cost savings and efficiencies, including docket management, statistical reporting, jury management, a unified accounting system for tracking budgets and managing expenses, e-filing, e-commerce, information exchanges with law enforcement agencies, district attorneys and other executive branch agencies, as well as technology upgrades to trial courts statewide that are compatible with an electronic filing system.

**Savings, Efficiencies and Shared Services in
FY-2014**

- Restricted the use of Active Retired Judges in the District Courts;
- Limited the immediate replacement of district court personnel;
- Renegotiating contracts for law library services and various IT service areas; and
- Sought new technical solutions in replacing IT hardware, software, and other technical upgrades for a unified state court system.

Tax Commission (OTC)

Finance, Administration, and Information
Technology Cabinet



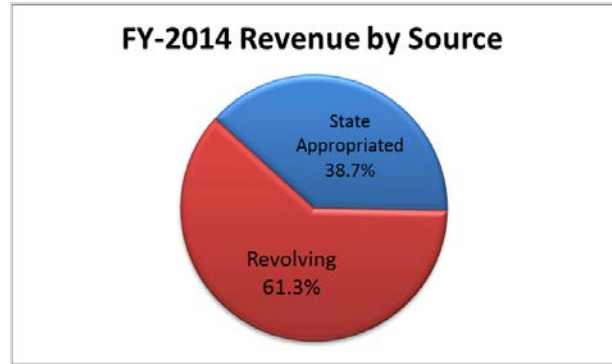
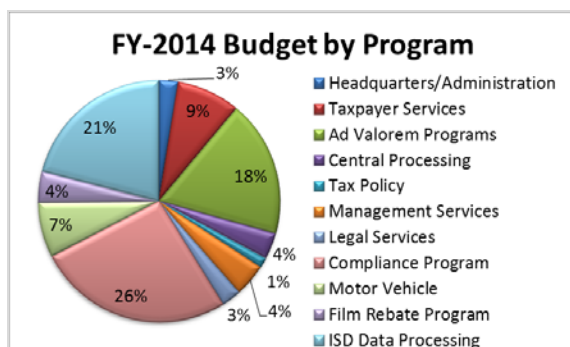
Mission

The Tax Commission's mission is 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

For more information about the Tax Commission, visit [their website](#).



Accomplishments over Past Year

- Completed OneLink Integrated Tax System Phase III rollout (includes individual and corporate income tax systems);
- Moved on-line business tax filing system to our Oklahoma Taxpayer Access Point (OkTAP) which will allow taxpayers to view their accounts in detail and provide taxpayer self-management account functionality; and
- Provided on-line sales tax vendor registration.

Goals for Upcoming Year

- Initiate OneLink Phase V rollout (motor vehicle title and registration system);
- Provide on-line report filing for the oil and gas industry along with expanding informational reporting to the public;
- Allow taxpayers to use our web-based OKTAP "Where's My Refund" look-up to determine the status of their income tax refund;
- Implement Check 21 (electronic submission of check transactions);
- Install and implement an upgraded communication network to motor license agents (Tagnet); and
- Launch a redesigned agency website.

Major Agency Projects

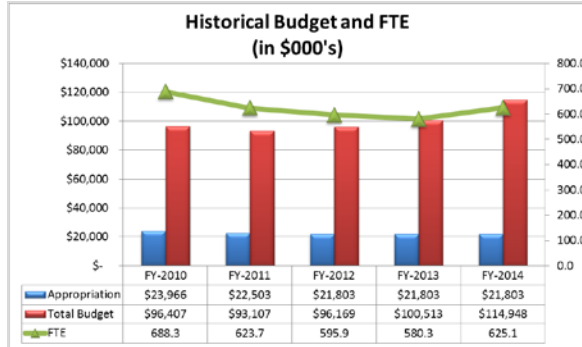
The Tax Commission continues to implement its integrated tax system, which consolidates its many tax systems into one, cohesive system. This project is expected to save the state approximately \$500,000 annually in efficiencies and processing costs. Additional cost savings will be recognized from streamlining our major tax systems into one integrated system. It will create numerous staff level

production efficiencies and result in additional transactions being accomplished daily by all levels of staff.

Savings, Efficiencies and Shared Services in FY-2014

- The Tax Commission continues to leverage available technology in an effort to be effective and efficient with available resources. Savings were realized with direct deposit and debit card disbursements. The volume of paper checks generated has been significantly reduced saving the agency approximately \$500,000 annually.
- The implementation of on-line filing systems through OKTAP have been well received by taxpayers. OKTAP allows our business taxpayers to file returns, make payments, secure messages, see the agency's correspondence with them, and view their account information on-line. If the taxpayer desires, they can give their tax preparer access to their account, also. We are already receiving over 50percent of our business registrations electronically through this new system.
- Oklahoma taxpayers enjoy the ease and convenience the systems provide. Taxpayers can complete their registrations whenever it fits their busy schedules (any time of the day or night, seven days a week). Additionally, in the upcoming year, we hope to implement video clips placed on our web site in order to explain the business start-up process. This would allow taxpayers access to information from their fingertips and not require their physical presence at one of the New Business Workshops that we host across the state.

Tourism and Recreation Department (OTRD) Tourism Cabinet



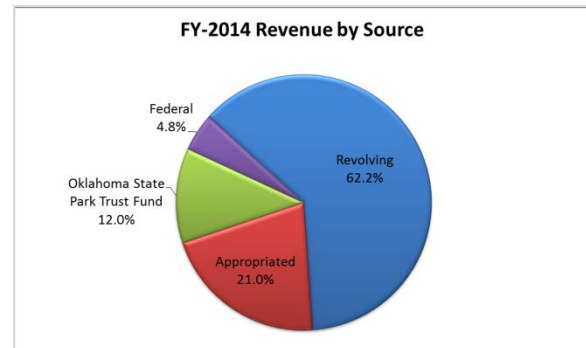
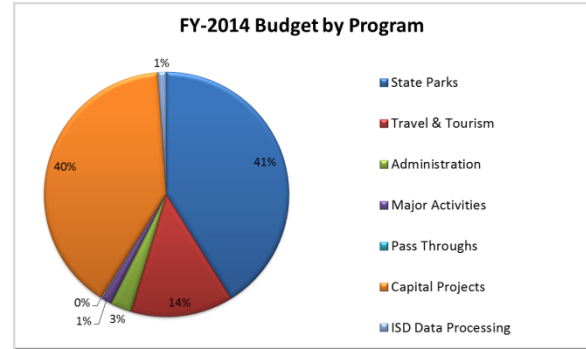
Mission

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

- State Parks:
 - Golf Courses
 - Resorts
- Travel and Tourism:
 - Tourism Information Centers
 - Traveler Response Information (TRIP)
- Major Activities:
 - Oklahoma Today Magazine
 - Discover Oklahoma
 - Oklahoma Film and Music Commission
 - Multicounty Organizations

For more information about OTRD, visit [their websites](#) ([State Parks](#), [Travel Promotions](#), [Oklahoma Today Magazine](#), [Discover Oklahoma](#), and [Oklahoma Film and Music Commission](#)).



Accomplishments over Past Year

- Nine state park operational units achieved self-sufficiency levels of 90percent or better in 2013;
- Completed installation of 16 playgrounds, fishing bridges at Beavers Bend, exterior renovation of Sequoyah Lodge, and construction of the Lake Murray Nature Center;
- TravelOK.com achieved its highest ranking among state tourism websites to date;
- The brochure fulfillment program set a new record with revenue of \$280,120 in 2013, which represents a 7.5percent increase over 2012;
- Developed and produced four video commercials featuring the state song, "Oklahoma"; and
- Increased the number of registrants for the Oklahoma Music Guide, resulting in a 200percent increase for music talent and a 390percent increase for music businesses.

Goals for Upcoming Year

State Parks:

- Expand marketing to attract new customers to Oklahoma State Parks.
- Continue transition to bi-fuel vehicles to save on fuel and replacement costs.

- Continue to improve our safety culture to reduce employee injuries and reduce insurance costs.
- Work with Oklahoma Department of Wildlife Conservation (ODWC) to acquire lands that should be a part of state parks but are owned by ODWC.
- Implement an orientation and training program for seasonal rangers to assure adequacy of training and conformance with CLEET requirements.
- Complete remaining Resource Management Plans for all state parks.
- Expand on-line campground reservations to more properties.
- Add new lease concessions to the system to increase the private business services by 10percent, thus increasing park revenue.
- Expand trail systems and walking routes to encourage cardiovascular exercise and improve public health.
- Increase the number of operational units in the 80th or above percentile of self-sufficiency.

Travel Promotion:

- Increase cross-promotion of guides, brochures, Oklahoma Today and TravelOK.com inside the Discover Oklahoma (DOK) broadcast by including at least one guide/brochure mention in all DOK broadcasts.
- Increase brand awareness and DOK host presence on TV News segments in both OKC and Tulsa by discussing options with television newsrooms.
- Purchase and install a new circulation management system for Oklahoma Today.
- Significantly increase Oklahoma Today print subscriptions and ad sales.
- Achieve 5.5 million visitor sessions on TravelOK.com (an increase of almost 300,000 users).
- Launch a responsive design solution for TravelOK.com to address the growing mobile audience.
- Maintain a cost per click of \$0.95 or less with paid search advertising.
- Generate orders on TravelOK.com for at least 750,000 individual brochures.
- Launch a comprehensive research program to accurately gather information on visitation, spending, vacation planning and visitor profile data.
- Develop an agency-wide sales program.

Office of Film and Music:

- Extend the sunset date for the Oklahoma Film Enhancement Rebate Program during the 2014 legislative session. The program is set to expire on July 1, 2014.
- Revise the Oklahoma Film Enhancement Rebate Program Guidelines to better protect the state's investment and maintain current film industry incentive standards.
- Host webinars to educate communities and Oklahoma film industry members on various topics, such as the Oklahoma Film Enhancement Rebate Guidelines, *Film Friendly Workshops*, and more.

Major Agency Projects

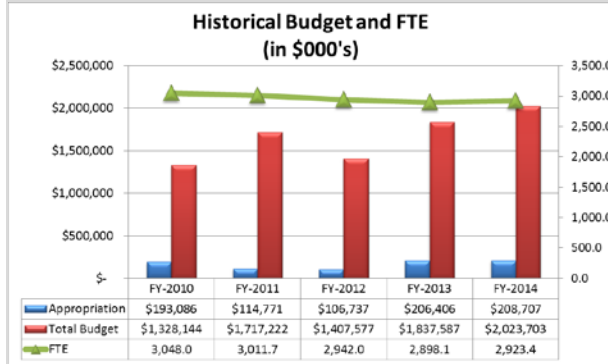
- Continuing domination of the state tourism digital marketplace through TravelOK; and
- Construction of the new lodge at Lake Murray State Park, on target for completion in 2015.

Savings, Efficiencies and Shared Services in FY-2014

- OTRD operated TravelOK.com in-house. By cancelling a contract with a national consulting company and moving the site to our own platform, the agency is realizing an estimated savings of \$500,000 annually.
- Completed transfer of the "Fountainhead" portion of the Corps of Engineers lease at Lake Eufaula from OTRD to the Muscogee Creek Nation. The state no longer has any financial responsibility or federal obligations for the acreage.
- Ended a 21-year practice of contracting exclusively with an industry trade organization to coordinate an annual Governor's Conference on Tourism at a cost in excess of \$100,000 per year.
- Renegotiated a management contract with Little Dixie Community Action Agency for Lake Hugo State Park. This will save the agency \$140,630 annually or \$703,152 over the term of the five-year contract.
- Saved \$277,553 in interest and administration fees by paying off OTRD's only debt.
- Received a bi-fuel vehicle donation from BP as a result of a public-private partnership. BP plans to donate a second bi-fuel vehicle this year. The

donation of these two vehicles saves the state
\$64,000 in expenditures.

Oklahoma Department of Transportation (ODOT) Transportation Cabinet



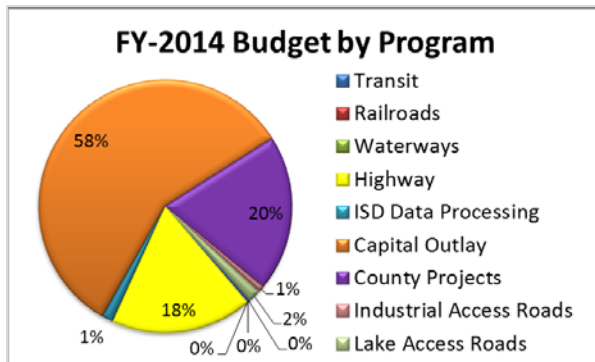
Mission

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

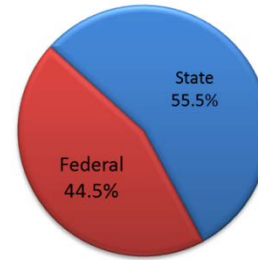
Programs

- Railroads
- Waterways
- Transit
- Highways
- Capital Outlay
- County Projects

For more information about the Oklahoma Department of Transportation, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

Governor's Bridge Plan

The conditional issues that manifest in our highway bridge infrastructure are well known. Since 2000, Oklahoma has consistently ranked as one of the worst states on the national list of structurally deficient bridges. At the most recent peak as reported in December of 2004, 1,168 bridges or a full 17percent of all highway system bridges were classified as structurally deficient.

The Department of Transportation has placed a priority and focused available resources on the chronic bridge problem in earnest since 2003. In 2005, House Bill 1078 initiated the Rebuilding Oklahoma Access and Driver Safety (ROADS) fund and brought a more diverse funding pool to bear. Most recently, in 2011 Governor Mary Fallin and the Legislature enhanced the ROADS Fund by providing resources for the Governor's Oklahoma Bridge and Turnpike Modernization Plan. When completed, this plan will virtually eliminate Oklahoma's highway system bridge structural deficiencies. Governor Fallin has challenged the Department to complete our work to reduce the number of structurally deficient highway system bridges to near zero by the end of the decade (2020).

- The December 2013 annual bridge inspection reports reveal that the structurally deficient bridge 2010 benchmark number of 706 has been reduced to 482 in 2013.
- The 2014 – 2021 Construction Work Plan includes 924 bridge replacements or major rehabilitations ensuring continuing progress toward reducing structurally deficient highway bridges to near zero.
- The on-highway system structurally deficient bridges have been reduced by almost 32percent since Governor Fallin took office in January 2011.

Re-Tasking Crosstown Bridge Beams to Improve the County Road System

Recognizing that the State and Counties had the opportunity to exercise good governmental stewardship, a conversation was initiated related to the re-tasking of existing bridge beams from the major Interstate 40 crosstown realignment project. As conceived, many of the I-40 bridge beams could be carefully removed during the deconstruction, inspected, secured for recycling and then engineered into the cost effective replacement of structurally deficient county road bridges.

With the collective support of the Governor and Legislative leadership, it was determined that additional long term funding for County road improvements could be facilitated by enhancing the existing County Improvements for Roads and Bridges (CIRB) fund. The funding necessary to construct the recycled beam bridges was generated by increasing the CIRB fund from fifteen percent share of the Motor Vehicle Excise Taxes, Licenses and Fees to twenty percent.

- The Interstate 40 Crosstown deconstruction project was completed with more than 2,000 beams having been successfully removed, inspected, serialized and shipped to 21 County staging areas.
- To date, 497 of those beams have been requested for 91 bridges, and 259 of those beams are installed or are being installed on 44 bridges.
- The delivery of the beams was completed ahead of the anticipated December 2012 target date.

Re-tasking of the Interstate 40 bridge beams as a primary component of County bridges may be the single largest direct recycling effort of its kind in transportation in the United States.

Tornado Recovery Effort

In May 2013, major tornadoes carved a devastating path through Oklahoma. ODOT crews, in cooperation with state/federal/local emergency response teams, were mobilized and worked tirelessly to clean up the damage. The May 20, 2013 tornado caused heavy damage to an old truss bridge on US-62 near Newcastle while I-35 and SH-37 were battered by heavy amounts of debris, causing major traffic disruptions in the affected areas of Moore and Oklahoma City. The May 30th storm brought heavy flooding to the Midwest City area which washed out a large portion of US-62.

- More than 800 members from all eight Field Divisions and 200 pieces of heavy equipment were assigned to assist in the clean-up. Over 4,000 tons of storm debris was removed from the area.
- Emergency measures were taken to utilize \$575,000 of emergency contract funds to repair the washed out highway in Midwest City. Despite the large section of highway that was destroyed, it took 21 days for all four lanes of US-62 to reopen.

Goals for Upcoming Year

The primary goal for the agency is to reduce the number of structurally deficient bridges from the present level of approximately 482 to 400 which will keep pace with the Governor’s Bridge Plan.

Major Agency Projects

- Continued focus on structurally deficient and “at-risk” bridges;
- Continued construction on the eastbound section of the I-244 Bridge over the Arkansas River in Tulsa;
- Replacement of two structurally deficient bridges at the US-169/SH-266 interchange to address heavier loads in and out of Port of Catoosa;
- Construction of the US-70 Durant Bypass;
- Continued construction on the I-235/I-44 Interchange;
- Construction of the I-35/I-240 Interchange;
- Construction of interchange improvements on I-35 in the Norman area; and
- Continued reconstruction and rehabilitation of rural interstate highways.

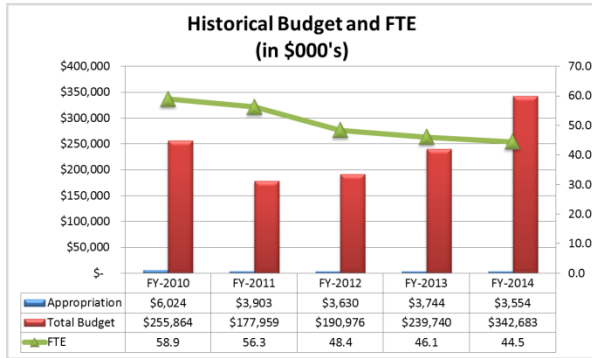
Savings, Efficiencies and Shared Services in FY-2014

- In 2012, the Department instituted an initiative to replace 90percent of its fleet with Compressed Natural Gas vehicles within three years. For the first year (2012), the Department replaced a total of 172 vehicles. In the second year (2013) the Department has replaced close to 250 vehicles. For 2014, the last year of this initiative, the Department expects to replace an

estimated 250-300 additional vehicles. The total CNG gallons used, between November 2012 and December 2013, was 162,861.5 at an average price per gallon of \$1.30.

- As identified in the Governor's Bridge Plan, ODOT in cooperation with County Commissioners in Oklahoma are utilizing recycled beams from the deconstruction of the I-40 Crosstown Bridge in Oklahoma City. This effort saved significant cost in the reconstruction of bridges on the county system.
- During FY-2014, the Department is implementing an on-line, engineering design contracts bid submission system to assist our business partners in streamlining the contract selection, implementation and payment process.
- A new mobile device application has been developed to give the public video feeds of major highways and interchanges in metropolitan areas of the state. This gives travelers public access to road conditions and traffic flows anytime they need it.
- Future plans are to display estimated travel destination times, during peak traffic periods, on electronic highway message boards to assist the driving public.
- By the end of calendar year 2014, the Department expects to implement a new website to provide better information and access by the public and promote transparency of Department operations.
- To date ODOT has completed the consolidation of IT personnel, the mainframe and security services including interagency agreements that provide for monthly payments by ODOT to the Office of Management and Enterprise Services (OMES) for these services. The remaining IT consolidation has begun and includes the relocation of ODOT servers to OMES, installation of VoIP, work station/e-mail/file and print and service desk transformation. This phase of the consolidation is scheduled to be completed June 30, 2014, following the establishment of an OMES and ODOT Service Level Agreement.

**Treasurer, Office of the State (OST)
Finance, Administration, and Information
Technology Cabinet**



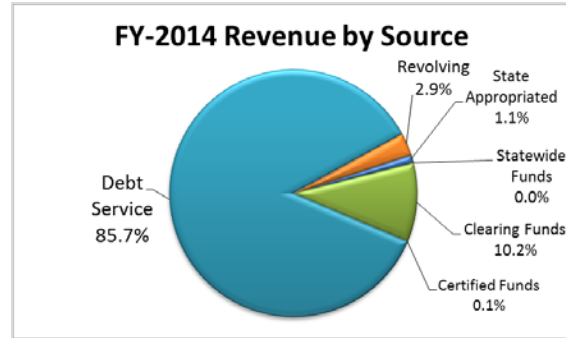
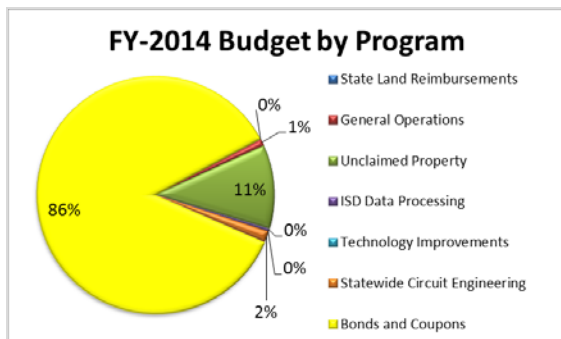
Mission

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.

Programs

- Unclaimed Property
- Technology Improvements
- Bonds and Coupons

For information about OST, visit [their website](#).



Accomplishments over Past Year

- OST continued improvements and maintained operations while voluntarily reducing the agency’s reliance on appropriations by 5percent.
- Initiated a pilot performance pay program for its unclaimed property staff in order to help meet the objective of increased dollars returned.
- OST launched an online checkbook to further support goals of transparency and accountability.
- Continued to emphasize electronic payment options and monitor electronic payment volumes in response to HB 1086, passed during the 2011 legislative session. Quarterly reports were posted to the State Treasurer’s website in compliance with the statutory requirements during FY2013 and FY2014. Additionally, the State Treasurer’s office worked with several agencies to implement the use of reloadable prepaid debit cards.

Goals for Upcoming Year

- Continue improvements and maintain operations while voluntarily reducing the agency’s reliance on appropriations by another 5percent.
- Increase efficiency in the Unclaimed Property Division by returning record amounts of abandoned property to rightful owners and increasing participation of businesses in electronic online holder reporting.
- Identify, purchase and implement a new treasury investment system to provide more accurate and timely investment accounting and performance reporting, to better manage liquidity, to lower risk and to increase earnings.

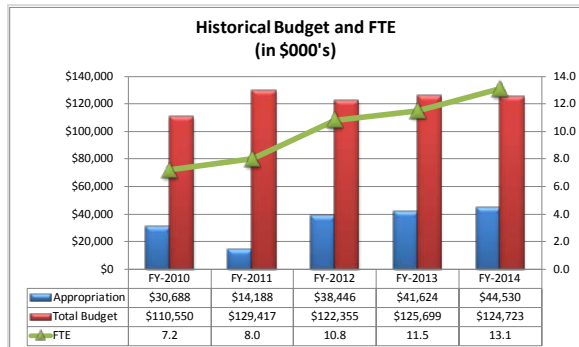
Major Agency Projects

Multi-year systems development projects to replace COBOL-based systems that have exceeded the end of their product life cycle and are no longer supported by software vendors. Maximize opportunities afforded in systems based on new technology to increase overall efficiency and decrease staffing requirements.

Savings, Efficiencies and Shared Services in FY-2014

- Finalized the move of all staff to the Capitol following completion of Phase II of OST's office consolidation in FY-2013. This eliminated all leased office space, and resulted in an 85percent increase in the number of workspaces available. Expected annual savings from the move exceed \$64,000.
- Improved outreach to Oklahomans with unclaimed property through a searchable online database, publication of the unclaimed property list, expanded marketing and booths during pre-game activities at the University of Oklahoma and Oklahoma State University football games.
- Decreased the burden on Oklahoma businesses through the Unclaimed Property Division's online holder reporting application, which reduces the time and paperwork required to remit unclaimed property to the state.

University Hospitals Authority (UHA) Health & Human Services Cabinet



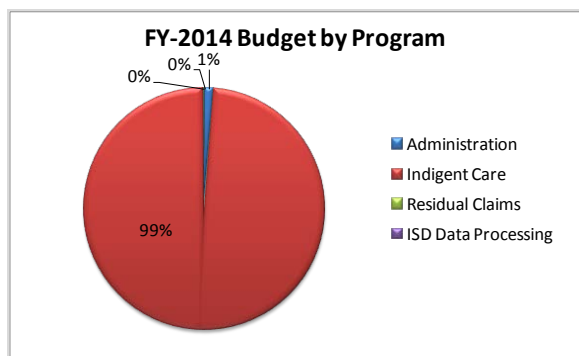
Mission

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 assure the best care available to all Oklahoma citizens regardless of means while growing essential alliances and maximizing utilization of state and federal resources.

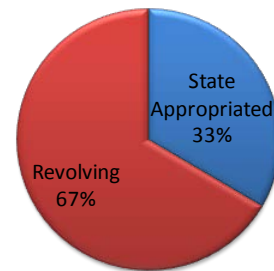
Programs

The Authority is responsible for the joint management of the University of Oklahoma (OU) Medical Center and Children's Hospitals by means of a Joint Operating Agreement with HCA Health Services of Oklahoma, Inc. and making yearly reports to the Governor and Legislature.

For more information about UHA programs, visit [their website](#).



FY-2014 Revenue by Source



Accomplishments over Past Year

- Provided \$84.3 million of state and federally matched funds to Oklahoma's College of Medicine and College of Osteopathic Medicine, supporting resident and intern education, with \$63.4 million distributed to OSU and OU in Tulsa and \$20.9 million to the OU campus in Oklahoma City;
- Supplied \$56 million of state and federally matched funds to 13 Oklahoma hospitals, supporting 842 total resident positions. Of this total, \$6 million was distributed to rural hospitals with \$31 million to Oklahoma City hospitals and \$19 million to Tulsa hospitals;
- Provided \$57 million of state and federally matched funds to OU Medical Center hospital, supporting 191,300 inpatient and outpatient occasions of service to the medically indigent and 3,080 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 Science Center campus;
- Provided facility and operational support of the Department of Pediatrics Child Study Center and Center on Child Abuse and Neglect; and
- 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 of Oklahoma Tisdale Specialty Clinic in Tulsa, Oklahoma, mobile dental services program and area health centers.

Goals for Upcoming Year

- Increase support levels of providing medical care to the state's indigent population and regaining compliance with the indigent care agreement;
- Maintain support levels of previous year for Colleges of Medicine graduate medical education programs and hospital graduate medical education program;
- Complete the installation of the proton accelerator and begin treating Oklahoma's pediatric cancer patients;
- Increase support of OU College of Medicine oncology services; and
- Begin construction of College of Medicine facility on the OUHSC campus in support of graduate medical education.

- (International Performance Measurement and Verification Protocol); and
- Upgraded agency web-site to improve services to both citizens and businesses by designing portals, links and agency contact features. Examples of these improvements include assistance with access to physician care and hospital services, assistance with billing issues, employment opportunities at this agency and notifications to businesses of requests for qualifications and proposals and competitive bids.

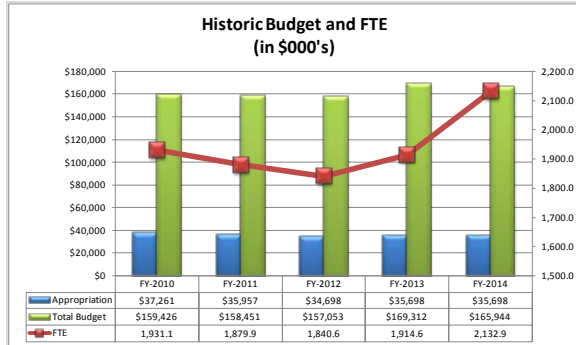
Major Agency Projects

- Relocating and expanding the Neurosciences services;
- Upgrading and expanding the OB/GYN oncology unit;
- Expanding oncology patient care and research;
- Recruiting faculty and research personnel;
- Expanding the hospital bed tower for inpatient services to include cancer inpatient beds, ICU beds and operating rooms;
- Increasing campus way-finding and hospital parking to accommodate increased demand; and
- Continuing facility energy savings plan.

Savings, Efficiencies and Shared Services in FY-2014

- 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 manager and created a utility database from 2011 and 2012 data;
 - 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; and
 - Upgraded to high-efficiency equipment as building components need to be replaced.
 - Began implementing energy conservation strategies that are compliant with IPMVP

Veterans Affairs, Department of (ODVA) Veterans Affairs Cabinet



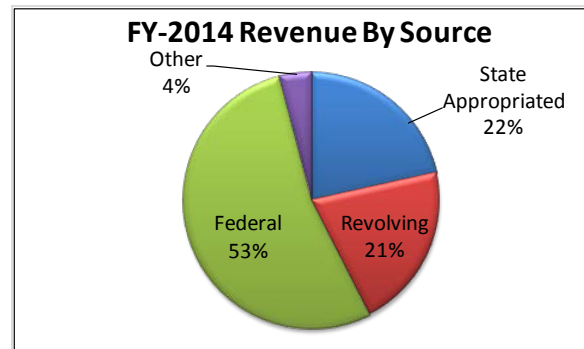
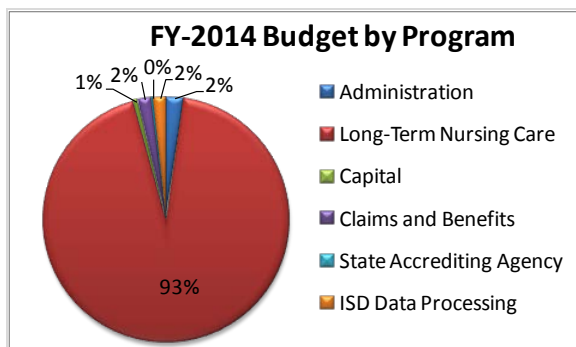
Mission

The mission of the Oklahoma Department of Veterans Affairs (ODVA) is to ensure all Oklahoma veterans and their families receive all benefits to which they may be entitled and to provide excellent health services and long-term skilled care in a residential environment to all qualified veterans residing in the state.

Programs

- Long Term Care Center Operations (located in Norman, Clinton, Ardmore, Sulphur, Claremore, Tahihina and Lawton)
- Veteran's Claims and Benefit Administration
- State Accrediting

For more information about ODVA programs, visit [their website](#).



Accomplishments over Past Year

- All ODVA beds remained open and available for admission;
- Continued occupancy rate at a 98percent average;
- Restructured Central Office to provide additional oversight for all veterans centers;
- Realigned the Claims & Benefits division to more adequately train claims representatives thus providing enhanced services and outreach for Oklahoma veterans; and
- Implemented a career progression ladder for ODVA Nursing Staff.

Goals for Upcoming Year

- Continue to identify ways to improve services the agency provides to residents by making changes utilizing comments received on the Resident/Family Satisfaction Survey; and
- Implement the Quality Workforce for Oklahoma's Heroes Educational Assistance Program. Through this program, ODVA will cover tuition and fees for employees who are attending nationally accredited institutions or training programs offered by industry-recognized licensure or certification organizations.

Major Agency Projects

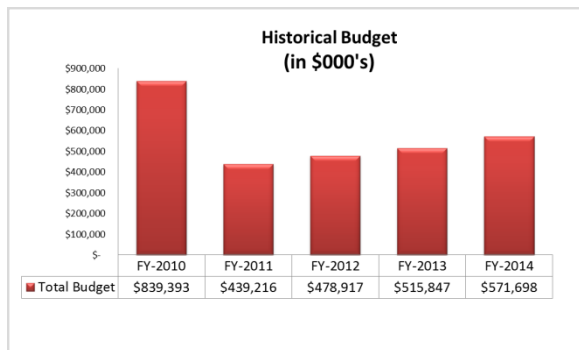
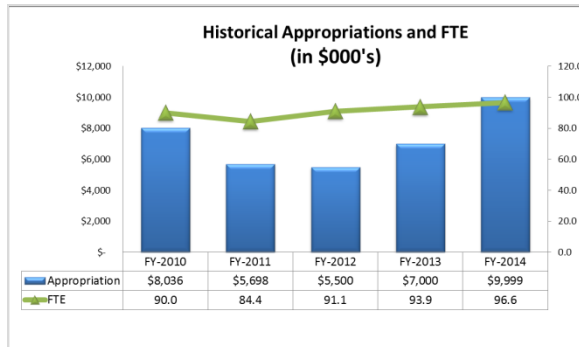
- Updating existing infrastructure for telecommunications systems at all seven Oklahoma Veterans Centers to accommodate VoIP and telemedicine;
- Installing and/or updating existing security camera systems at all seven Oklahoma Veterans Centers; and
- Updating existing Computerized Patient Records System (CPRS) system to accommodate digital

images from all seven Oklahoma Veterans Centers.

Savings, Efficiencies and Shared Services in FY-2014

- Reduced workers' compensation expenditure significantly;
- Realized purchasing savings of approximately \$430,000 through application of best spend practices, including a rebate of \$46,147 for FY-2013;
- Increased use of the P-card program resulted in simplified billing and faster payment for ODVA's business partners and lowered procurement costs for the agency;
- Entered into a contract to conduct independent resident and family satisfaction surveys, utilizing established goals; this will result in greater participation and opportunity for corrective action if goals are not met to increase quality of care.
- Improved services to Oklahoma citizens by making facility inspection reports and other center information available to the public on ODVA's website; and
- Hired a Training & Education Programs Administrator to standardize training efforts for medical personnel and to bring new training programs to the ODVA.

Water Resources Board (OWRB) Energy and Environment Cabinet



*Beginning in FY-2011, REAP appropriations were no longer passed through OWRB.

Mission

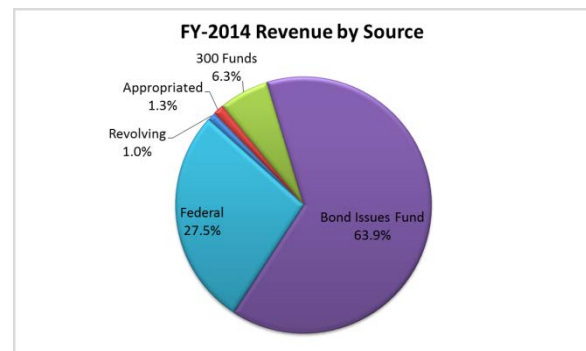
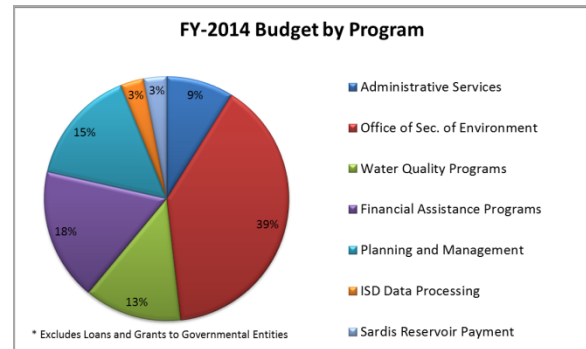
The Oklahoma Water Resources Board (OWRB) seeks to protect and enhance the quality of life for Oklahomans by managing and improving the state's water resources to ensure clean and reliable water supplies, a strong economy, and a safe and healthy environment.

Programs

- Water Quality:
 - Standards
 - Lakes
 - Monitoring
- Financial Assistance:
 - Clean Water State Revolving Fund
 - Drinking Water State Revolving Fund
 - Bond Loan Program
- Planning and Management:
 - Compacts
 - Floodplain Management
 - Dam Safety

- Comprehensive Water Plan
- Permitting
- Well Drillers Program
- Technical Studies

For more information about OWRB, visit [their website](#).



Accomplishments over Past Year

- Considerable progress was made during 2013 toward implementing over half of the Oklahoma Comprehensive Water Plan (OCWP) priority recommendations.
- Oklahoma won a historic legal victory in the case of Tarrant Regional Water District v. Herrmann when the U.S. Supreme Court unanimously upheld certain Oklahoma laws controlling state water against a challenge from the Tarrant Regional Water District, which serves a large area in north Texas.
- OWRB initiated participation in a joint study of phosphorus levels and Oklahoma's scenic rivers. The joint study will be managed by a six-member committee appointed by the Governors of Oklahoma and Arkansas. The committee will issue interim reports and hold at least one public meeting each year with stakeholders.
- In 2013, the OWRB was included on a list of the state's 50 best places to work.

Goals for Upcoming Year

Continue implementation of Oklahoma Comprehensive Water Plan initiatives, focusing on the following “priority” recommendations:

- Educate Oklahomans on, and promote the need for, increased water conservation, reuse and recycling to make the most efficient use of limited water resources;
- Address Oklahoma’s \$82 Billion water and wastewater infrastructure needs through leveraging of the newly created Water Infrastructure Credit Enhancement Reserve Fund;
- Reduce the growing backlog of statutorily-required hydrologic studies, 20-year updates, and stream water allocation studies to more accurately manage requests for water;
- Minimize unauthorized water use throughout the state through improved outreach and complaint response;
- Leverage available state and federal resources to meet community floodplain mapping and dam safety needs; and
- Continue to expand and refine agency surface and groundwater monitoring programs, which includes adding additional monitoring sites and parameters to meet data and decision needs, identifying waters not meeting uses and completing monitoring reports to outline program results.

Major Agency Projects

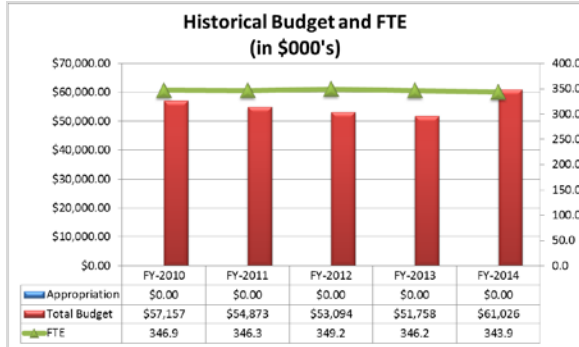
- Conducting initial water well sampling through the new Groundwater Mapping and Assessment Program, Oklahoma’s first holistic groundwater monitoring program.
- The OCWP Water for 2060 Advisory Council held its first two meetings in 2013. The Council's final report of findings and recommendations will be submitted to the Governor, Speaker of the House, and President Pro Tempore by late 2015.
- 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.
- Hydrologic studies, another primary initiative of the OCWP, are ongoing throughout the state.
- Participating in FEMA’s RiskMAP program, an innovative approach to fostering working partnerships between FEMA and participating National Flood Insurance Program (NFIP)

communities, regional agencies, state agencies, tribes, and universities in identifying and communicating risk throughout local watersheds.

Savings, Efficiencies and Shared Services in FY-2014

- The document imaging initiative has greatly enhanced staff productivity through improved access to critical information, streamlining workflow and providing significant savings of both time and money.
- Implemented multiple enhancements to Infrastructure Financing Software, which tracks the agency’s complex funding system, including more than \$3 billion in approved projects to date. The enhancements include a variety of reports allowing more timely and accurate programmatic and financial data for OWRB management, funding agencies, legislators, and the public.
- Leveraged technology to coordinate, refine, and reduce fieldwork activities, and to reduce travel costs associated with dam and floodplain management inspections, complaint response, geo-location of dam sites and water wells, and other required tasks. Deployed tablet computers and applications to improve communications among staff and the main office, navigation, effectiveness in the field, and overall customer service.

**Wildlife Conservation, Oklahoma
Department of (ODWC)
Energy and Environment Cabinet**



*Wildlife Department is a non-appropriated agency

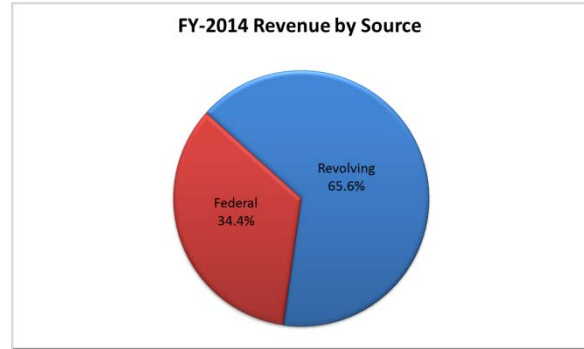
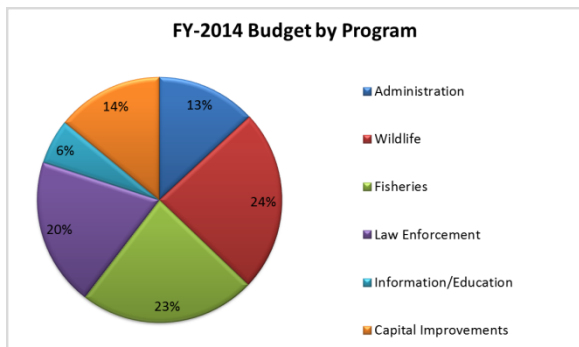
Mission

The mission of the Oklahoma Department of Wildlife Conservation (ODWC) is the management, protection and enhancement of wildlife resources and habitat for the scientific, educational, recreational, aesthetic and economic benefits to present and future generations of citizens and visitors to Oklahoma.

Programs

- Wildlife
- Fisheries
- Law Enforcement
- Information and Education

For more information about ODWC, visit [their website](#).



Accomplishments over Past Year

- Worked to establish baseline biological data, build relationships with landowners, and identify correlations between water flow and successful reproduction of native fish;
- Hosted the 67th Southeastern Association of Fish and Wildlife agencies annual conference in Oklahoma City;
- Implemented the Scholastic Shooting Program;
- Established a free online hunter education curriculum; and
- Entered into a cooperative agreement with timber companies to add 22,000 acres to the Honobia Creek Wildlife Management Area.

Goals for Upcoming Year

- Continue efforts to provide additional hunting and fishing access for sportsman through the acquisition of additional lands; and
- Maintain research effort focused on bobwhite quail, black bear, and lesser prairie chicken.

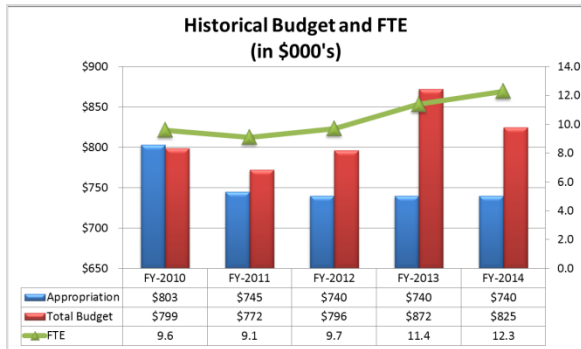
Major Agency Projects

- Work with landowners, energy industry and the United States Fish and Wildlife Agency to conserve lesser prairie chicken and associated habitat in Oklahoma; and
- Install a new server platform to the agency computer network and convert field employees email address to a standard email system.

Savings, Efficiencies and Shared Services in FY-2014

- Developed and implemented a mobile vehicle log for employees to enter their vehicle usage.
- All hunters used the electronic e-check system to check in harvested game.

Will Rogers Memorial Commission Tourism Cabinet



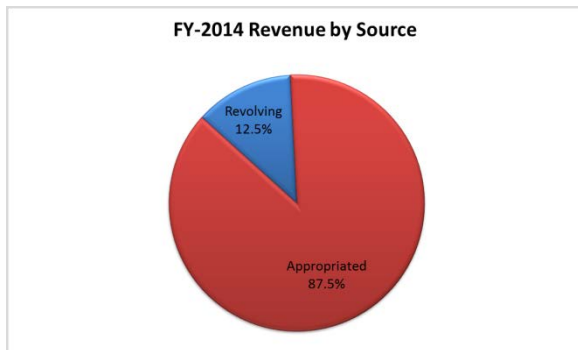
Mission

The mission of the Will Rogers Memorial Commission is to collect, preserve and share the life, wisdom and humor of Will Rogers for all generations.

Programs

For more information about Will Rogers Memorial Commission, visit [their website](#).

100percent of the budget for the Will Roger Memorial Commission is for Museum operations.



Accomplishments over Past Year

- Increased annual recorded attendance at Will Rogers Birthplace Ranch by 12.5percent (42,606 recorded visitors compared to 37,857);
- Developed two new partnerships to share the legacy of Will Rogers: New Dominion, LLC, and New Source Energy Partners;
- Attracted 32 motor-coach tour groups in Fall 2013, to celebrate 75th anniversary of Memorial Museum; and

- Increased number of declared “friends” on Will Rogers Facebook page to 5,113, an increase of 76.

Goals for Upcoming Year

- Secure funding for replacement of HVAC system;
- Increase fiscal-year attendance at Will Rogers Memorial Museum by 5 percent;
- Increase fiscal-year recorded attendance at Will Rogers Birthplace Ranch by 3 percent;
- Complete drafting of master plan for both museums;
- Develop two new partnerships to share the legacy of Will Rogers;
- Compose, design, print, and distribute new brochure for Memorial Museums; and
- Finalize public-private partnership with the Will Rogers Memorial Foundation to sustain and secure the Will Rogers Memorial Museum and Will Rogers Birthplace Ranch for future generations.

Major Agency Projects

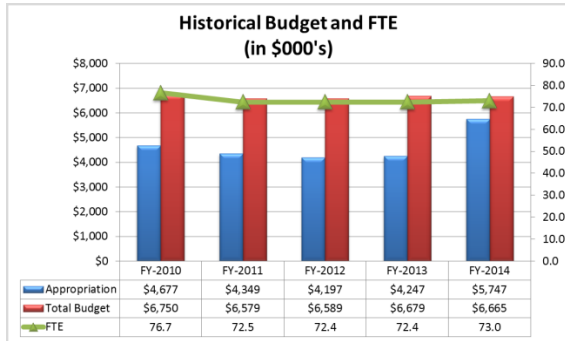
- Digitization and online access of the previously published and unpublished writings of Will Rogers in a searchable format;
- Development of a master plan for exhibits at both museums;
- Improvement of current Children’s Museum and development of additional educational materials and an enhanced website experience for young people;
- Design and installation of new exhibit at Will Rogers Memorial Museum focused on Will Rogers and polo; and
- Clean and digitize film collection in consultation with the Oklahoma Historical Society.

Savings, Efficiencies and Shared Services in FY-2014

- Continued to use Agency Business Services from OMES for purchasing, accounting, payroll processing, and human resources. This allows limited staff to meet other agency needs.

**Oklahoma Workers' Compensation
Commission (OWCC)
Commerce Cabinet**

**Court of Existing Claims
Judiciary Cabinet**



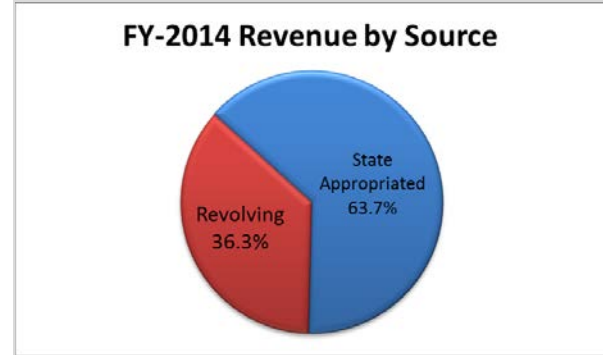
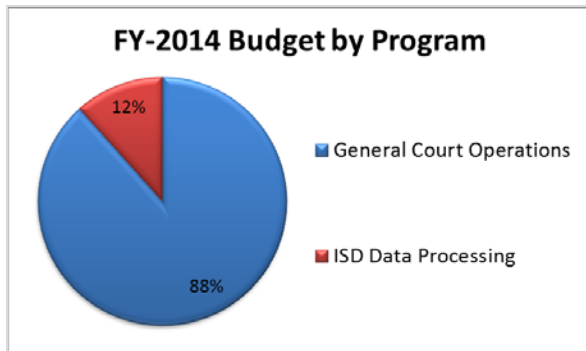
Mission

To ensure fair and timely procedures for the informal and formal resolution of disputes and identification of issues involving work related injuries.

Programs

- General Court Operations
- ISD Data Processing

For more information about OWCC, visit [their website](#).



Accomplishments over Past Year

During 2013, enrolled Senate Bill 1062 was enacted which bill created the Court of Existing Claims and created the Workers' Compensation Commission. Following enactment, the Court and Commission followed a course to retain autonomy of a judicial entity (the Court of Existing Claims) with an executive agency (the Commission) in accordance with Article 4, Section 1 of the Oklahoma Constitution. To that end, the Court and Commission are working toward an agreement that maintains autonomy for both while providing for shared technical and clerical services.

Goals for Upcoming Year

Upon adoption of the agreement, the Court of Existing Claims and the Commission will adopt policies and procedures to implement provisions of Senate Bill 1062 to ensure that the needs of both entities are met.

Major Agency Projects

Senate Bill 1062 causes a reduction in the number of judges of the Court of Existing Claims from ten to six, effective July 1, 2014. The Court will reallocate open cases to ensure timely processes and hearings.

Savings, Efficiencies and Shared Services in FY-2014

To achieve operational efficiencies, the draft agreement calls for shared services with the Court and the Commission. The arrangement reduces required spending should each entity provide its own support system.

State Budget Information

Oklahoma State Budget Process

State Revenues

Constitutional Reserve Fund

Appropriation History

Higher Education Allocation

Non-Appropriated Agency Budget and FTE

FY-2015 Executive Budget

THE BUDGET CYCLE
STATE FISCAL YEAR IS JULY 1 - JUNE 30

	<i>July</i>	<i>Aug</i>	<i>Sept</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>June</i>	
1. Agencies review program needs and prepare Budget Requests and Strategic Plans.	July 1 - Oct 1												
2. Agencies submit Budget Requests. Strategic Plans are submitted every even numbered year.				Oct 1									
3. Office of Management & Enterprise Services reviews Budget Requests and Strategic Plans for development of the Executive Budget Book.				Oct - Nov									
4. December Equalization Board Meeting - expenditure authority is the approved basis for the Executive Budget.						Dec							
5. Submission of Executive Budget to the Legislature. Legislative session begins.								Feb					
6. Feb Equalization Board - expenditure authority is approved basis for Legislative appropriations and Governor's action.								Feb					
7. Legislature reviews agency budgets and finalizes appropriation recommendations.								Feb - May					
8. Governor's action on Appropriation Bills								Feb - Mid-June					
9. June Equalization Board Meeting - revenue and expenditure authority adjusted to incorporate statutory changes.												June	
10. Budget Work Programs submitted to the Office of Management & Enterprise Services for approval by July 1.	July												

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

1. **Agencies review** program performance and financial needs for preparation of the 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 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 action.
7. **Legislative Appropriations Process** – The appropriations subcommittees and legislative staff of each house review agency budgets, 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 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 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 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 and modified to fit the state’s customized needs by Tax Commission staff. 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 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 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 Equalization Board. Estimates for revolving funds are included for informational purposes. The Equalization Board does not have to approve them since they are not certified funds. Unlike certified funds, the Governor and Legislature can spend 100% of the revolving fund estimate. There are seven revolving fund estimates that are included in the executive and legislative expenditure authority. Revenues from four of the six funds are specifically dedicated to education purposes. Funds from the Tobacco Settlement Fund are directed for health services; the Judicial Fund is directed for 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 Cash Flow Reserve Fund for the next fiscal year from current year General Revenue Fund collections that are in excess of the amount appropriated from the fund. The limit on deposits into the Cash Flow Reserve Fund is 10% of the amount certified by the Board of Equalization as available for appropriation from the General Revenue Fund for the next fiscal year. General Revenue Fund collections that are in excess of the certified estimate cannot be used to make deposits to the Cash Flow Reserve Fund as those monies are directed elsewhere according to the State Constitution. Any excess General Revenue Fund collections for the current year after the Cash Flow Reserve Fund for the next year has been funded are carried forward as cash that is available for appropriation by the Legislature.

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 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.

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 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 during times of severe economic distress.

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, 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 the 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 bills are approved by a majority of both houses, the appropriation bill is sent to the Governor. All legislation, including appropriation bills, become 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.

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. "190" would be the General Revenue Fund collected in FY-2010).

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 pays 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)

Agency Budgets

The state's budget cycle can be divided into three areas:

- Agency Budget Work Programs
- Agency Strategic Plans
- Agency Budget Requests

The state's budget is prepared on a cash basis utilizing encumbrance accounting. Encumbrances represent executed but unperformed purchase orders. In the State's Comprehensive Annual Financial Report (CAFR) encumbrances are recorded as: (1) expenditures for budgetary purposes if expected to be presented for payment by November 15, following the end of the fiscal year and, (2) reservations of fund balance for GAAP purposes.

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 in 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 appropriated 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

Across the nation, states are in the process of implementing measures to improve efficiency and accountability in state government. Oklahoma is no different. Over the past several years, the Executive and Legislative branch have implemented measures designed to focus on meaningful performance data which can then be used to make better budgeting decisions.

Passed in 1999, the Oklahoma Program Performance Budgeting and Accountability Act required agencies to submit strategic plans defining their mission, vision, goals and performance measures. At the same time, state agency budget request forms were modified to incorporate program information and performance measures for every program category within an agency. 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. This 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.

The Budget Division has been working with select agencies over the past four years to refine and improve funding and performance measure information submitted in the Budget Request and Strategic Plan. There is particular emphasis on unit costs and program performance. Copies of each agency’s budget request and strategic plan is submitted to the Office of Management & Enterprise Services, House and Senate staff and members of the Legislative Oversight Committee on State Budget and Performance.

This committee, established in Section 39.96 of Title 62, is required to review each agency’s programs, funding and performance once every four years. Members are directed to utilize zero-base budgeting and performance base budgeting techniques.

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, 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, 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.

Performance Audits

Since FY-2002, the Office of the State Auditor and Inspector has been conducting performance audits, authorized by 74 O.S. Supp 2001, 213.2. A performance audit includes economy, efficiency, and program audits. Economy and efficiency audits determine whether the entity is utilizing its resources economically and efficiently. Auditors also determine the causes of inefficiencies or uneconomical practices. A program audit determines if a program is achieving the desired results or benefits established by the Legislature, or other authorizing body. Program audits also ascertain the effectiveness of organizations, programs, activities or functions.

In practice, performance audits determine if an agency is focusing resources on activities that maximize productivity or outcomes. In addition to identifying efficiencies, performance audits can also identify areas worthy of additional state investment. This is another important tool for policymakers to utilize when reviewing the efficiency and effectiveness of agency programs and expenditures.

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:

- legal obligations;
- fiscal impact;
- urgency of maintenance needs;
- departmental priority;
- economic impact;
- impact on service to the public; and
- completion of prior phases.

For more information on the Capital Budget process please contact Jim Joseph with the State Bond Advisor's Office, 602-3100.

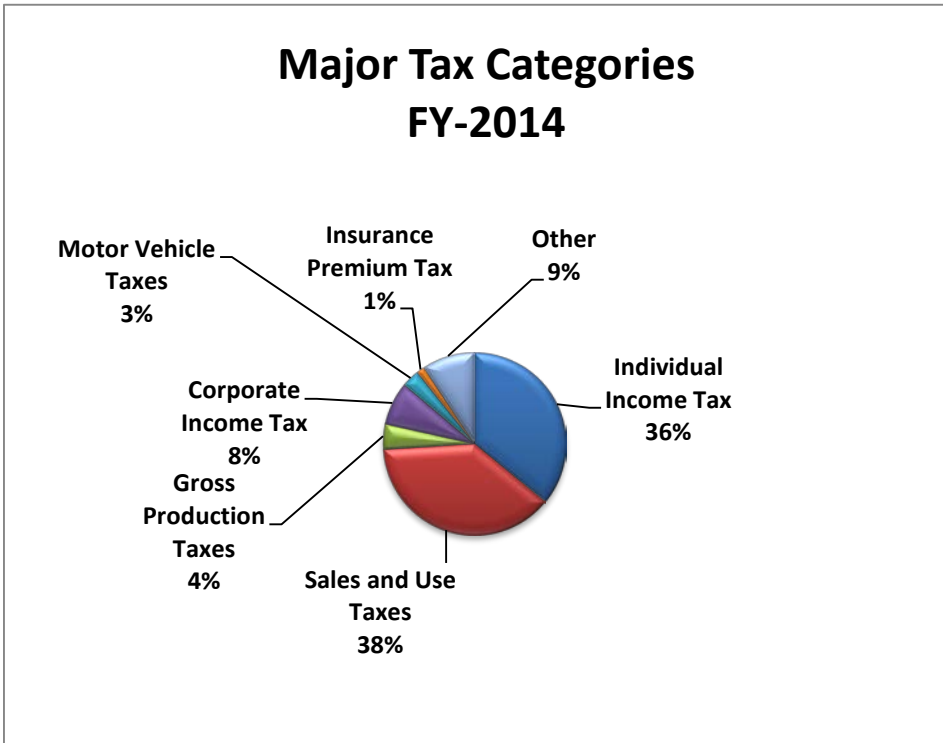
Oklahoma Revenues and Expenditures

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-2013. Most of the state’s appropriated revenue is from general taxes. For FY-2013, tax revenue comprised approximately 90% 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-2015 (estimated to provide approximately 91% 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 40% 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. 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.

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*	5.25%	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>
General Revenue	86.16%	85.66%	85.66%	85.66%	85.66%
1017 Fund	8.34%	8.34%	8.34%	8.34%	8.34%
Teachers' Retirement Fund	4.50%	5.00%	5.00%	5.00%	5.00%
Ad Valorem Reimbursement Fund	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 10% 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.

Corporate 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>
General Revenue	78.00%	77.50%	77.50%	77.50%	77.50%
1017 Fund	16.50%	16.50%	16.50%	16.50%	16.50%
Teachers' Retirement Fund	4.50%	5.00%	5.00%	5.00%	5.00%
Ad Valorem Reimbursement Fund	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 imposition 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 \$1.8 billion in sales tax revenue and sales for resale which total nearly \$4 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.

Sales Tax and Use Tax Apportionment 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>
General Revenue	85.04%	83.61%	83.61%	83.61%	83.61%
1017 Fund	10.46%	10.46%	10.46%	10.46%	10.46%
Teachers' Retirement Fund	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					

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.

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 1 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:

Motor Fuels Tax Apportionment		
	<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.

Oil and natural gas have a three-tiered tax rate structure that specifies 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) is equal to or greater than \$2.10, the tax rate is 7%. If the price is less than \$2.10 and equal to or greater than \$1.75 per MCF, then the rate is 4% and any price lower than \$1.75 results in a tax rate of 1%. For oil, the price must be greater than \$17 per barrel for the tax rate to be 7%. If the price is between \$17 and \$14 per barrel, the tax rate is 4%, and a price below \$14 per barrel yields a 1% tax rate. The charts below show the apportionment for the revenue from gross production tax on oil and natural gas.

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. Tables below 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.

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%

FY-2015 Executive Budget

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	2,725,755	NA

Agency/Cabinet Name	FY-2012 Appropriation	Percent Change	Percent of Total	FY-2013 Appropriation	Percent Change	Percent of Total	FY-2014 Appropriation	Percent Change	Percent of Total
SUMMARY BY CABINET									
Governor	\$1,980,594	-7.00%	0.03%	\$2,172,900	9.71%	0.03%	\$2,172,900	0.00%	0.03%
Lieutenant Governor	506,591	-4.00%	0.01%	506,591	0.00%	0.01%	506,591	0.00%	0.01%
Agriculture	37,244,098	-2.73%	0.58%	39,744,098	6.71%	0.57%	38,444,098	-3.27%	0.54%
Commerce	43,686,841	2.86%	0.68%	44,416,841	1.67%	0.64%	47,416,841	6.75%	0.66%
Education & Workforce Dev	3,378,221,312	1.06%	52.51%	3,448,147,013	2.07%	49.63%	3,564,017,013	3.36%	49.97%
Energy & Environment	25,161,210	1.58%	0.39%	26,661,210	5.96%	0.38%	31,261,210	17.25%	0.44%
Finance, Admin & Info Tech	105,331,896	-1.32%	1.64%	114,036,896	8.26%	1.64%	117,909,146	3.40%	1.65%
Health & Human Services	1,839,735,989	15.43%	28.60%	2,056,492,366	11.78%	29.60%	2,164,617,018	5.26%	30.35%
Military	10,247,997	-5.00%	0.16%	10,747,997	4.88%	0.15%	11,747,997	9.30%	0.16%
Safety & Security	639,722,929	-1.66%	9.94%	653,891,659	2.21%	9.41%	662,998,659	1.39%	9.30%
Science & Technology	18,206,038	-7.00%	0.28%	18,206,038	0.00%	0.26%	18,206,038	0.00%	0.26%
Secretary of State	14,302,570	-5.70%	0.22%	14,292,570	-0.07%	0.21%	14,442,570	1.05%	0.20%
Tourism	39,633,446	-3.70%	0.62%	39,633,446	0.00%	0.57%	39,633,446	0.00%	0.56%
Transportation	106,737,039	-7.00%	1.66%	206,405,702	93.38%	2.97%	208,707,119	1.11%	2.93%
Veterans	34,698,752	-3.50%	0.54%	35,698,752	2.88%	0.51%	35,698,752	0.00%	0.50%
Maint of State Bldgs Rev Fund							30,000,000	N/A	N/A
Total Executive Branch	6,295,417,302	4.24%	97.86%	6,711,054,079	6.60%	96.58%	6,987,779,398	4.12%	97.97%
The Legislature	30,639,306	-4.27%	0.48%	32,639,306	6.53%	0.47%	40,068,458	22.76%	0.56%
The Judiciary	84,431,797	4.46%	1.31%	84,668,797	0.28%	1.22%	86,281,797	1.91%	1.21%
Total Legis. & Judic.	115,071,103	1.98%	1.79%	117,308,103	1.94%	1.69%	126,350,255	7.71%	1.77%
Total Excl. Sups./Ret.	6,410,488,405	4.20%	99.65%	6,828,362,182	6.52%	98.27%	7,114,129,653	4.19%	99.75%
Supplementals & Emerg. Fd. (I)	22,600,000	-87.45%	0.35%	120,001,406	430.98%	1.73%	18,147,673	-84.88%	0.25%
Total	\$6,433,088,405	1.59%	100.00%	\$6,948,363,588	8.0%	100.00%	\$7,132,277,326	2.6%	100.00%

GOV. AND LT. GOV.

Governor	1,980,594	-7.00%	0.03%	2,172,900	9.71%	0.03%	2,172,900	0.00%	0.03%
Lieutenant Governor	506,591	-4.00%	0.01%	506,591	0.00%	0.01%	506,591	0.00%	0.01%

AGRICULTURE

Agriculture	25,610,247	-2.65%	0.40%	27,610,247	7.81%	0.40%	25,910,247	-6.16%	0.36%
Conservation Commission	9,561,684	-2.88%	0.15%	10,061,684	5.23%	0.14%	10,461,684	3.98%	0.15%
Horse Racing Commission	2,072,167	-2.98%	0.03%	2,072,167	0.00%	0.03%	2,072,167	0.00%	0.03%
TOTAL AGRICULTURE	37,244,098	-2.73%	0.58%	39,744,098	6.71%	0.57%	38,444,098	-3.27%	0.54%

COMMERCE

Commerce, Dept. of (b)	29,073,212	8.06%	0.45%	29,573,212	1.72%	0.43%	32,573,212	10.14%	0.46%
REAP - local gov'ts thru commerce	11,532,469	-7.00%	0.18%	11,532,469	0.00%	0.17%	11,532,469	0.00%	0.16%
Labor Department	3,081,160	-2.68%	0.05%	3,311,160	7.46%	0.05%	3,311,160	0.00%	0.05%
TOTAL COMMERCE	43,686,841	2.86%	0.68%	44,416,841	1.67%	0.64%	47,416,841	6.75%	0.66%

Agency/Cabinet Name	FY-2012 Appropriation	Percent Change	Percent of Total	FY-2013 Appropriation	Percent Change	Percent of Total	FY-2014 Appropriation	Percent Change	Percent of Total
EDUCATION & WORKFORCE DEVELOPMENT									
Career. & Technology Education (e)	133,742,618	-5.80%	2.08%	135,142,618	1.05%	1.94%	138,142,618	2.22%	1.94%
Education, Dept. of (c)	2,278,158,382	1.88%	35.41%	2,333,604,082	2.43%	33.58%	2,407,604,082	3.17%	33.76%
Educational TV Authority	3,822,328	-9.00%	0.06%	3,822,328	0.00%	0.06%	3,822,328	0.00%	0.05%
Educational Quality & Accountability							661,271		
Higher Educ., Regents for (d)	945,260,277	0.17%	14.69%	955,260,278	1.06%	13.75%	988,549,007	3.48%	13.86%
OSU Medical Authority	5,000,000	N/A	0.08%	8,080,000	61.60%	0.12%	13,000,000	60.89%	0.18%
Phys. Manpower Trng. Comm.	4,379,254	17.08%	0.07%	4,379,254	0.00%	0.06%	4,379,254	0.00%	0.06%
Private Vo-Tech Schools Board									
School of Science & Math	6,332,274	-3.18%	0.10%	6,332,274	0.00%	0.09%	6,332,274	0.00%	0.09%
Teacher Preparation Comm.	1,526,179	-7.00%	0.02%	1,526,179	0.00%	0.02%	1,526,179	0.00%	0.02%
TOTAL EDUCATION & WORKFORCE DEV	3,378,221,312	1.06%	52.51%	3,448,147,013	2.07%	49.63%	3,564,017,013	3.36%	49.97%
ENERGY & ENVIRONMENT									
Corporation Commission (f)	11,324,427	11.75%	0.18%	11,324,427	0.00%	0.16%	11,324,427	0.00%	0.16%
Environmental Quality, Dept. of	7,557,973	-7.00%	0.12%	7,557,973	0.00%	0.11%	9,057,973	19.85%	0.13%
Mines, Department of	779,139	-3.92%	0.01%	779,139	0.00%	0.01%	879,139	12.83%	0.01%
Water Resources Board	5,499,671	-3.49%	0.09%	6,999,671	27.27%	0.10%	9,999,671	42.86%	0.14%
TOTAL ENERGY & ENVIRONMENT	25,161,210	1.58%	0.39%	26,661,210	5.96%	0.38%	31,261,210	17.25%	0.44%
FINANCE, ADMIN & INFO TECH									
Auditor & Inspector (g)	4,706,986	-8.65%	0.07%	4,706,986	0.00%	0.07%	4,706,986	0.00%	0.07%
Bond Advisor, State	143,112	-8.00%	0.00%	143,112	0.00%	0.00%	143,112	0.00%	0.00%
Consumer Credit, Dept. of	331,730	-38.02%	0.01%	31,730	-90.43%	0.00%	31,730	0.00%	0.00%
Insurance Department (a)	1,871,937	-7.00%	0.03%	1,871,937	0.00%	0.03%	1,871,937	0.00%	0.03%
Land Office, Commissioners of the	7,109,000	0.00%	0.11%	16,000,000	125.07%	0.23%	15,062,250	-5.86%	0.21%
Management and Enterprise Services, Office of	19,179,440	-7.00%	0.30%	40,132,347	109.25%	0.58%	45,132,347	12.46%	0.63%
Central Services, Dept. of	17,313,301	8.39%	0.27%	0	-100.00%	0.00%	0	#DIV/0!	0.00%
Personnel Management	3,639,606	-7.00%	0.06%	0	-100.00%	0.00%	0	#DIV/0!	0.00%
Merit Protection Commission	490,967	-7.00%	0.01%	490,967	0.00%	0.01%	490,967	0.00%	0.01%
Tax Commission	46,915,944	0.18%	0.73%	46,915,944	0.00%	0.68%	46,915,944	0.00%	0.66%
Treasurer	3,629,873	-7.00%	0.06%	3,743,873	3.14%	0.05%	3,553,873	-5.07%	0.05%
TOTAL FINANCE, ADMIN & INFO TECH	105,331,896	-1.32%	1.64%	114,036,896	8.26%	1.64%	117,909,146	3.40%	1.65%
HEALTH & HUMAN SERVICES									
Children & Youth Commission	2,027,167	-6.00%	0.03%	2,027,167	0.00%	0.03%	2,027,167	0.00%	0.03%
Disability Concerns	317,607	-7.00%	0.00%	317,607	0.00%	0.00%	317,607	0.00%	0.00%
Health Care Authority	912,219,389	30.34%	14.18%	921,983,007	1.07%	13.27%	953,701,274	3.44%	13.37%
Health Department	59,477,971	-3.36%	0.92%	61,783,682	3.88%	0.89%	62,983,682	1.94%	0.88%
Human Services Dept. (h)	514,518,301	2.88%	8.00%	586,958,664	14.08%	8.45%	630,958,664	7.50%	8.85%
Indian Affairs	192,306	-7.00%	0.00%	0	-100.00%	0.00%	0	#DIV/0!	0.00%
J.D. McCarty Center	3,359,210	-8.32%	0.05%	3,740,338	11.35%	0.05%	4,140,338	10.69%	0.06%
Office of Juvenile Affairs	95,915,593	-1.79%	1.49%	96,187,205	0.28%	1.38%	98,187,205	2.08%	1.38%
Mental Health Department	183,112,822	-0.28%	2.85%	311,421,073	70.07%	4.48%	336,821,458	8.16%	4.72%
Rehabilitation Svcs., Dept. of	30,149,232	-1.00%	0.47%	30,449,232	1.00%	0.44%	30,949,232	1.64%	0.43%
University Hospitals Authority	38,446,391	170.98%	0.60%	41,624,391	8.27%	0.60%	44,530,391	6.98%	0.62%
TOTAL HEALTH & HUMAN SERVICES	1,839,735,989	15.43%	28.60%	2,056,492,366	11.78%	29.60%	2,164,617,018	5.26%	30.35%
MILITARY									
Military Department	10,247,997	-5.00%	0.16%	10,747,997	4.88%	0.15%	11,747,997	9.30%	0.16%
TOTAL MILITARY	10,247,997	-5.00%	0.16%	10,747,997	4.88%	0.15%	11,747,997	9.30%	0.16%

Agency/Cabinet Name	FY-2012 Appropriation	Percent Change	Percent of Total	FY-2013 Appropriation	Percent Change	Percent of Total	FY-2014 Appropriation	Percent Change	Percent of Total
SAFETY & SECURITY									
A.B.L.E. Commission	3,140,334	-7.00%	0.05%	3,140,334	0.00%	0.05%	3,140,334	0.00%	0.04%
Attorney General	13,228,141	4.12%	0.21%	15,228,141	15.12%	0.22%	15,228,141	0.00%	0.21%
Human Rights Commission	531,270	-7.00%	0.01%	0	-100.00%	0.00%	0	#DIV/0!	0.00%
Corrections Department	459,831,068	-0.50%	7.15%	463,731,068	0.85%	6.67%	463,731,068	0.00%	6.50%
District Attorneys Council	32,887,258	-4.00%	0.51%	34,187,258	3.95%	0.49%	39,687,258	16.09%	0.56%
Emergency Management	651,179	-6.00%	0.01%	651,179	0.00%	0.01%	651,179	0.00%	0.01%
Fire Marshal	1,796,764	-7.00%	0.03%	1,796,764	0.00%	0.03%	1,796,764	0.00%	0.03%
Indigent Defense System (i)	14,699,353	-3.00%	0.23%	14,699,353	0.00%	0.21%	15,699,353	6.80%	0.22%
Investigation, Bureau of	13,848,059	-5.90%	0.22%	13,848,059	0.00%	0.20%	14,283,059	3.14%	0.20%
Law Enf. Educ. & Training	3,682,560	-6.00%	0.06%	3,682,560	0.00%	0.05%	3,757,560	2.04%	0.05%
Medicolegal Investigatons Board	4,698,281	-2.00%	0.07%	7,198,281	53.21%	0.10%	8,698,281	20.84%	0.12%
Narc. & Dang. Drugs Control	3,616,418	-33.84%	0.06%	3,616,418	0.00%	0.05%	3,616,418	0.00%	0.05%
Pardon & Parole Board	2,217,454	-5.00%	0.03%	2,217,454	0.00%	0.03%	2,292,454	3.38%	0.03%
Public Safety Department	84,894,790	-4.00%	1.32%	89,894,790	5.89%	1.29%	90,416,790	0.58%	1.27%
TOTAL SAFETY & SECURITY	639,722,929	-1.66%	9.94%	653,891,659	2.21%	9.41%	662,998,659	1.39%	9.30%
SCIENCE & TECHNOLOGY									
Center for Advan. of Science & Tech	17,811,449	-7.00%	0.28%	17,811,449	0.00%	0.26%	17,811,449	0.00%	0.25%
Space Industry Development	394,589	-7.00%	0.01%	394,589	0.00%	0.01%	394,589	0.00%	0.01%
TOTAL SCIENCE & TECHNOLOGY	18,206,038	-7.00%	0.28%	18,206,038	0.00%	0.26%	18,206,038	0.00%	0.26%
SECRETARY OF STATE									
Election Board	7,805,808	-3.00%	0.12%	7,805,808	0.00%	0.11%	7,805,808	0.00%	0.11%
Ethics Commission, Okla.	523,129	-4.17%	0.01%	588,129	12.43%	0.01%	738,129	25.50%	0.01%
Libraries, Dept. of	5,898,633	-7.00%	0.09%	5,898,633	0.00%	0.08%	5,898,633	0.00%	0.08%
Judicial Complaints, Council on	75,000	-67.47%	0.00%	0	-100.00%	0.00%	0	#DIV/0!	0.00%
TOTAL SECRETARY OF STATE	14,302,570	-5.70%	0.22%	14,292,570	-0.07%	0.21%	14,442,570	1.05%	0.20%
TOURISM									
Arts Council	4,010,087	-9.00%	0.06%	4,010,087	0.00%	0.06%	4,010,087	0.00%	0.06%
J. M. Davis Memorial Commission	306,009	-0.22%	0.00%	306,009	0.00%	0.00%	306,009	0.00%	0.00%
Historical Society	12,502,546	-3.18%	0.19%	12,502,546	0.00%	0.18%	12,502,546	0.00%	0.18%
Scenic Rivers Commission	271,315	-2.84%	0.00%	271,315	0.00%	0.00%	271,315	0.00%	0.00%
Tourism & Recreation (j)	21,803,003	-3.11%	0.34%	21,803,003	0.00%	0.31%	21,803,003	0.00%	0.31%
Will Rogers Memorial Comm.	740,486	-0.60%	0.01%	740,486	0.00%	0.01%	740,486	0.00%	0.01%
TOTAL TOURISM	39,633,446	-3.70%	0.62%	39,633,446	0.00%	0.57%	39,633,446	0.00%	0.56%
TRANSPORTATION									
Transportation Department (k)	106,737,039	-7.00%	1.66%	206,405,702	93.38%	2.97%	208,707,119	1.11%	2.93%
TOTAL TRANSPORTATION	106,737,039	-7.00%	1.66%	206,405,702	93.38%	2.97%	208,707,119	1.11%	2.93%
VETERANS AFFAIRS									
Veterans Affairs Department	34,698,752	-3.50%	0.54%	35,698,752	2.88%	0.51%	35,698,752	0.00%	0.50%
TOTAL VETERANS AFFAIRS	34,698,752	-3.50%	0.54%	35,698,752	2.88%	0.51%	35,698,752	0.00%	0.50%
MAINT OF STATE BLDGS REV FUND							30,000,000	N/A	N/A
TOTAL EXECUTIVE BRANCH	6,295,417,302	4.24%	97.86%	6,711,054,079	6.60%	96.58%	6,987,779,398	4.12%	97.97%

Agency/Cabinet Name	FY-2012 Appropriation	Percent Change	Percent of Total	FY-2013 Appropriation	Percent Change	Percent of Total	FY-2014 Appropriation	Percent Change	Percent of Total
LEGISLATURE									
House of Representatives	14,574,682	-5.00%	0.23%	15,574,682	6.86%	0.22%	17,003,834	9.18%	0.24%
Legislative Service Bureau	4,892,835	-0.20%	0.08%	4,892,835	0.00%	0.07%	9,892,835	102.19%	0.14%
Senate	11,171,789	-5.00%	0.17%	12,171,789	8.95%	0.18%	13,171,789	8.22%	0.18%
TOTAL LEGISLATURE	30,639,306	-4.27%	0.48%	32,639,306	6.53%	0.47%	40,068,458	22.76%	0.56%
JUDICIARY									
Court of Criminal Appeals	3,334,631	-3.50%	0.05%	3,484,631	4.50%	0.05%	3,634,631	4.30%	0.05%
District Courts	59,600,000	3.40%	0.93%	59,600,000	0.00%	0.86%	59,600,000	0.00%	0.84%
Supreme Court	17,300,000	12.47%	0.27%	17,337,000	0.21%	0.25%	17,300,000	-0.21%	0.24%
Workers' Compensation Court	4,197,166	-3.50%	0.07%	4,247,166	1.19%	0.06%	5,747,166	35.32%	0.08%
TOTAL JUDICIARY	84,431,797	4.46%	1.31%	84,668,797	0.28%	1.22%	86,281,797	1.91%	1.21%
TOTAL EXCL. SUPPS./ & RETIREMENT SYSTEMS	6,410,488,405	4.20%	99.65%	6,828,362,182	6.52%	98.27%	7,114,129,653	4.19%	99.75%

SUMMARY OF OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION ALLOCATIONS (2013-2014)

<u>Regents' Allocation</u>	ORIGINAL ALLOCATION	% OF ORIGINAL ALLOCATION
Universities, Colleges & Constituent Agencies	\$862,425,166	
University of Oklahoma	136,742,658	13.08%
OU Law Center	5,991,730	0.57%
OU Health Sciences Center	93,389,130	8.93%
OU Tulsa	8,204,876	0.78%
Oklahoma State University	122,658,690	11.73%
OSU Agriculture Experiment Station	26,706,009	2.55%
OSU Agriculture Extension Division	29,142,844	2.79%
OSU Institute of Technology, Okmulgee	14,553,129	1.39%
OSU College of Veterinary Medicine	10,902,937	1.04%
OSU, Oklahoma City	11,663,314	1.12%
OSU Center for Health Sciences	14,194,766	1.36%
OSU Tulsa	11,295,149	1.08%
University of Central Oklahoma	53,342,761	5.10%
East Central University	17,647,803	1.69%
Northeastern State University	37,109,185	3.55%
Northwestern Oklahoma State University	10,241,745	0.98%
Southeastern Oklahoma State University	18,844,628	1.80%
Southwestern Oklahoma State University	22,841,202	2.18%
Cameron University	21,783,765	2.08%
Langston University - Campus	18,764,155	1.79%
Oklahoma Panhandle State University	7,274,030	0.70%
University of Science & Arts of Oklahoma	7,463,210	0.71%
Rogers State University	14,129,080	1.35%
Carl Albert State College	6,488,628	0.62%
Connors State College	6,859,019	0.66%
Eastern Oklahoma State College	6,545,605	0.63%
Murray State College	5,827,964	0.56%
Northeastern Oklahoma A&M College	8,971,076	0.86%
Northern Oklahoma College	10,292,753	0.98%
Oklahoma City Community College	25,464,664	2.44%
Redlands Community College	5,967,867	0.57%
Rose State College	20,970,972	2.01%
Seminole State College	6,026,195	0.58%
Tulsa Community College	36,946,614	3.53%
Western Oklahoma State College	5,810,048	0.56%
Ardmore Higher Education Program	647,396	0.06%
Ponca City Learning Site	654,570	0.06%

FY-2015 Executive Budget

SUMMARY OF OKLAHOMA STATE REGENTS FOR HIGHER EDUCATION ALLOCATIONS (2013-2014)

	ORIGINAL ALLOCATION	% OF ORIGINAL ALLOCATION
State Regents' Operations Budget	\$10,572,575	1.01%
OneNet	\$3,120,185	0.30%
Capital and One-Time Allocations	\$1,012,622	0.10%
Quartz Mountain	\$1,121,219	0.11%
Oklahoma Mesonet Program	\$1,495,204	0.14%
Special Programs:		
Section 13 Offsets	\$9,385,553	0.90%
Endowed Chairs Program	\$11,594,747	1.11%
Grants Programs/Econ Dev/OEIS	\$413,361	0.04%
Summer Academies Program	\$561,060	0.05%
Student Preparation Program	\$1,098,472	0.11%
Adult Degree Completion Program	\$467,550	0.04%
Oklahoma Teacher Connection	\$391,220	0.04%
Teacher Shortage Incentive Program	\$376,558	0.04%
OCIA Debt Service	\$42,560,060	4.07%
Scholar-Enrichment Program	\$286,030	0.03%
EPSCoR	\$2,576,836	0.25%
National Lambda Rail	\$1,430,003	0.14%
Student Assistance Programs:		
Oklahoma Tuition Aid Grant Program (OTA)	\$19,115,722	1.83%
Oklahoma Academic Scholars Program	\$8,329,363	0.80%
Oklahoma Higher Learning Access Program	\$57,000,000	5.45%
Oklahoma National Guard Waiver Program	\$1,912,853	0.18%
Oklahoma Tuition Equalization Act	\$3,406,848	0.33%
Regional University Scholarships	\$986,068	0.09%
Prospective Teacher Scholarships	\$93,510	0.01%
Chiropractic Scholarships	\$37,404	0.00%
Tulsa Reconciliation Scholarship Program	\$46,755	0.00%
George and Donna Nigh Scholarship Progr	\$65,457	0.01%
Langston Honors Scholarship Program	\$220,433	0.02%
Concurrent Enrollment Waiver Reimburs	\$2,678,560	0.26%
International Scholars Program	\$120,000	0.01%
TOTAL ALLOCATIONS OF APPROPRIATIONS *	\$1,045,548,790	100.00%

* Includes \$47,372,299 from the Higher Education Capital Revolving Fund, \$47,372,299 from the Student Aid Revolving Fund, \$26,933,833 from the Lottery Trust Fund, \$57,000,000 designated General Revenue for OK Promise, and \$839,810,576 from the General Revenue Fund.

FY-2014 Nonappropriated Agency Budgets and FTE

<u>Agency Number and Name</u>	<u>FY-2014 Budget</u>	<u>FY-2014 YTD FTE</u>
20 Accountancy Board, OK State Bd. of	\$2,115,021	10.9
22 Oklahoma Abstractor Board	\$304,447	2.7
39 Boll Weevil Eradication	\$717,160	7.2
45 Licensed & Landscape Architects, Bd.	\$959,814	3
60 Aeronautics Commission, Oklahoma	\$9,897,774	10.8
65 Banking Department, State	\$6,854,031	41.2
92 Tobacco Settlement Trust Board	\$44,851,228	14.6
140 Podiatry Board, State Board of	\$12,800	0
145 Chiropractic Examiners Board	\$217,514	2.1
170 Construction Industries Board	\$3,540,986	32.4
190 Cosmetology, State Board of	\$1,168,656	11.3
215 Dentists, Bd. of Governors of Regis.	\$915,949	4.6
285 Funeral Board	\$389,209	2.2
290 Employment Security Commission, OK	\$106,981,960	628.1
307 Interstate Oil Compact Commission	\$2,051,901	3.6
315 Firefighters Pension & Retirement	\$13,888,309	10.2
320 Wildlife Conservation Commission	\$61,025,511	343.9
343 Perfusionists Board	\$6,220	0
370 Industrial Finance Authority	\$6,835,195	6
416 Law Enforcement Retirement	\$4,938,596	5
435 Lottery Commission	\$189,981,954	27.5
445 Liquefied Petroleum Gas Board	\$793,266	9.6
448 Licensed Alcohol & Drug Counselors, Board of	\$200,429	1.7
450 Medical Licensure & Supervision, Bd.	\$4,260,983	21.5
475 Motor Vehicle Commission, Oklahoma	\$450,577	3.8
509 Nursing Homes Administrators Board	\$370,392	3
510 Nursing, Board of	\$3,632,125	26.1
515 Public Employees Retirement Sys., OK	\$8,056,413	51
520 Optometry Board	\$264,160	2.3
525 Osteopathic Examiners Board	\$616,524	5.9
535 Peanut Commission	\$159,983	1
557 Police Pension & Retirement Board	\$2,913,502	11
560 Pharmacy Board	\$2,534,411	10
570 Engineers & Land Surveyors	\$1,273,940	9.6
575 Psychologist Examiners Board	\$236,837	1.4
588 Real Estate Commission	\$2,036,804	14.6
622 Social Workers Board	\$288,596	1.4
630 Securities Commission	\$6,427,007	26.1
632 Speech Pathology & Audiology Board	\$205,985	1.8
715 Teachers Retirement System	\$393,294,784	32
755 Used Motor Vehicle & Parts Comm.	\$1,058,973	9.5
772 Chem. Tests for Alcohol & Drug Infl.	\$534,386	4.5
790 Veterinary Medical Examiners Board	\$578,504	4.5
875 Wheat Commission	\$2,185,000	2.9
Total:	\$890,027,817	1422.5

Appendix

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

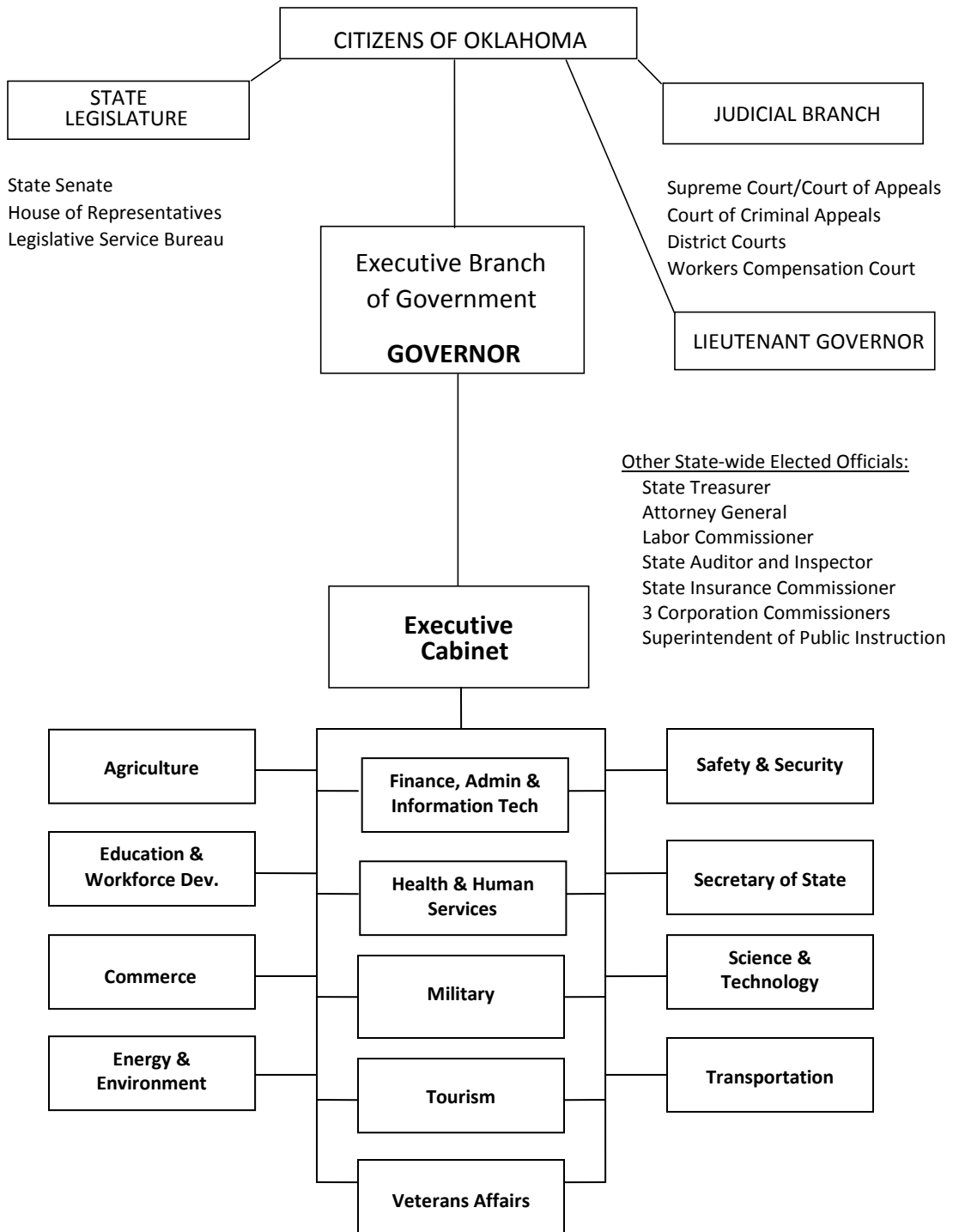
**Office of Management and Enterprise Services
Budget Division**

Please direct all press inquiries to (405) 521-3277.

If you have questions about this function of government

Then please contact:

The Oklahoma Economy	Preston Doerflinger (405) 521-3277 preston.doerflinger@omes.ok.gov	
Budget Policy and Process	Brandy Manek (405) 521-3786 brandy.manek@omes.ok.gov	
The Oklahoma State Budget and Budget Process	Jill Geiger (405) 521-6176 jill.geiger@omes.ok.gov	
State Revenue, Taxes.....	Shelly Paulk (405) 522-2603 shelly.paulk@omes.ok.gov	
Agriculture, Commerce, Energy & Environment, Tourism.....	Jared Bellinger (405) 521-6369 jared.bellinger@omes.ok.gov	
Education & Workforce Development, Science & Technology.....	Austin Slaymaker (405) 521-6664 austin.slaymaker@omes.ok.gov	
General Government, Transportation, Finance, Administration & Information Technology	Brett Diebel (405) 522-1317 brett.diebel@omes.ok.gov	
Health & Human Services, Veterans Affairs	Lia Tepker (405) 522-5743 lia.tepker@omes.ok.gov	Ashley Neel (405) 522-4305 ashley.neel@omes.ok.gov
Military, Safety and Security, Judiciary.....	Cary Cundiff (405) 522-3170 cary.cundiff@omes.ok.gov	
Regulatory Services.....	Nathan Baker (405) 522-3163 nathan.baker@omes.ok.gov	



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. More information on the appointment process is included in the Executive-Historical document. 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, Department of
 Boll Weevil Eradication Org.
 Conservation Commission
 Horse Racing Commission
 Peanut Commission
 Wheat Commission
 Veterinary Medical Examiners Board
Commerce
 Capital Investment Board
 Commerce, Department of
 Employment Security Commission
 Housing Finance Authority
 Industrial Finance Authority
 Labor, Department of *
 Municipal Power Authority
 Native American Cultural/Ed. Auth
 Scenic Rivers Comm.
 Tourism & Recreation, Dept. of
 Will Rogers Memorial Commission
Education & Workforce Development
 Anatomical Board
 Career & Technology Education
 Educational TV Authority
 Educational Quality/Teacher Preparation
 Education Department *
 Physician Manpower Training Comm.
 Private Vocational School, Board of
 School of Science & Mathematics
Colleges and Universities
 Ardmore Higher Education Center
 Cameron University
 Carl Albert State College
 Connors State College
 East Central University
 Eastern Oklahoma State College
 Langston University
 Murray State College
 Northeastern Okla. A & M College
 Northeastern State University
 Northern Oklahoma College
 Northwestern Oklahoma State Univ.
 Oklahoma Panhandle State Univ.
 Oklahoma State University
 Oklahoma State University Law Center
 Oklahoma City Community College
 Okla. University Health Science Ctr.
 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
 OU Health Sci. Ctr. Prof. Prac. Plan
 Qtz Mtn. Arts/Conf. Cntr/Nat. Pk.
 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.
 Student Loan Authority
 Tulsa Community College

University of Central Oklahoma
 University of 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
 Water Resources Board
 Wildlife Conservation, Dept. of
Finance, Admin & Info Tech
 Accountancy Board
 Auditor & Inspector *
 Banking Department
 Bond Advisor
 Building Bonds Commission
 Capitol Improvement Authority
 Construction Industries Bd.
 Consumer Credit Department
 Management & Enterprise Services, Office of
 Insurance Department *
 Land Office, Commissioners of the
 Lottery Commission
 Merit Protection Commission
 Motor Vehicle Commission
 Securities Commission
 Tax Commission
 Tobacco Settle. End. Trust Bd. of Dir.
 Treasurer
 Used Motor Vehicle & Parts
Health & Human Services
 Alcohol and Drug Coun., Bd. of Lic.
 Children & Youth, Commission
 Chiropractic Examiners Board
 Cosmetology 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
 Medical Licensure & Supv., Bd. of
 Mental Health and Sub. Abuse Svc.
 Nursing Homes, Board of Exam. for
 Nursing Board
 Optometry Board
 Osteopathic Examiners Board
 Pharmacy Board
 Psychologists, Bd. of Examiners
 Podiatric Medical Examiners, Bd. of
 Rehabilitative Services
 Social Workers Board, Bd. of Lic.
 Speech-Lang. Pathology & Aud. Bd.
 University Hospitals Authority
Military
 Military Department
Safety and Security
 ABLE Commission
 Attorney General *
 CLEET
 Chem. Tests for Alc/Drug Infl., Bd. of
 Emergency Mgmt, Dept. of
 Corrections Department

District Attorney's Council
 Fire Marshal, State
 Indigent Defense System
 Investigation, Bureau of
 Medicolegal Investigations, Bd. of
 Narcotics & Dang. Drugs, Bureau of
 Pardon and Parole Board
 Public Safety, Department of
Science and Technology
 Center f/t Adv. of Sci. & Technology
 Space Industry Development Auth.
Secretary of State
 Architects Board
 Arts Council
 CompSource Oklahoma
 Election Board
 Engineers & Land Surveyors
 Ethics Commission
 Judicial Complaints, Council on
 Library Department
 Real Estate Commission
 Secretary of State
Tourism
 Historical Society
 Okla. Transportation Authority
 J.M. Davis Memorial Commission
Transportation
 Aeronautics Commission
 Okla. Transportation Authority
 Transportation, Department of
Veterans Affairs
 Veterans Affairs, Department of
Judiciary
 Court of Criminal Appeals
 District Courts
 Supreme Court
 Worker's Compensation Court/Commission
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.

		ACTUAL FY-10	ACTUAL FY-11	ACTUAL FY-12	ACTUAL FY-13	YTD FY-14
Summary by Executive Cabinet Departments						
305	Governor	27.9	27.3	27.2	28.7	27.3
440	Lieutenant Governor	7.7	7.2	4.9	4.5	4.0
	Agriculture	559.9	553.6	532.6	509.0	501.1
	Commerce	1,125.1	1,096.9	1,008.9	969.8	942.4
	Education & Workforce Development (excl.HigherEd)	909.7	818.4	749.1	751.2	762.3
	Energy & Environment	2,039.2	2,024.1	1,976.3	1,987.1	2,032.3
	Finance, Administration & Information Technology	2,163.7	2,052.7	2,147.1	2,593.8	2,718.5
	Health & Human Services	14,846.5	13,994.0	13,662.2	13,321.6	13,489.0
	Military	371.3	341.6	345.8	350.3	337.8
	Safety & Security	8,313.5	7,634.5	7,729.1	7,709.8	7,711.9
	Science & Technology	25.9	21.3	20.4	22.2	22.8
	Secretary of State	503.0	493.9	482.3	470.9	467.8
	Tourism	896.8	816.8	791.6	776.3	822.2
	Transportation	3,048.0	3,011.7	2,942.0	2,898.1	2,923.4
	Veterans Affairs	1,931.1	1,879.9	1,840.6	1,914.6	2,132.9
	Sub-total	36,769.3	34,773.9	34,260.1	34,307.9	34,895.7
	Regents/RUSO/Quartz Mountain	309.8	302.7	297.6	279.2	275.0
	Colleges and Universities	33,427.5	33,215.1	32,111.6	31,524.2	32,239.0
	Sub-total	33,737.3	33,517.8	32,409.2	31,803.4	32,514.0
Total Executive Branch		70,506.6	68,291.7	66,669.3	66,111.3	67,409.6
	Legislature	477.7	412.2	390.5	394.4	382.8
	Judiciary	909.6	898.6	896.4	903.3	910.0
	Sub-total	1,387.3	1,310.8	1,286.9	1,297.7	1,292.8
Grand Total		71,893.9	69,602.5	67,956.2	67,409.0	68,702.5
Total: Excluding Higher Ed.		38,156.6	36,084.7	35,547.0	35,605.6	36,188.5

State Agencies by Executive Cabinet Department

	FY-10	FY-11	FY-12	FY-13	FY-14	
Summary by Executive Cabinet Departments						
AGRICULTURE						
40	Agriculture, Food and Forestry, Dept. of	430.1	426.4	409.5	394.8	393.4
	Commercial Pet Breeders Bd	2.9	2.7	3.0		
39	Boll Weevil Eradication Organization [non-approp]	11.9	10.7	10.3	9.1	7.2
645	Conservation Commission	67.6	67.9	65.1	59.5	57.1
353	Horse Racing Commission	39.0	36.7	35.9	36.6	35.0
535	Peanut Commission [non-approp]	0.9	1.0	1.0	1.0	1.0
790	Veterinary Medical Examiners Bd. [non-approp]	3.5	4.6	4.1	4.9	4.5
875	Wheat Commission [non-approp]	4.0	3.6	3.7	3.1	2.9
	Total	559.9	553.6	532.6	509.0	501.1

COMMERCE						
160	Commerce, Dept. of	151.5	143.4	135.3	133.2	132.3
290	Employment Security Commission (OESC) [non-approp]	759.2	742.7	671.6	644.4	628.1
922	Housing Finance Authority [non-approp]	115.8	117.6	114.7	111.3	109.2
370	Industrial Finance Authority [non-approp]	6.4	6.2	6.4	5.2	6.0
405	Labor Dept.	92.2	87.0	80.9	75.7	66.8
	Total	1,125.1	1,096.9	1,008.9	969.8	942.4

EDUCATION & WORKFORCE DEVELOPMENT (excl.HigherEd)						
800	Career & Technology Education, Dept. of	309.1	287.6	268.4	259.9	255.8
275	Education Quality & Accountability, Office of					4.0
265	Education, State Dept. of	368.2	328.8	283.7	289.1	296.8
266	Educational Television Authority (OETA)	71.5	65.1	58.1	57.3	56.1
619	Physician Manpower Training Commission	6.0	6.0	6.1	6.0	6.0
563	Private Vocational Schools, Bd. of [non-approp]	2.0	1.5	1.6	2.0	2.4
629	School of Science & Mathematics (OSSM)	76.5	61.4	61.1	58.6	56.3
618	Student Loan Authority [non-approp]	66.3	57.8	61.7	72.0	78.3
269	Teacher Preparation, Commission on	10.1	10.2	8.4	6.3	6.6
	Total	909.7	818.4	749.1	751.2	762.3

ENERGY & ENVIRONMENT						
185	Corporation Commission	430.6	424.7	413.9	423.9	443.9
359	Energy Resources Board (OERB) [non-approp]	0.0	0.0	0.0	0.0	0.0
	Marginal Wells Commission	4.0	4.1	4.0	3.3	
292	Environmental Quality, Dept. of (DEQ)	578.4	580.4	521.5	504.6	522.1
980	Grand River Dam Authority (GRDA) [non-approp]	486.8	483.0	494.1	512.3	523.6
307	Interstate Oil Compact Commission i.e. Secretary of Energy & Environment, Office of the [non-approp]	3.0	2.5	3.0	3.2	3.6
445	Liquefied Petroleum Gas Bd. [non-approp]	9.0	9.0	9.8	9.7	9.6
444	LP Gas Research, Marketing & Safety Commission [non-approp]		0.0	0.1	0.1	0.1
125	Mines, Dept. of	33.7	31.9	30.9	30.8	30.8
981	Municipal Power Authority [non-approp]	56.8	57.8	58.7	59.1	58.0

		FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments						
835	Water Resources Bd.	90.0	84.4	91.1	93.9	96.6
320	Wildlife Conservation, Dept. of [non-approp]	346.9	346.3	349.2	346.2	343.9
	Total	2,039.2	2,024.1	1,976.3	1,987.1	2,032.3

FINANCE, ADMINISTRATION & INFORMATION TECHNOLOGY						
300	Auditor & Inspector, State	117.3	116.0	119.2	122.9	122.8
582	Bond Advisor, State	2.0	2.0	2.4	2.9	3.0
635	Consumer Credit, Dept. of	17.2	16.6	19.0	22.0	25.6
385	Insurance Dept.	125.2	120.6	119.4	126.0	127.2
410	Land Office, Commissioners of the	52.5	55.5	54.6	56.4	58.7
90	Management and Enterprise Services, Office of *	675.6	650.3	753.6	1,230.2	1,343.7
	Office of State Finance	172.6	183.9	323.7		
	Central Services, Dept. of	238.2	219.4	207.4		
	Employees Benefit Council	34.8	33.9	25.9		
	Group Health Insurance	168.5	159.5	155.4		
	Personnel Management, Office of	61.5	53.6	41.2		
298	Merit Protection Commission	6.2	6.2	5.1	3.9	4.0
695	Tax Commission	828.3	749.9	751.1	713.9	723.0
740	Treasurer, State	58.9	56.3	48.4	46.1	44.5
	Sub-total	1,883.2	1,773.4	1,872.8	2,324.3	2,452.5

	FY-10	FY-11	FY-12	FY-13	FY-14	
Summary by Executive Cabinet Departments						
FIN, ADMIN & INFO TECH NON-APPROPRIATED						
22	Abstractor Bd.	3.0	2.8	3.0	3.0	2.7
20	Accountancy Bd.	8.4	8.7	10.1	9.9	10.9
65	Banking Dept., State	39.6	40.8	42.1	40.6	41.2
170	Construction Industries Bd.	29.0	28.9	29.9	32.1	32.4
315	Firefighters Pension & Retirement System	9.1	8.7	9.6	10.1	10.2
416	Law Enforcement Retirement System	5.8	5.0	5.0	5.0	5.0
435	Lottery Commission	40.4	38.2	32.6	28.8	27.5
475	Motor Vehicle Commission	3.3	3.3	3.2	3.4	3.8
557	Police Pension & Retirement System	11.0	11.5	11.4	11.7	11.0
515	Public Employees Retirement System	52.0	55.2	56.0	52.3	51.0
630	Securities, Dept. of	25.5	26.1	26.3	26.1	26.1
715	Teachers Retirement System	43.6	39.2	32.4	33.8	32.0
753	Uniform Building Code Commission		1.6	2.9	3.3	2.7
755	Used Motor Vehicle & Parts Commission	9.8	9.3	9.8	9.4	9.5
	Sub-total	280.5	279.3	274.3	269.5	266.1
	Total	2,163.7	2,052.7	2,147.1	2,593.8	2,718.5

HEALTH & HUMAN SERVICES						
	Indian Affairs Commission	2.3	2.0			
127	Children & Youth, Commission on	27.2	27.3	24.8	25.2	24.8
326	Disability Concerns	7.5	6.1	6.0	5.6	6.0
807	Health Care Authority (OHCA)	453.2	450.7	476.7	488.9	518.5
340	Health, Dept. of	2,172.9	2,071.5	2,007.8	1,985.0	2,000.1
830	Human Services, Dept. of	8,103.1	7,549.0	7,438.9	7,187.6	7,310.6
670	J.D. McCarty Center	217.3	231.2	223.2	228.0	228.1
400	Juvenile Affairs, Office of	907.4	771.0	701.3	711.7	730.1
452	Mental Health & Substance Abuse Services, Dept. of	1,895.2	1,773.4	1,688.4	1,635.7	1,637.9
805	Rehabilitative Services, Dept. of	953.4	1,003.4	979.0	934.4	910.0
825	University Hospitals Authority	7.2	8.0	10.8	11.5	13.1
	Sub-total	14,744.4	13,891.6	13,556.9	13,213.6	13,379.1
HHS NON-APPROPRIATED						
448	Alcohol & Drug Counselors, State Bd. of Licensed	1.8	1.7	1.7	1.7	1.7
145	Chiropractic Examiners, Bd. Of	2.7	2.7	1.7	2.0	2.1
190	Cosmetology, Bd. of	12.1	12.1	11.2	11.6	11.3
215	Dentistry, Bd. of	4.0	3.8	4.0	4.0	4.6
285	Funeral Bd.	2.7	3.2	2.7	2.5	2.2
622	Licensed Social Workers, Bd. of	1.5	1.3	1.4	1.5	1.4
509	Long Term Care Administrators, State Bd. of Examiners for	2.6	2.0	3.0	3.0	3.0
450	Medical Licensure & Supervision, Bd. of	21.0	22.1	21.1	19.8	21.5
510	Nursing, Bd. of	26.2	25.8	26.3	26.7	26.1
520	Optometry, Bd. of Examiners in	2.2	2.0	2.2	2.1	2.3
525	Osteopathic Examiners, State Bd. of	5.3	5.1	5.6	5.7	5.9
343	Perfusionists, State Bd. of Examiners of	0.0	0.0	0.0	0.0	0.0

		FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments						
560	Pharmacy, State Bd. of	8.9	9.0	9.4	9.5	10.0
140	Podiatry Medical Examiners, State Bd. of	0.0	0.0	0.0	0.0	0.0
575	Psychologists, Bd. of Examiners of	2.0	2.0	2.0	1.9	1.4
632	Speech Pathology & Audiology, Bd. of Examiners for	2.0	2.0	2.1	2.1	1.8
92	Tobacco Settlement Trust Bd.	7.1	7.6	10.9	13.9	14.6
	Sub-total	102.1	102.4	105.3	108.0	109.9
	Total	14,846.5	13,994.0	13,662.2	13,321.6	13,489.0

MILITARY						
25	Military Department	371.3	341.6	345.8	350.3	337.8

		FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments						
SAFETY & SECURITY						
30	Alcoholic Beverage Laws Enforcement (ABLE) Commission	43.8	42.4	40.3	36.8	37.1
772	Alcohol & Drug Influence, State Bd. of Tests for	6.1	5.0	4.7	3.4	4.5
49	Attorney General	156.9	133.8	160.4	162.9	168.6
	Human Rights Commission	13.9	12.1	11.3	0.0	
131	Corrections, Dept. of	4,653.2	4,150.6	4,265.9	4,263.9	4,212.5
220	District Attorneys Council	1,148.9	1,103.6	1,112.7	1,107.1	1,116.9
309	Emergency Management, Dept. of	26.7	25.0	23.9	26.0	27.5
310	Fire Marshal, Office of State	27.4	23.9	20.9	21.8	22.2
47	Indigent Defense System	118.1	112.6	108.3	99.5	100.2
308	Investigation, State Bureau of (OSBI)	326.5	324.2	308.0	295.0	295.8
415	Law Enforce. Ed. & Training, Council on (CLEET)	45.9	41.9	40.7	40.8	40.5
342	Medical Examiner, Office of the Chief	75.4	73.2	67.4	74.8	82.2
477	Narcotics & Dangerous Drugs Control, Bureau of (OBNDD)	117.4	114.6	122.4	138.6	141.1
306	Pardon and Parole Bd.	38.0	36.7	33.4	31.6	27.8
585	Public Safety, Dept. of	1,515.3	1,434.9	1,408.8	1,407.6	1,434.9
	Total	8,313.5	7,634.5	7,729.1	7,709.8	7,711.9

SCIENCE & TECHNOLOGY						
628	Center for the Advan. of Science & Tech (OCAST)	22.2	18.4	16.6	17.7	18.3
346	Space Industry Development Authority (OSIDA)	3.7	2.9	3.8	4.5	4.5
	Total	25.9	21.3	20.4	22.2	22.8

SECRETARY OF STATE						
390	CompSource Oklahoma [non-approp]	359.1	353.0	344.9	339.7	340.2
270	Election Bd., State	19.4	20.0	19.6	18.5	17.9
	Engineers & Land Surveyors, State Bd. of Licensure for Professional					
570	[non-approp]	8.8	9.5	9.6	9.5	9.6
296	Ethics Commission	6.5	5.7	6.0	4.2	5.1
430	Libraries, Department of	55.8	51.5	46.3	45.9	46.4
	Licensed Architects, Landscape Architects & Registered Interior					
45	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]	17.5	17.0	16.0	15.4	14.6
625	Secretary of State [non-approp]	30.9	32.2	34.9	32.7	29.0
	Total	503.0	493.9	482.3	470.9	467.8

		FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments						
TOURISM						
55	Arts Council	15.4	13.3	12.7	13.9	12.2
350	Historical Society	164.2	153.4	158.4	155.5	157.2
204	J.M.. Davis Memorial Commission	6.3	5.8	5.0	5.1	5.3
568	Scenic Rivers Commission	13.0	11.5	9.9	10.1	10.1
566	Tourism & Recreation, Dept. of	688.3	623.7	595.9	580.3	625.1
880	Will Rogers Memorial Commission	9.6	9.1	9.7	11.4	12.3
	Total	896.8	816.8	791.6	776.3	822.2

TRANSPORTATION						
60	Aeronautics Commission [non-approp]	11.6	10.2	10.1	10.2	10.8
345	Transportation, Dept. of (ODOT)	2,459.0	2,426.0	2,352.6	2,323.2	2,380.0
978	Turnpike Authority [non-approp]	577.4	575.5	579.3	564.7	532.6
	Total	3,048.0	3,011.7	2,942.0	2,898.1	2,923.4

VETERANS AFFAIRS						
650	Veterans Affairs, Dept. of	1,931.1	1,879.9	1,840.6	1,914.6	2,132.9

NON-EXECUTIVE ENTITIES

LEGISLATURE						
422	House of Representatives	277.3	251.8	233.2	230.8	223.5
423	Legislative Service Bureau	10.5	8.5	6.4	6.2	5.5
421	State Senate	189.9	151.9	150.9	157.4	153.8
	Total	477.7	412.2	390.5	394.4	382.8


JUDICIARY						
199	Criminal Appeals, Court of	29.5	28.5	29.6	28.1	27.9
219	District Courts	626.3	621.6	619.6	618.3	613.2
369	Workers' Compensation Court	76.7	72.5	72.4	72.4	73.0
677	Supreme Court/Court of Appeals	177.1	176.0	174.8	184.5	196.0
	Total	909.6	898.6	896.4	903.3	910.0

		FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments						
HIGHER EDUCATION						
State Regents						
620	Quartz Mountain Resort Arts & Conference Center	14.4	15.6	13.9	14.3	29.3
605	State Regents For Higher Education	289.5	280.8	277.8	258.7	239.6
610	Regional University System of Oklahoma	5.9	6.3	5.9	6.2	6.1
	Total	309.8	302.7	297.6	279.2	275.0
University of Oklahoma						
760	University of Oklahoma	7,344.5	7,307.8	7,282.9	7,242.9	7,217.1
770	OU - Health Science Center	5,533.3	5,626.7	5,821.1	5,865.2	6,377.3
771	OU - Health Science Professional Practice Plans	396.4	420.3	646.7	890.2	936.1
	Sub-total	13,274.2	13,354.8	13,750.7	13,998.3	14,530.5
Oklahoma State University						
10	Oklahoma State University (all branches)	8,216.7	8,199.8	6,675.7	6,288.1	7,610.4
	Sub-total	8,216.7	8,199.8	6,675.7	6,288.1	7,610.4
Other College and University						
100	Cameron University	608.6	602.0	655.6	552.2	498.5
108	Carl Albert State College	743.7	264.5	276.7	267.3	238.7
165	Connors State College	208.9	218.8	188.1	198.0	175.1
230	East Central University	592.0	581.5	585.7	587.1	564.7
240	Eastern Oklahoma State College	226.2	226.1	215.9	202.8	162.7
420	Langston University	476.7	461.3	434.2	440.4	421.3
470	Murray State College	179.3	171.5	172.6	204.9	196.7
480	Northeastern Oklahoma A & M College	297.2	279.9	252.8	242.0	253.0
485	Northeastern State University	1,146.6	1,192.5	1,182.6	1,185.1	1,078.5
490	Northern Oklahoma College	361.5	361.5	364.2	345.0	314.4
505	Northwestern Oklahoma State Univ.	320.8	319.4	333.5	328.8	317.1
530	Oklahoma Panhandle State University	165.9	164.9	147.4	163.8	164.4
241	Redlands Community College	196.7	202.6	209.1	210.7	179.0
461	Rogers State University	405.8	410.0	393.8	398.1	377.5
531	Rose State College	558.5	587.0	456.7	503.5	476.3
623	Seminole State College	174.1	173.5	170.4	168.8	157.5
633	Oklahoma City Community College	758.1	848.4	890.5	732.6	432.1
660	Southeastern Oklahoma State University	541.5	542.1	550.3	537.2	515.7
665	Southwestern Oklahoma State University	761.2	772.4	768.3	754.6	718.2
750	Tulsa Community College	1,393.7	1,400.3	1,496.7	1,305.1	881.7
758	University Center at Ponca City				7.0	8.5
606	University Center of Southern Oklahoma	13.7	13.6	15.3	16.4	17.1
120	University of Central Oklahoma	1,462.6	1,513.8	1,563.8	1,516.5	1,614.0
150	University of Science and Arts of Oklahoma	175.8	185.8	188.6	191.9	187.0
41	Western Oklahoma State College	167.5	167.1	172.4	178.0	148.4
	Sub-total	11,936.6	11,660.5	11,685.2	11,237.8	10,098.1
Total - College & University		33,427.5	33,215.1	32,111.6	31,524.2	32,239.0

	FY-10	FY-11	FY-12	FY-13	FY-14
Summary by Executive Cabinet Departments					
Grand Total	71,893.9	69,602.5	67,956.2	67,409.0	68,702.5

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 \$25 thousand 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 10% 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).