

FIREFIGHTERS PENSION AND RETIREMENT BOARD

MISSION STATEMENT

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

THE BOARD

The Oklahoma Firefighters Pension and Retirement Board consists of thirteen members. Five are members of the Board of Trustees of the Oklahoma Firefighters Association; one member is the President of the Professional Firefighters of Oklahoma or his designee; one member is the President of the Oklahoma State Retired Firefighters Association or his designee; one member is appointed by the Speaker of the House of Representatives; one member is appointed by the President Pro Tempore of the Senate; two members are appointed by the President of the Oklahoma Municipal League; one member is the State Insurance Commissioner or his designee; and one member is the Director of State Finance or his designee. Members serve terms of two to five years.

DUTIES/RESPONSIBILITIES

The Board administers a pension system to serve its membership which is comprised of all municipal firefighters both full-time and volunteer. The Board is charged with the responsibility of approval of retirement benefits, refund of contributions, and applications for entrance into the pension system. The board is responsible for collecting all contributions from members, the state and the municipalities. The Board acts as the trier of fact in all disability cases and formulates rules and regulations in accordance with the law. The board also determines the actuarial needs of the system.

In order to fulfill their fiduciary responsibilities, the board hires an actuary, who makes an annual evaluation which is submitted to the Governor and the Legislature. The Board hires investment managers to ensure that the assets of the fund are being invested at all times. Investment measurement is provided by an outside investment measurement firm which compares the management of funds and investment rate of return of the system against similar funds and trusts.

The Board hires an executive director to administer the pension plan. The director in turn hires a staff who keeps all records on members, retirees and contribution sources. The agency also monitors the investments of the system daily. Finally, the staff acts as information officer to all members and the public and acts as liaison between the board and the professionals hired by the board.

STATUTORY REFERENCES

Statutory Reference: Title 11, Sections 49-100.1 et seq, of the Oklahoma Statutes.

FY-97 EXECUTIVE BUDGET

PERFORMANCE CRITERIA / SERVICES PROVIDED				
Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
Participants:				
Active duty firefighters	9,778	9,828	9,858	9,889
Pensioners	6,253	6,727	6,920	7,000
Retirement checks processed	76,400	76,908	78,000	79,000
Applications processed:				
Pension benefits	214	434	500	550
Refund of contributions	23	39	50	55
Entrants into system (active & volunteer)	473	551	600	625
Continuation of pension benefits (spouse & children)	97	108	110	115
Monthly contribution prelist from cities:				
Prelists	2367	2418	2469	2490
Firefighters Contributions	\$8,080,362	\$8,249,401	\$8,400,000	\$8,500,000
Yearly volunteer city contributions				
Prelist	\$386	\$394	\$410	\$420
Unfunded Liability beginning fiscal year	\$348,000	\$315,340	\$330,000	\$340,000
Benefits Paid	\$47,102,932	\$59,534,221	\$62,000,000	\$64,000,000

EXPENDITURES BY FUND			
Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds:	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 Firefighters Retirement Revolving Fund	3,549,971	4,023,367	5,134,024
Federal Funds:	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures by Fund	<u>\$3,549,971</u>	<u>\$4,023,367</u>	<u>\$5,134,024</u>

EXPENDITURES BY OBJECT			
Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$390,571	\$409,992	\$440,929
Professional Services	2,953,289	3,436,788	4,433,375
Lease-Purchase Expenditures			
Travel	20,826	18,197	33,000
Equipment	21939	13797	32000
Payments to local Government Sub-divisions	9,870	3,239	9,296
Rent	20,184	21,115	22,000
Other Data Processing	72,184	61,377	80,000
Other Operating Expenses	<u>61,108</u>	<u>58,862</u>	<u>83,424</u>
Total Expenditures by Object	<u>\$3,549,971</u>	<u>\$4,023,367</u>	<u>\$5,134,024</u>

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
01 General Administration	\$3,477,787	\$3,961,990	\$5,054,024
88 Data Processing	72,184	61,377	80,000
Total Expenditures by Activity	<u>\$3,549,971</u>	<u>\$4,023,367</u>	<u>\$5,134,024</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
01 General Administration	10.0	10.0	10.0
Total FTE	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>
Number of Vehicles	0	0	0

STATE INSURANCE FUND

MISSION STATEMENT

The mission of the Directors and Employees of the Oklahoma State Insurance Fund is to furnish Oklahoma employers a financially stable, workers' compensation insurance program at the lowest possible cost while providing maximum service and assistance.

THE BOARD

The Board of Managers of the State Insurance Fund is comprised of nine (9) members. Four of the members serve ex officio. They are: the Director of State Finance or a designee; the Lieutenant Governor or a designee; the State Auditor and Inspector or a designee; and the Director of Central Purchasing of the Office of Public Affairs. The Governor makes one appointment, the Speaker of the House of Representatives appoints two members; and the President Pro Tempore of the Senate appoints two members.

The Board of Managers of the State Insurance Fund has full power and authority to fix and determine the rates to be charged by the State Insurance Fund for insurance.

DUTIES / RESPONSIBILITIES

The State Insurance Fund was created by the Oklahoma Legislature in 1933, without liability on the part of the State beyond the amount of said Fund. The purpose of the Fund is to provide Workers' Compensation Insurance for the employers throughout the state of Oklahoma. It was the intent of the Legislature that the State Insurance Fund neither make nor lose money in its operation.

The State Insurance Fund writes Workers' Compensation Insurance and has Administration, Financial Services, Policyholder Services, Claims, Legal, Special Services, Telecommunications and Data Processing Divisions. SIF also administers the Special Indemnity Fund on behalf of all Oklahoma Insurance carriers. The Fund is supervised by the Board of managers consisting of an appointee of the Governor, the Lieutenant Governor, the State Auditor and Inspector, the State Purchasing Director, the Director of State Finance, two appointees of the Speaker of the House and two appointees of the Senate President Pro Tempore. The Fund is administered by the Commissioner who is appointed by the Board of Managers. The Fund is a Revolving Fund and consists of all premiums received for insurance issued, all property and securities acquired by and through the use of monies belonging to the Fund and all earnings upon monies invested.

STATUTORY REFERENCES

Title 85, Section 131 et seq, of the Oklahoma Statutes.

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 - Revolving Fund	24,297,707	26,327,615	32,495,063
Federal Funds:	0	0	0
Total Expenditures by Fund	<u>\$24,297,707</u>	<u>\$26,327,615</u>	<u>\$32,495,063</u>

FY-97 EXECUTIVE BUDGET

CAPITAL OUTLAY and SPECIAL PROJECTS

Fund No. and Name:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
200 State Insurance Fund	1,751,198	1,121,865	0
Total Capital Outlay Expenditures	\$1,751,198	\$1,121,865	\$0

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	15,388,314	17,014,734	20,427,063
Professional Services	3,936,184	4,253,594	6,575,000
Travel	343,617	358,064	370,000
Lease-Purchase Expenditures	16,788	7,196	11,500
Equipment	1,691,157	1,288,524	1,322,500
Other Operating Expenses	2,921,647	3,405,503	3,789,000
Total Expenditures by Object	\$24,297,707	\$26,327,615	\$32,495,063

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
01 - Administration			
00001 Administration	5,695,238	5,597,063	6,162,999
00002 Financial Services	723,443	759,948	977,000
00006 Special Services	1,794,368	2,014,111	2,071,000
00007 Special Indemnity	529,212	504,695	684,997
00008 Telecommunications		541,015	545,000
00088 - Data Processing	3,225,080	2,480,091	2,848,069
03 - Policy Holder Services	3,639,286	3,682,272	4,624,998
04 - Claims	5,153,364	6,173,079	9,299,000
05 - Legal	3,537,716	4,575,341	5,282,000
Total Expenditures by Activity	\$24,297,707	\$26,327,615	\$32,495,063

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Operations	124	115	137
Policyholder Services	76	85	101
Benefits	239	285	318
Total FTE	439	485	556

Number of Vehicles	0	0	0
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OKLAHOMA LAW ENFORCEMENT RETIREMENT BOARD

MISSION STATEMENT

The mission of the Board of Trustees of the Oklahoma Law Enforcement Retirement System, acting within their fiduciary capacity, is to ensure that all members who contribute to the system will find upon retirement adequate funds to meet the benefits guaranteed them by directing investment of the funds of the system attempting to maximize gains, minimize losses and protect the trust.

THE BOARD

The Oklahoma Law Enforcement Retirement Board is composed of the Assistant Commissioner of Public Safety; the Director of State Finance, or his designee; three members appointed by the Governor (one is to be a retired member of the system); two members of the Highway Patrol Division; one member of the Communications Division; one member of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control; one member of the Oklahoma State Bureau of Investigations; one member of the Alcoholic Beverage Laws Enforcement Commission, elected by and from the membership of the System. In addition, one member is appointed by the Speaker of the House of Representatives and one member is appointed by the President Pro Tempore of the State Senate. All elected representatives serve three-year terms while appointed members serve four-year terms.

DUTIES / RESPONSIBILITIES

The Board is responsible for providing retirement benefits to all retirees. It collects contributions from members, the state and all dedicated revenue sources. The Board hears all disability cases and formulates rules and regulations in accordance with the law. The board also determines the actuarial needs of the system.

In order to fulfill their fiduciary responsibilities the board hires an actuary who makes an annual evaluation which is submitted to the Governor and the Legislature. The Board hires investment managers to ensure that the assets of the fund are being adequately invested at all times. Investment measurement is provided by an outside investment measurement firm which compares the management of funds and investment rates of the system against similar funds and trusts.

The Board hires an executive director to administer the pension plan. The director in turn hires a staff who keeps all records on members and retirees and all contribution sources. The agency also monitors the investments of the system daily. Finally the staff acts as information officer to all members and the public and acts as liaison between the board and the professionals hired by the board.

STATUTORY REFERENCES

Statutory Reference: Title 47, Section 2-300 et seq, of the Oklahoma Statutes.

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
Participants				
Active	1,290	1,166	1,300	1,400
Retirees	692	704	715	800
Applications processed				
Benefit payments	8,160	8,350	8,400	8,600
Refund of benefits	17	31	35	40
New entrants	86	75	80	85
Benefits Paid	\$12,500,000	\$12,597,771	\$13,860,000	\$16,000,000

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds:	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 Law Enforcement Retirement Rev. Fd.	1,230,730	1,642,022	1,923,100
Federal Funds:	0	0	0
Total Expenditures by Fund	<u>\$1,230,730</u>	<u>\$1,642,022</u>	<u>\$1,923,100</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$101,172	\$96,933	\$102,950
Professional Services	1,103,851	1,520,359	1,773,350
Travel	7,150	6,424	17,100
Lease-Purchase Expenditures	0		600
Equipment	5,267	2,132	7,200
Other	13,290	6,430	
Other Operating Expenses		9,744	21,900
Total Expenditures by Object	<u>\$1,230,730</u>	<u>\$1,642,022</u>	<u>\$1,923,100</u>

EXPENDITURES BY BUDGET ACTIVITY/SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 General Administration	\$1,184,095	\$1,596,625	\$1,871,022
88 Data Processing	46,635	45,398	52,078
Total Expenditures by Activity	<u>\$1,230,730</u>	<u>\$1,642,023</u>	<u>\$1,923,100</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 General Administration	2.0	1.8	2.0
88 Data Processing	1.0	1.0	1.0
Total FTE	<u>3.0</u>	<u>2.8</u>	<u>3.0</u>
Number of Vehicles	0	0	0

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

MISSION STATEMENT

The mission of the Oklahoma Public Employees Retirement System is to maintain an accountable and financially sound program that provides comprehensive retirement benefits for its members.

THE BOARD

The Board of Trustees consists of thirteen appointed members, some by position and some by association. Those serving through position are the Chairman of the Corporation Commission, the Administrator of the Office of Personnel Management, the State Insurance Commissioner, the Director of State Finance, and the Secretary of the Tax Commission. Of the remaining members three are appointed by the Governor, one is appointed by the Supreme Court, two are appointed by the Speaker of the House of Representatives and two are appointed by the President Pro Tempore of the Senate. The restrictions on these appointments state that one member appointed by the Governor is an active member of OPERS, one member appointed by the Speaker of the House of Representatives is also an active member of OPERS and one member appointed by the President Pro Tempore of the Senate is a retired member of OPERS. The appointed members serve four year terms, but the Governor's appointments are coterminous with his term of office. Qualifications for two of the Governor's appointees, one of the Speaker's appointees and one of the President Pro Tempore's appointees include having experience in investment management, pension management, public fund management, the banking profession, a license to practice law or a license to be an accountant and a balance of these qualifications is considered in the appointments process.

DUTIES / RESPONSIBILITIES

The Public Employees Retirement System is made up of members from state and local governments, correctional officers and elected officials. The Public Employees Retirement System is administered by a thirteen-member Board of Trustees that is responsible for policies and rules of the system. The Board appoints the Executive Director who is responsible for the management and administration of the system. The Board retains qualified investment counselors to assist and provide for the judicious investment of funds. The Board retains qualified investment counselors to assist and provide for the judicious investment of funds. The Board also administers the Uniform Retirement System for Justices and Judges and Oklahoma State Deferred Compensation Plan.

The Oklahoma Judicial Retirement System was created to provide a uniform retirement system for Justices and Judges. The Board of Trustees of The Oklahoma Public Employees Retirement System has also been entrusted with the responsibility for management of The Uniform Retirement System for Justices and Judges.

The Oklahoma State Employees Deferred Compensation Plan enables employees of the State to participate in voluntary tax-sheltered income deferral plans authorized by the United States Internal Revenue Code. This plan permits employees to obtain the advantages inherent in such plans relative to the income tax treatment of the contributions and disbursements made pursuant to such tax-sheltered voluntary income deferral plans.

STATUTORY REFERENCES

Statutory Reference: Title 74, Sections 901-943, Sections 1701-1705 and Title 20, Sections 1101-1112 of the Oklahoma Statutes.

FY-97 EXECUTIVE BUDGET

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
PUBLIC EMPLOYEES RETIREMENT				
Enrollment applications processed	3,738	4,356	4,400	4,400
Retire. notice & applications processed	1,031	1,214	1,100	1,100
Withdrawal applications processed	3,117	2,748	3,000	3,000
Death benefits processed	593	540	600	600
Refunds processed	0	140	150	150
Retiree warrants processed	116,037	203,309	209,309	215,309
Benefits Paid	\$140,780,790	\$152,108,343	\$154,823,343	\$157,538,343
JUDICIAL RETIREMENT				
Enrollment applications processed	10	7	7	7
Withdrawal applications processed	6	15	5	5
Death benefits processed	8	4	2	2
Retiree warrants processed	1,700	1,731	1,740	1,740
Retirement elections processed	5	17	5	5
Benefits Paid	\$3,003,301	\$3,311,529	\$3,350,000	\$3,375,000
EMPLOYEES DEFERRED COMPENSATION PLAN				
Enrollment applications processed	3,593	4,905	5,160	6,000
Discontinuance of participation requests processed	518	293	400	450
Vouchers processed	257	272	350	422
Death benefits processed	36	29	50	70
Retirements Processed	298	219	300	350
Financial hardship cases	98	156	200	250
Refunds granted	0	0	0	0

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds:	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 Public Empl. Retirement Rev. Fund	8,578,925	8,816,830	11,514,484
900/ASA Ok. Pub. Empl. Ret. Fund	276,022,345	271,301,205	309,533,924
920/ASA St. Judicial Retirement Fund	6,888,882	6,164,380	6,146,920
Federal Funds:	0	0	0
Total Expenditures by Fund	<u>\$291,490,152</u>	<u>\$286,282,415</u>	<u>\$327,195,328</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	1,411,295	1,427,801	1,620,345
Professional Services	6,883,483	6,746,776	9,263,189
Travel	16,747	23,035	30,000

FY-97 EXECUTIVE BUDGET

Lease-Purchase Expenditures	0	0	0
Equipment	17,159	333,292	143,500
Other Operating Expenses	250,241	285,792	457,450
Benefit payments	143,238,579	142,327,722	163,105,344
Refunds, Indemn., Restitution	0	1,615,240	1,192,096
Program Reim., Litigation	3,667,527	4,236,082	4,481,392
Transfers - Agency	1,674,466	124,482	0
Transfers - NTC	<u>134,330,655</u>	<u>129,162,194</u>	<u>146,902,012</u>
Total Expenditures by Object	<u>\$291,490,152</u>	<u>\$286,282,416</u>	<u>\$327,195,328</u>

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 General Operations	8,177,686	8,111,966	10,839,911
30 OPERS Benefit Payments	276,022,345	271,301,205	309,533,924
40 Judicial Benefit Payments	6,888,882	6,164,380	6,146,920
88 Data Processing	<u>401,239</u>	<u>704,864</u>	<u>674,573</u>
Total Expenditures by Activity	<u>\$291,490,152</u>	<u>\$286,282,415</u>	<u>\$327,195,328</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 General Operations	30.1	31.4	33.0
88 Data Processing	<u>8.1</u>	<u>6.8</u>	<u>9.0</u>
Total FTE	<u>38.2</u>	<u>38.2</u>	<u>42.0</u>
Number of Vehicles	0	0	0

POLICE PENSION AND RETIREMENT BOARD

MISSION STATEMENT

The mission of the Trustees is to oversee the administration of the Police Pension and Retirement System and to ensure that adequate funds are maintained to meet it's financial obligations to it's entire membership. In directing the investments of the System's funds, the Board seeks to maximize gains, minimize losses and protect the Trust.

THE BOARD

The Oklahoma Police Pension and Retirement Board is a thirteen-member Board. Seven board members are elected by members of the system (six are active police officers, one from each state board district, the seventh elected member is a retired member of the system). Four board members are appointed by the following appointing authorities: one member each is appointed by the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the State Senate, and the President of the Oklahoma Municipal League. The State Insurance Commissioner or his designee and the Director of State Finance or his designee are the remaining two board members. The members serve four-year terms with the Governors appointments being coterminous with the Governors term of office.

DUTIES / RESPONSIBILITIES

The board provides retirement benefits to all retirees. The board collects contributions from municipal police officers, municipalities, and the insurance premium tax. The board invests funds of the system and acts as the trier of fact in all disability cases brought before it. The board formulates rules and regulations in accordance with the law and disseminates information to the participating municipalities and members of the system.

In order to fulfill their fiduciary responsibilities the board hires an actuary who makes an annual evaluation which is submitted to the Governor and the Legislature. The Board hires investment managers to ensure that the assets of the fund are being adequately invested at all times. Investment measurement is provided by an outside investment measurement firm which compares the management of funds and investment rates of return of the system against similar funds and trusts.

The Board hires an executive director to administer the pension plan. The director in turn hires a staff who keeps all records on members and retirees and all contribution sources. The agency also monitors the investments of the system daily. Finally the staff acts as information officer to all members and the public and acts as liaison between the board and the professionals hired by the board.

STATUTORY REFERENCES

Statutory Reference: Title 11, Section 50-101 et seq, of the Oklahoma Statutes.

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
Participating active duty police officers	3,750	3,858	3,958	4,057
Retirement Checks Paid	18,349	18,781	19,250	19,731
Members receiving pensions	1,541	1,584	1,623	1,664
Refund applications processed	129	150	153	157
Member cities and towns	107	108	108	108
Benefits Paid	\$26,358,602	\$32,382,740	\$33,192,309	\$34,022,116

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds:	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 Police Pension Revolving Fund	2,994,508	3,197,221	3,986,384
Federal Funds:	0	0	0
Total Expenditures by Fund	<u>\$2,994,508</u>	<u>\$3,197,221</u>	<u>\$3,986,384</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	258,088	270,848	299,638
Professional Services	2,424,397	2,682,468	3,382,445
Travel	4,062	16,778	26,580
Lease-Purchase Expenditures	0	0	0
Equipment	2,168	27,543	125,000
Other Operating Expenses	305,793	199,584	152,721
Total Expenditures by Object	<u>\$2,994,508</u>	<u>\$3,197,221</u>	<u>\$3,986,384</u>

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Operations/Administration	2,952,834	3,166,348	3,931,384
88 Data Processing	41,673	30,873	55,000
Total Expenditures by Activity	<u>\$2,994,507</u>	<u>\$3,197,221</u>	<u>\$3,986,384</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Operations/Administration	6.0	6.0	6.2
Total FTE	<u>6.0</u>	<u>6.0</u>	<u>6.2</u>
Number of Vehicles	0	0	0

TEACHERS' RETIREMENT SYSTEM

MISSION STATEMENT

The mission of the Trustees is to oversee the administration of the Teachers' Retirement System and to ensure that adequate funds are maintained to meet its financial obligations to its entire membership. In directing the investments of the System's funds, the Board seeks to maximize gains, minimize losses and protect the Trust.

THE BOARD

The Board of Trustees is comprised of thirteen members. The State Superintendent of Public Instruction, The Director of State Finance, and the Director of Vocational and Technical Education who all serve as ex officio members. The Governor appoints six members and the Speaker of the House of Representatives and the President Pro Tempore of the Senate appoint two each. Four of the Governors appointees meet general requirements such as experience in pension systems, finance, investment management or banking or having a license to practice law or a license of accountancy. Two of the Governors' appointees are divided so that one member is from an institution of Higher Education and one is a representative from the System's support personnel membership within the state. The appointees of the President Pro Tempore of the Senate and the Speaker of the House of Representatives are divided such that each appoints an active classroom teacher and a retired classroom teacher. All members serve four-year terms.

DUTIES / RESPONSIBILITIES

General administrative responsibility for the proper operation of the System and effective implementation of law are vested in the Board of Trustees. The Board is charged with the responsibility to collect all contributions from the members, the school districts, and dedicated revenue sources. Generally, all teachers, administrators and other "classified" public education employees are required to participate in the Teachers' Retirement System, while membership is optional for support or "non-classified" personnel.

The Board of Trustees establishes rules and regulations for the administration of funds of the System and has authority to employ an Executive Secretary who is the executive officer of the Board. The Executive Secretary prepares a budget of the operation of the Teachers' Retirement System, subject to the approval of the Board of Trustees.

Actuarial services are provided by an actuary hired by the Board of Trustees. The actuary makes annual evaluations which are submitted to the Governor and the Legislature each legislative session.

Investment counselors are hired on a contract basis and all funds and investments are monitored on a daily basis; investment measurement is provided by an outside investment measurement firm which compares the management of funds and investment rates of return of the System against other funds and trusts of approximate size.

The agency is the administrative arm of the board. It collects and maintains all records on members, retirees, and contributions to the system; monitoring investments daily. The agency also acts as information officer to the membership and the public and acts as liaison to the professionals hired by the Board. The Teachers' System is unique, among statewide retirement systems in that it has its own internal short term cash management program. This programs' rate of return is measured by the outside professionals that measure the other management firms hired by the board. The duration of the investment instruments are designated by the Board.

STATUTORY REFERENCES

Statutory Reference: Title 70, Section 17-101 et seq. of the Oklahoma Statutes.

FY-97 EXECUTIVE BUDGET

PERFORMANCE CRITERIA / SERVICES PROVIDED				
Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
Membership				
Net membership	87,047	89,219	90,000	92,000
Enrollment applications processed	6,783	8,271	8,000	8,000
Withdrawal applications processed	2,601	2,881	3,000	3,000
Death claims processed	168	107	150	150
Retirements				
Net retirees	28,012	29,007	30,000	31,000
Regular retirement contracts processed	1,837	1,876	2,000	2,000
Disabilities processed (retired)	68	82	80	90
Death claims processed	1,090	1,037	1,200	1,300
Tax Deferred Annuity Program				
Number of contracts	6,122	6,113	6,100	6,100
Number receiving monthly payments	212	207	250	250
Withdrawals processed	1,359	1,999	1,500	1,500
Insurance				
Group insurance contracts for retired members	22,069	22,393	24,000	25,000
Benefits Paid	\$344,536,252	\$372,394,343	\$387,000,000	\$407,000,000
Withdrawals and Death Benefits Paid	\$24,414,591	\$36,611,150	\$27,000,000	\$27,000,000

EXPENDITURES BY FUND			
Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds:	\$0	\$0	\$0
State Continuing/Revolving Funds:			
200 Teachers Retirement Revolving Fund	7,211,665	8,376,027	9,631,443
Federal Funds:	0	0	0
Total Expenditures by Fund	<u>\$7,211,665</u>	<u>\$8,376,027</u>	<u>\$9,631,443</u>

EXPENDITURES BY OBJECT			
Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$1,325,379	\$1,328,512	\$1,391,854
Professional Services	5,348,161	6,433,280	7,453,139
Travel	34,671	44,931	60,500
Lease-Purchase Expenditures	0	0	0
Equipment	15,376	48,042	74,700
Other - Rent	137,731	129,822	129,500
Other Operations	<u>360,347</u>	<u>391,440</u>	<u>521,750</u>
Total Expenditures by Object	<u>\$7,221,665</u>	<u>\$8,376,027</u>	<u>\$9,631,443</u>

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
00 General Administration			
00001 General Administration	\$1,007,607	\$1,104,437	\$1,193,424
00002 Financial Division	5,385,269	6,495,942	7,570,103
00003 Benefits Division	563,452	514,865	530,815
88 Data Processing	<u>255,337</u>	<u>260,782</u>	<u>337,101</u>
Total Expenditures by Activity	<u>\$7,211,665</u>	<u>\$8,376,026</u>	<u>\$9,631,443</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Total FTE	<u>39.0</u>	<u>39.0</u>	<u>39.0</u>
Number of Vehicles	0	0	0

STATE AUDITOR AND INSPECTOR

MISSION STATEMENT

The mission of the Oklahoma State Auditor and Inspector is to support, educate and audit state agencies and local government subdivisions, and to report on the administration of public funds by elected and appointed officials throughout the state.

DUTIES / RESPONSIBILITIES

The office of the State Auditor and Inspector was created by amendment of the Oklahoma Constitution that merged the offices of the State Auditor and the State Examiner and Inspector.

In addition to its other annual and biennial duties, the Office of the State Auditor and Inspector performs the following:

1. Audits all federal grants to state agencies in compliance with the federal "Single Audit" Act.
2. Prescribes forms for the County Law Library Board of Trustees;
3. Prescribes, enforces and instructs all state, public educational, charitable, penal and reformatory institutions in correct methods of keeping financial accounts;
4. Prescribes a uniform system of bookkeeping for all county officials and instructs all county officers in the proper method of keeping accounts;
5. Prescribes forms for annual accounting of each Water Conservancy District in the state.
6. Upon agreement, prescribes and enforces cost-effective methods of operating for any governmental entity and instructs officers in the performance of their duties;
7. Provides uniform computer systems development, including computer software for county government;
8. Reviews alternate accounting procedures for counties utilizing electronic data processing
9. Receives and maintains all internal audit reports on all state agencies, departments, boards and commissions
10. Receives and maintains independent audit reports of the Department of Commerce
11. Receives and maintains all annual reports of fees charged, collected and received by self sustaining boards
12. Receives and maintains the annual audits of all public trusts in the state and establishes standards for such audits
13. As Secretary of the State Board of Equalization, the State Auditor and Inspector receives and maintains all audits and budgets filed by counties, school districts, cities and towns, and regional water distribution districts
14. Examines for compliance with state law and the state constitution all levies to raise public revenue
15. Reviews all applications by public accountants and certified public accountants and approves qualified accountants to perform audits on public entities
16. Administers the Oklahoma Abstractor's Law
17. Review all audits of public entities filed in its office to ensure compliance with the statutory standards.
18. Perform a quality control review of the internal audit functions required by each board of regents of institutions of higher education at least once every three years.

STATUTORY REFERENCES

Articles V, VI and X, Oklahoma Constitution; Title 74, Section 212 et seq.

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
STATEWIDE CRITERIA				
County government	77	77	77	77
State agencies, boards & commissions	107	107	107	107
Tag Agents				
AUDITS AND REPORTS BY DIVISION				
County government	163	259	250	250
State agencies, boards & commissions				
University, College, Vo-tech, Comm Ed	43	78	100	100
Tag Agents	47	0	0	0
Performance Audits	0	2	0	0
Special audits & investigations	28	27	30	40

FY-97 EXECUTIVE BUDGET

ABTRACTOR'S LICENSING AND REGISTRATION

Certificates of authority to operate an abstract plant issued	137	136	136	136
Individual abstractor's licenses issued	795	989	990	990
Permits to build abstract plants issued	0	0	1	0
Individual abstractor's tests administered	76	119	77	78

BOARD OF EQUALIZATION

Annual budgets filed (approx.)	1,500	1,500	1,500	1,500
Public service companies assessed	260	303	300	300
County abstracts certified	77	77	77	77

AUDIT REPORTS FILED (Title 74, O.S.1991,Sec.212A) and (Title 60,O.S.1991,Sec.180.1-180.2)

Cities and Towns	581	584	613	613
Schools	502	581	581	581
Colleges & Universities	23	25	25	25
Public Trusts,	925	940	1007	1007
None Filed	74	67	0	0
Hospital Authorities	97	59	60	60
None Filed	5	0	0	0
County Hospitals	16	18	18	18
None Filed	0	1	1	1

MANAGEMENT SERVICES DIVISION

County officer meetings and seminars held	12	17	15	15
Bulletins issued	24	30	40	40
Number of Legislative bills distributed to county officers	60	60	50	50
New forms and revisions	14	13	15	15

COMPUTER SUPPORT DIVISION

County assessor system installations	56	5	0	0
Co. treasury system installations	28	15	10	5
Electronic data processing reviews	0	5	12	15

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds	\$3,791,925	\$4,060,337	\$4,176,576
State Continuing/Revolving Funds:			
200 Revolving Fund	3,500,661	3,652,169	4,000,000
205 Mass Appraisal Implementation Rev. Fd.	501,274	0	0
215 State Pension Commission Revolving Fd.	140,113	152,136	170,000
443 Interagency Reimbursements	15,215	0	0
495 Sales	0	156	0
Total Revolving Fund Expenditures	<u>4,157,263</u>	<u>3,804,461</u>	<u>4,170,000</u>
Federal Funds:			
Total Expenditures by Fund	<u>\$7,949,188</u>	<u>\$7,864,798</u>	<u>\$8,346,576</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$6,181,506	\$6,444,513	\$7,061,086
Professional Services	194,864	168,706	223,000
Travel	353,944	297,936	251,144
Equipment	47,895	196,132	115,700
Payments to Local Government Subdivisions	443,221	0	0
Other Operating Expenses	<u>727,758</u>	<u>757,511</u>	<u>695,646</u>
Total Expenditures by Object	<u>\$7,949,188</u>	<u>\$7,864,798</u>	<u>\$8,346,576</u>

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Administration \ Data Processing			
00002 Administration	\$2,133,821	\$2,029,644	\$2,201,514
00004 Data Processing	333,964	548,953	463,392
Administration\Data Proc. Sub-total	2,467,785	2,578,597	2,664,906
13 Abstractor Registration	\$79,418	\$88,391	\$109,259
15 Commission on County Gov.	297,510	399,866	383,591
21 County Audits	1,733,025	1,799,996	1,970,343
22 State Audits	2,226,598	2,265,519	2,451,640
23 Special Audits	488,251	580,293	596,837
Audits Sub-total	\$4,824,802	\$5,134,065	\$5,511,670
30 Pension Commission	\$140,113	\$152,136	\$170,000
40 Ad Valorem Task Force	Transferred to Tax Commission effective July 1, 1993		
00002 Operations	501,273		
00004 Computer Support	0		
00009 Pipeline Pilot Study	15,215		
Ad Valorem Task Force Sub-total	\$516,488	\$0	\$0
Total Expenditures by Activity	\$7,949,188	\$7,864,798	\$8,346,576

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Administration \ Data Processing	39.1	44.5	47.5
13 Abstractor Registration	2.0	2.6	2.0
15 Commission on County Gov.	0.0	0.0	0.0
21 County Audits	39.9	37.9	46.0
22 State Audits	56.9	57.7	62.0
23 Special Audits	10.7	14.4	12.0
30 Pension Commission	1.0	1.0	1.0
40 Ad Valorem Task Force	Transferred to Tax Commission effective July 1, 1993		
00002 Operations/C S D	0.0		
Total FTE	149.6	158.1	170.5
Number of Vehicles	0	0	0

OFFICE OF STATE FINANCE

MISSION STATEMENT

The mission of the Office of State Finance is to ensure that state financial, data processing, and telecommunications resources are efficiently and effectively utilized by managing the state accounting system and by providing financial reporting, data processing and telecommunication services for state operations.

DUTIES / RESPONSIBILITIES

The Oklahoma Budget Law of 1947 created the Division of the Budget and the Division of Central Accounting and Reporting; administrative authority was placed in the Budget Office which was subsequently named the Office of State Finance. The Office of State Finance is part of the Executive Department and is under the administrative control of the Director of State Finance who is appointed by the Governor, with the advice and consent of the Senate.

The Office of State Finance is charged with the following major responsibilities:

1. Prepare the Governor's budget document and draft legislation to make it effective.
2. To make field surveys and studies of governmental agencies.
3. Make allotments to control expenditures.
4. Make transfers of appropriations authorized by law.
5. Prepare and maintain uniform budget and accounting classifications for all State Agencies.
6. Settle claims payable by the State.
7. Keep the central budget and proprietary accounts of State Government.
8. Prepare and issue financial and accounting reports periodically.
9. Establish and maintain a pre-audit system of settling claims.
10. Review and recommend annual budgets for the operation of all State Agencies, and aid the Governor in the economical management of the State.
11. Develop and/or acquire financial systems software for the purpose of automating the responsibilities and duties imposed on the Office.
12. Coordinate data processing and communications planning through long-term agency and statewide plans.
13. Establish minimum standards in the area of data processing and communications.
14. Operate a data processing center, including application development, for agencies not having the capacity to do so.
15. Coordinate a central communications system for the state. Install, maintain, and operate communication facilities for agencies located in the Capitol Complex in Oklahoma City and the Tulsa Capitol Building.

STATUTORY REFERENCES

Title 62, Sections 41.1 et seq of the Oklahoma Statutes.

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
Payroll warrants written	998,657	1,325,220	858,769	582,110
Miscellaneous warrants written	973,255	1,013,205	1,013,000	1,013,000
Electronic Funds Transfer (Payroll)	317,210	386,866	853,317	1,129,976
Number of expenditure transactions processed*	1,097,876	1,068,570	1,070,000	1,070,000
Number of encumbrance transactions processed*	235,932	258,988	256,709	248,172
Data Conversion Project				
Agencies entering claims via ICS-Direct	45	63	65	65
% of claims entered via ICS-Direct	8.1%	10.2%	10.3%	10.3%
Agencies entering claims via EDT (Non-HB 1289)	11	26	20	10
% of claims entered via EDT	51.0%	52.6%	49.8%	45.1%
HB 1289 agencies entering claims via EDT	14	20	26	36
% of claims entered via EDT	15.0%	20.8%	23.5%	28.3%
Total agencies transmitting claims electronically	70	109	111	111
% of claims transmitted electronically	74.8%	83.6%	83.7%	83.7%

* Several transactions may be included in a single claim or encumbrance document.

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds			
090 GR Cash Flow Reserve Fund	\$0	\$0	\$612,115
19x General Revenue	8,770,644	7,776,573	8,148,387
576 OSF - Special Cash Fund		666,171	
State Continuing/Revolving Funds:			
210 Centrex Revolving Fund	4,074,382	5,225,693	5,656,186
Federal Funds:			
436 Oil Overcharge Fund	36,225	38,037	39,812
Total Expenditures by Fund	<u>\$12,881,251</u>	<u>\$13,706,474</u>	<u>\$14,456,500</u>

CAPITAL OUTLAY and SPECIAL PROJECTS

Fund No. and Name:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
130 St. Bldg. Bonds of 92 Series A	\$0	\$158,750	\$0
193 General Revenue	201,600	25,441	0
194 General Revenue	0	407,185	0
195 General Revenue	0	0	884,549
210 Centrex Revolving Fund	1,750,844	464,204	0
Total Capital Outlay Expenditures	<u>\$1,952,444</u>	<u>\$1,055,580</u>	<u>\$884,549</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$6,053,846	\$5,944,634	\$6,463,591
Professional Services	223,465	82,223	87,500
Travel	31,046	43,209	301,169
Lease-Purchase Expenditures	338,086	507,129	507,130
Equipment	1,199,260	1,457,626	1,827,207
Other Operating Expenses	5,035,548	5,671,653	5,269,903
Total Expenditures by Object	<u>\$12,881,251</u>	<u>\$13,706,474</u>	<u>\$14,456,500</u>

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Administration	\$609,012	\$512,300	\$397,161
12 Budget Division	516,087	518,129	667,205
13 Div. of Central Actg. & Reporting	1,611,889	1,541,746	1,983,168
20 Intergovernmental Assessments	535,637	627,037	612,115
30 Communications	4,074,382	5,225,693	5,656,186
50 Oil Overcharge	36,225	38,037	39,812
60 Transition Expenses	0	39,134	0
88 Data Processing	5,498,019	5,204,398	5,100,853
Total Expenditures by Activity	<u>\$12,881,251</u>	<u>\$13,706,474</u>	<u>\$14,456,500</u>

FY-97 EXECUTIVE BUDGET

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Administration	10.3	9.9	6.0
12 Budget Division	10.8	11.0	12.0
13 Central Accounting	38.4	37.9	45.0
30 Communications	15.6	16.3	22.0
50 Oil Overcharge	1.0	1.0	1.0
60 Transition Expenses	0.0	1.5	0.0
88 Data Processing	<u>71.8</u>	<u>65.0</u>	<u>65.0</u>
Total FTE	<u>147.9</u>	<u>142.6</u>	<u>151.0</u>
Number of Vehicles	0	0	0

SCHOOL LAND COMMISSION

MISSION STATEMENT

The mission of the Land Office is to generate maximum earnings for Trust beneficiaries through management of Trust lands, minerals and permanent funds and to protect the assets of the Trust.

THE COMMISSION

Five ex officio members, the Governor, Lieutenant Governor, State Auditor and Inspector, Superintendent of Public Instruction, and the President of the Board of Agriculture constitute the Commissioners of the Land Office.

DUTIES / RESPONSIBILITIES

The Commissioners are charged with the sale, rental, disposal, and management of School Trust lands and assets, and of the funds and proceeds derived therefrom, under rules and regulations prescribed by the Legislature.

The principle functions of the agency consist of the following:

1. Leasing lands for agricultural, commercial and grazing purposes.
2. Leasing lands for oil, gas and other minerals.
3. Investing funds in CD's and Treasury issues.
4. Sale of lands as prescribed by law.
5. Administering first mortgage farm loans.
6. Collecting rents, fees, loan payments of principal and interest and other moneys due the agency.
7. Performing legal activities necessary to protect the interest of the Trusts.
8. Auditing mineral leases.
9. Improving, protecting and preserving lands owned by the Trusts.
10. Distributing the revenues of the various property trusts to the several institutions to which the funds belong.

STATUTORY REFERENCES

Statutory Reference: Article VI, Sec. 32 and Article XI, Sections 1-7, Okla. Constitution; Title 64, Sec. 1 et seq., of the Oklahoma Statutes.

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria / Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
ADMINISTRATIVE ACTIVITY				
Release of mortgage on paid loans	400	242	325	235
Loan cases closed (legal cases)	63	86	90	95
Other legal cases closed	94	111	120	125
Total court cases	317	318	335	350
Intra-Agency Advice and Assistance		350	375	400
REAL ESTATE ACTIVITY				
Oil and gas damage and restoration projects	32	36	30	30
Homesite appraisals	6	20	30	30
Easement appraisals	42	55	40	40
Agricultural lease auctions held	29	34	40	40
Surface leases (school land)	3,256	3,231	3,230	3,000
No. of agric. leases & easements auctioned	646	651	600	600
Agricultural & commercial lease appraisals	680	699	630	600
Soil conservation projects	221	140	100	100

FY-97 EXECUTIVE BUDGET

Lease inventories performed by technicians	4,093	4,112	3,200	3,000
FINANCIAL ACTIVITY				
Average yield on outstanding U. S. Security investments, on market value	7.571%	6.448%	6.000%	6.000%
Average yield on new investments made during the Fiscal Year	6.206%	6.949%	6.000%	6.000%
Average yield on all outstanding farm loans	7.735%	7.763%	7.800%	7.830%
College apportionment (\$ thousands)	\$14,426	\$15,202	\$15,000	\$15,000
Common school apportionment (\$ thousands)	\$38,487	\$39,615	\$39,000	\$39,000
Public building apportionment (\$ thousands)	\$969	\$936	\$963	\$950
Payments received by mail	17,662	16,552	16,000	15,000
Window receipts	827	822	820	820
Outstanding farm loans	3,680	3,412	3,087	2,852
MINERALS ACTIVITY				
Oil & gas leases sold	377	432	350	400
Mineral acres in above sales	25,025	23,534	17,000	22,500
Mineral acres under lease	333,900	333,789	333,000	335,000
Active oil & gas leases	3,599	3,655	3,500	3,600

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds			
Dedicated Fund	\$4,416,586	\$4,432,767	\$4,999,999
State Continuing / Revolving Funds:			
200 Revolving Fund	324,170	284,611	300,000
Federal Funds:			
None	0	0	0
Total Expenditures by Fund	<u>\$4,740,756</u>	<u>\$4,717,378</u>	<u>\$5,299,999</u>

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$3,463,937	\$3,418,288	\$3,665,313
Professional Services	134,470	122,648	375,500
Travel	115,471	86,285	129,440
Lease-Purchase Expenditures	0	0	0
Equipment	29,534	34,126	203,620
Soil Conservation Projects	316,398	285,647	115,000
Gas Purchased for Resale	0	0	0
Other Operating Expenses	680,946	770,384	811,126
Total Expenditures by Object	<u>\$4,740,756</u>	<u>\$4,717,378</u>	<u>\$5,299,999</u>

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Total General Administration	\$1,689,417	\$1,762,228	\$2,161,965
20 Real Estate	1,499,630	1,469,026	1,338,262
30 Financial	504,884	475,590	672,369
40 Minerals	1,046,825	1,010,534	1,127,403
Total Expenditures by Activity	<u>\$4,740,756</u>	<u>\$4,717,378</u>	<u>\$5,299,999</u>

FY-97 EXECUTIVE BUDGET

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 General Administration	23.7	22.3	24.7
20 Real Estate	26.0	25.1	25.0
30 Financial	13.7	13.0	14.0
40 Minerals	<u>24.8</u>	<u>22.5</u>	<u>25.0</u>
TOTAL FTE	<u>88.2</u>	<u>82.9</u>	<u>88.7</u>
VEHICLES	12.0	13.0	13.0

OKLAHOMA TAX COMMISSION

MISSION STATEMENT

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

THE COMMISSION

The Tax Commission consists of three persons appointed by the Governor of the State of Oklahoma by and with the consent of the State Senate of the State of Oklahoma. No more than two members of the Tax Commission shall be, or shall have been, within the previous six months prior to appointment, members of the same political party. The Commission members serve six-year overlapping terms.

The three member Commission is a full-time policy making and judicial body ultimately responsible for the administration of the tax laws of the State. The Commission employs an Administrator who is responsible for the administration of the day to day operations of the agency.

DUTIES / RESPONSIBILITIES

The Tax Commission as an agency administers the collection and distribution of some 60 different taxes, licenses and fees. It is the Tax Commission's statutory duty to apportion such revenues to the various state funds and to allocate directly to local units of government certain state-collected levies ear-marked to counties, school districts and municipalities. Under contract with individual municipalities, the Tax Commission is responsible for the administration, collection and distribution of local sales tax levied by the cities and towns of Oklahoma.

The organizational make-up of the Agency includes three separate departments. These departments include Taxpayer Services, Revenue Administration, and Support Services. The Taxpayer Services divisions include Registration, Taxpayer Assistance, Communications, Central Processing, Account Maintenance and Collections. The Revenue Administration divisions include Tax Policy, Audit, Motor Vehicle, Gross Production, and Ad Valorem. The Support Services division includes Human Resources, Management Information Systems, Legal, and Management Services.

STATUTORY REFERENCES

Title 68, O.S. 1981, Section 101, et seq. of the Oklahoma Statutes

PERFORMANCE CRITERIA / SERVICES PROVIDED

Criteria/Service:	FY-94 Actual	FY-95 Actual	FY-96 Estimated	FY-97 Estimated
TAXPAYER SERVICES				
Wholesale Beer licenses renewed	49	45	45	45
Wholesale Beer licenses issued	7	5	2	5
Retail Beer licenses renewed	5,921	5,925	1,000	0
Retail Beer licenses issued	4,558	1,324	1,300	1,300
Mixed Beverage licenses issued	159	285	160	160
Cigarette Retail licenses renewed	5,224	4,746	840	0
Cigarette Retail licenses issued	3,159	980	1,000	1,000
Tobacco licenses renewed	7	37	37	37
Tobacco licenses issued	5	7	7	7
Wholesale Cigarette licenses renewed	259	289	280	280
Wholesale Cigarette licenses issued	84	35	35	35
Sales Tax permits renewed	11,551	12,293	11,000	12,000
Sales Tax permits issued	14,269	14,487	14,500	14,500
Vending machine decal issued	106,413	105,276	105,000	105,000
Fireworks licenses issued	1,960	2,040	2,000	2,000
Fireworks permits issued	34	37	35	35
Use Tax permits issued	1,000	880	1,000	1,000
Rural Electric Co-op licenses issued	40	40	40	40
Gross Production licenses issued	1,282	350	350	350
Telephone surcharge companies issued	41	41	41	41

FY-97 EXECUTIVE BUDGET

Vehicle rental companies issued	7	1	2	2
Used equi/salv dealers licenses issued	147	86	80	80
Volunteer Fire exemptions issued	937	940	950	950
Admission Tax	420	420	420	420
Withholding registrations	12,382	12,886	12,000	12,000
Waste Tire registrations	72	289	600	280
Agricultural exemptions issued	78,000	98,931	99,000	99,000
Tourism Tax filers registered	982	5,161	1,100	1,100
Electric Co-op tax returns	480	480	480	480

AD VALOREM

Receipts From Income Tax	14,701,216	15,901,615	16,700,000	17,220,000
Reimbursement Claims/Tax Exempt Mfg.	13,670,708	13,349,410	14,200,000	15,000,000
Reimbursement Claims/Dble Homestead Exempt.	2,169,387	2,179,175	2,200,000	2,300,000

CENTRAL PROCESSING

Total Income Tax returns	1,498,962	1,442,897	1,500,000	1,500,000
Refunds processed - Income Tax	* 854745	778,728	800,000	800,000
Avg # days-inc. tax refund processing (non-peak)	22	18	18	18
Avg # days-inc. tax return processing (non-peak)	21	21	21	21
Estimated tax reports	492,000	458,550	456,000	475,000
Revenue returns	2,676,095	2,759,426	2,900,000	3,100,000
Incoming returns	4,423,973	4,517,737	4,600,000	4,750,000

* FY-94 included Federal Retiree Refunds

COLLECTIONS

Taxpayer contacts	322,251	456,416	479,200	503,000
Number of tax releases	16,381	16,696	18,000	19,000
Number of tax warrants filed	33,076	32,539	33,000	34,000
Number of pay plans established	8,547	9,613	10,767	11,844

MOTOR VEHICLE

Registration mail out	3,080,222	3,119,113	3,151,000	3,182,000
Tag mail out	123,419	126,085	128,000	129,000
Boat & motor titles issued	71,159	72,251	73,200	74,000
Boat & motor licenses renewed	311,382	316,194	320,000	320,000
Boat & motor dealer licenses issued	44	58	50	50
Boat & motor dealer licenses renewed	228	245	250	250
Motor fuel Importer licenses issued	1,973	600	300	0
Motor fuel Importer licenses renewed	6,500	6,052	3,000	0
Motor fuel distributor licenses issued	46	45	35	30
Motor fuel distributor licenses canceled	61	56	40	45
Exemption permits issued	57,779	55,556	* 17,000	55,000
LPG permits issued	10,350	11,120	12,000	12,500
Special fuel licenses issued	9	8	6	5
Special fuel licenses canceled	14	25	15	10

* Permits issued every two years beginning September 1, 1994

AUDIT SERVICES

Manufacturers exempt certificates issued	1,058	564	600	600
Alcohol and Tobacco office audits	5,375	8,628	8,000	8,000
Alcohol and Tobacco field audits	218	240	250	250
Franchise audits	33,083	16,424	16,000	16,000
Franchise field audits	364	353	350	350
Motor fuel field audits - Distributors	128	108	100	100
Gross Production office audits	13,519	14,106	14,000	14,000
Gross Production field audits	62	58	60	60

FY-97 EXECUTIVE BUDGET

Sales Tax office audits	34,218	37,640	37,500	37,500
Veh rent/Doc stamps/Waste tire office audits	2,545	2,800	2,800	2,800
Sales Tax field audits	1,388	1,365	1,400	1,400
Withholding Tax office audits	2,189	2,408	2,400	2,400
Withholding Tax field audits	494	426	500	500
Unclaimed property office audits	40	40	40	40
Unclaimed property field audits	21	32	30	30
Edit/audit - Income Tax	295,000	286,857	300,000	300,000
IRS Revenue Agent Reports	8,329	8,274	8,500	8,500
Corporation audits - Income Tax	673	1,410	1,000	1,500
Estimated tax principal & interest audits	20	** 20	0	0
Oil royalty letters & assessments	1,259	1,775	1,775	1,775
Taxable cases closed	4,390	4,842	5,084	5,084
Quiet title cases proc from legal	1,600	1,670	1,754	1,754
Estates audits completed	9,795	10,668	11,201	11,201
Specific Property Releases	26,320	26,742	28,079	28,079
Motor licenses agents office audits	7,200	7,200	7,200	7,200
Motor license agent field audits	300	300	300	300
Interstate truck companies audit	45	66	216	416
Motor fuel field audits - IFTA	240	281	296	311

* Changed to a Computer System Initial Audit

** Estimated Tax, Penalty & Interest Audits is now an automated process.

SUPPORT SERVICES

Transactions processed electronically (EDI) via BBS	N/A	74,090	120,000	300,000
Voluntary EFT Payments	N/A	513	2,000	2,500

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds			
General Revenue	\$41,865,559	\$44,084,626	\$43,245,301
Special Cash Fund			
Total Appropriated Fund Expenditures	41,865,559	44,084,626	43,245,301
State Continuing/Revolving Funds:			
200 Oklahoma Tax Commission Rev. Fund	9,294,253	10,290,791	13,257,288
205 Mass Appraisal Fund	3,304,652	1,670,979	80,000
215 OTC Reimbursement Fund	2,136,621	2,255,695	4,384,913
230 Waste Tire Recycling Indemnity Fund	1,977,574	1,735,641	3,000,000
260 Unclaimed Property Fund	294,306	367,124	375,000
265 Unclaimed Property Clearinghouse Fd.	121,664	144,418	150,000
280 County Reimbursement Fund	0	2,169,386	2,200,000
285 Ad Valorem Reimbursement Fund	<u>13,890,042</u>	<u>13,349,410</u>	<u>14,200,000</u>
Total Revolving Fund Expenditures	31,019,112	31,983,444	37,647,201
Federal Funds:			
Total Expenditures by Fund	<u>\$72,884,671</u>	<u>\$76,068,070</u>	<u>\$80,892,502</u>

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY OBJECT			
Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$38,818,020	\$38,720,748	\$40,364,330
Professional Services	1,906,427	2,986,689	5,122,442
Travel	1,094,173	1,048,347	1,050,000
Lease-Purchase Expenditures	198,443	87,865	0
Equipment	771,472	1,579,395	2,225,317
Other Operating Expenses	11,711,094	12,600,249	12,037,413
Operating Expenses Sub-total	\$54,499,629	\$57,023,293	\$60,799,502
Non-Operating Expenses:			
Reimbursement to Counties and Schools	16,377,074	17,301,644	17,093,000
Waste Tire Payments	2,007,968	1,743,133	3,000,000
Total Expenditures by Object	\$72,884,671	\$76,068,070	\$80,892,502

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
01 Headquarters	\$2,247,763	\$2,327,066	\$2,069,486
02 Taxpayer Services	5,660,582	5,797,168	6,398,888
03 Ad Valorem	18,300,361	18,987,535	19,004,579
05 Central Processing	7,693,464	8,113,874	7,775,059
06 Tax Administration	2,789,840	2,884,386	2,997,641
07 Collections	4,042,576	5,035,810	7,063,694
08 Support Services	12,195,134	12,700,891	12,604,584
11 Legal Division	2,229,591	2,254,129	2,284,628
13 Motor Vehicle	8,543,819	8,777,935	8,594,557
14 Audit Services	9,181,541	9,189,276	12,099,386
Total Expenditures by Activity	\$72,884,671	\$76,068,070	\$80,892,502

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES			
Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
01 Headquarters	15.0	14.7	35.0
02 Taxpayer Services			169.0
03 Ad Valorem	34.2	34.9	35.0
04 Administration	25.1	25.5	0.0
05 Central Processing	110.0	101.9	146.0
06 Tax Administration			68.0
07 Collections	134.0	135.0	127.0
08 Support Services			194.0
09 Income Tax	104.6	101.0	0.0
10 Business Tax	289.0	279.9	0.0
11 Legal Division	47.6	48.4	48.0
13 Motor Vehicle	208.5	198.9	144.0
14 Audit Services			211.0
18 Management Services	64.6	58.5	0.0
88 MIS Data Processing	143.1	140.8	0.0
Total FTE	1,175.7	1,139.5	1,177.0
Number of Vehicles	5.0	5.0	6.0

STATE TREASURER

MISSION STATEMENT

The mission of the State Treasurer is to help provide for the safe and efficient operation of government through effective Cash Management, Investment, and Banking Functions for the State of Oklahoma.

DUTIES / RESPONSIBILITIES

The office of the State Treasurer is charged with the following responsibilities:

1. Receiving, depositing and disbursing all state funds;
2. Investing temporary surplus funds;
3. Investing specific funds for other state agencies where authorized;
4. Requiring banks to furnish collateral sufficient to secure deposits of state and other public funds;
5. Paying of interest on the bonded debt and the redeeming of the debt at maturity;
6. Maintaining a safe-keeping operation for securities owned by various state agencies, and those pledged as collateral to other state agencies; and
7. Processing and distributing all State warrants.
8. Administering Business Link and Agricultural Link Programs.

A normal banking operation is performed for the processing of receipts and disbursements of trust and ancillary activity funds for state departments and institutions. A special account is maintained for each collecting agency for the clearing of checks and for refunds prior to transfer to Treasury Funds. All of the official accounts of the agencies of the State are maintained by this office, including the preparation of financial statements and reports.

STATUTORY REFERENCES

Article VI, Sections 1-5 Incl., Okla. Constitution. Title 62, Sec. 89.5; Title 74, Sec. 361-372 and Title 62, Sec. 41.8 & 41.18 of the Oklahoma Statutes.

EXPENDITURES BY FUND

Type of Fund:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
State Appropriated Funds	\$4,010,281	\$3,999,736	\$4,483,030
State Continuing/Revolving Funds:			
200 Revolving Fund		900	38,151
205 Donation Fund			
210 State Land Reimbursement Fund (a)	<u>100,000</u>	<u>100,000</u>	<u>97,500</u>
Total Revolving Fund Expenditures	<u>100,000</u>	<u>100,900</u>	<u>135,651</u>
Federal Funds:	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures by Fund	<u>\$4,110,281</u>	<u>\$4,100,636</u>	<u>\$4,618,681</u>

(a) State Land Reimbursement Fund monies consist entirely of general revenue appropriations.

CAPITAL OUTLAY and SPECIAL PROJECTS

Fund No. and Name:	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
200 St. Treasurer's Revolving Fund	<u>0</u>	<u>\$22,466</u>	<u>\$78,996</u>
Total Capital Outlay Expenditures	<u>\$0</u>	<u>\$22,466</u>	<u>\$78,996</u>

FY-97 EXECUTIVE BUDGET

EXPENDITURES BY OBJECT

Object of Expenditure	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
Salaries and Benefits	\$2,282,652	\$2,431,488	\$2,448,957
Professional Services	98,735	64,555	56,200
Travel	31,486	32,487	40,902
Lease-Purchase Expenditures	17,454	118,441	121,000
Equipment	180,394	71,099	36,553
Payments to Local Gov't. Subdivisions	100,000	100,000	97,500
Other Operating Expenses	<u>1,399,560</u>	<u>1,282,566</u>	<u>1,817,569</u>
Total Expenditures by Object	<u>\$4,110,281</u>	<u>\$4,100,636</u>	<u>\$4,618,681</u>

EXPENDITURES BY BUDGET ACTIVITY / SUB-ACTIVITY

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Operations			
00001 Operations	\$1,056,082	\$1,021,333	
00002 Administration	588,550	735,472	
00008 Data Processing	<u>1,530,908</u>	<u>1,553,939</u>	
10 Operations Sub-total	\$3,175,539	\$3,325,393	\$0
20 Banking Services			
00003 Banking Operations	<u>\$834,742</u>	<u>\$675,243</u>	<u>\$1,858,019</u>
20 Banking Services Sub-total	\$834,742	\$675,243	\$1,858,019
30 State Land Reimbursement	<u>100,000</u>	<u>100,000</u>	<u>97,500</u>
30 State Land Reimbursement Sub-total	\$100,000	\$100,000	\$97,500
40 Administration			
00001 General Administration	\$0	\$0	\$766,978
00002 Internal Audit	0	0	72,769
00003 Public Information Office	<u>0</u>	<u>0</u>	<u>60,794</u>
40 Administration Sub-total	\$0	\$0	\$900,541
50 Comptroller/Investment Services			
00001 Securities Operations	\$0	\$0	\$298,276
00002 Accounting	0	0	282,447
00003 Investment Office	<u>0</u>	<u>0</u>	<u>87,831</u>
50 Comp./Investment Serv. Sub-total	\$0	\$0	\$668,554
88 Data Processing	<u>0</u>	<u>0</u>	<u>1,094,067</u>
88 Data Processing Sub-total	\$0	\$0	\$1,094,067
Total Expenditures by Activity	<u>\$4,110,281</u>	<u>\$4,100,636</u>	<u>\$4,618,681</u>

FULL-TIME-EQUIVALENT EMPLOYEES (FTE) and VEHICLES

Activity No. and Name	FY-94 Actual	FY-95 Actual	FY-96 Budgeted
10 Operations			
00001 Operations	27.7	25.1	0.0
00002 Administration	10.4	12.7	0.0
00008 Data Processing	<u>25.0</u>	<u>25.5</u>	<u>0.0</u>
10 Operations Sub-total	63.1	63.3	0.0
20 Banking Services			
00001 Banking Fees			0.0
00002 Link Deposit			1.3
00003 Banking Operations			<u>19.0</u>
20 Banking Services Sub-total			20.3

FY-97 EXECUTIVE BUDGET

30 State Land Reimbursement			<u>0.0</u>
30 State Land Reimbursement Sub-total			0.0
40 Administration			
00001 General Administration			9.7
00002 Internal Audit			1.0
00003 Public Information Office			<u>1.0</u>
40 Administration Sub-total			11.7
50 Comptroller/Investment Services			
00001 Securities Operations			7.6
00002 Accounting			6.9
00003 Investment Office			<u>1.0</u>
50 Comp./Investment Serv. Sub-total			15.5
88 Data Processing			<u>14.4</u>
88 Data Processing	Sub-total		14.4
Total FTE		<u>63.1</u>	<u>63.3</u>
Number of Vehicles		2	2