

**Oklahoma Center for the Advancement of Science & Technology - 628**

Lead Administrator: C. Michael Carolina, Executive Director

FY'18 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving Funds Outstanding Contracts**	Local	Other*	Total
Administration	\$718,500					\$718,500
Program Services	\$976,354					\$976,354
Tech Info System	\$242,574					\$242,574
OK Health Research	\$2,528,406		\$1,583,024			\$4,111,430
OK Applied Research	\$2,528,407		\$2,244,182			\$4,772,589
Intern Partnerships	\$403,985		\$318,586			\$722,571
Plant Science	\$0		\$229,702			\$229,702
Inventors Assistance	\$301,113		\$187,460			\$488,573
Small Business Research Assistance	\$80,000					\$80,000
Industrial Extension System	\$949,155		\$73,258			\$1,022,413
Technology Commercialization	\$1,453,152		\$126,249			\$1,579,401
Technology Business Finance Program					230 - \$735,350	\$1,020,387
Seed Capital	\$2,953,036		\$1			\$2,953,037
Instructional Technology - Programs	\$288,210					\$288,210
EDA (federal grant)		\$500,000				\$500,000
<b>Total</b>	<b>\$13,422,892</b>	<b>\$500,000</b>	<b>\$4,762,462</b>	<b>\$0</b>	<b>\$737,350</b>	<b>\$19,422,704</b>

\*Source of "Other" and % of "Other" total for each: Repayments of loans issued by the Technology Business Finance Program (100%). The agency has also received a grant from the General Electric Foundation (private) 100%, and an EDA (federal grant-cost reimbursement) 100%.

\*\*These are prior year contracts/awards due payment paid from revolving funds (out year awards held in trust)

FY'17 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'17 Carryover	220,281					\$220,281
FY'17 Return of GR funds**	\$98,771					\$98,771

\*Source of "Other" and % of "Other" total for each:

\*\*Indicate how the FY'17 return of General Revenue was budgeted: \$37,532.97 for Administration, \$39,508.39 for Programs and \$21,729.62 for Seed Capital.

**What Changes did the Agency Make between FY'17 and FY'18?**

**1.) Are there any services no longer provided because of budget cuts?**

No

**2.) What services are provided at a higher cost to the user?**

None

**3.) What services are still provided but with a slower response rate?**

All awards are made with the same response rate, but we are providing fewer awards each year.

**4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.**

The agency provided one step increase pursuant to its long-standing policy to grant a pay increase upon one successfully completing his/her first year of employment.

**FY'19 Requested Division/Program Funding By Source**

	Appropriations	Federal	Revolving Funds to Pay Outstanding Contracts**	Other	Total	% Change
Administration	\$718,500				\$718,500	0.00%
Program Services	\$976,354				\$976,354	0.00%
Tech Info System	\$242,574				\$242,574	0.00%
OK Health Research	\$3,148,478		\$2,234,478		\$5,382,956	30.93%
OK Applied Research	\$3,148,479		\$947,362		\$4,095,841	-14.18%
Intern Partnerships	\$403,985		\$177,467		\$581,452	-19.53%
Plant Science	\$0		\$270,932		\$270,932	17.95%
Inventors Assistance	\$301,113				\$301,113	-38.37%
Small Business Research Assistance	\$80,000				\$80,000	0.00%
Industrial Extension System	\$949,155				\$949,155	-7.17%
Technology Commercialization	\$1,453,152				\$1,453,152	-7.99%
Technology Business Finance Program				230 - \$500,000	\$0	-100.00%
Seed Capital	\$4,290,000				\$4,290,000	45.27%
Programs Instructional Technology	\$288,210				\$288,210	0.00%
EDA (federal grant)	\$0				\$0	-100.00%
Center of Excellence Program	\$3,500,000				\$3,500,000	-81.98%
<b>Total</b> ***	<b>\$19,500,000</b>	<b>\$0</b>	<b>\$3,630,239</b>	<b>\$500,000</b>	<b>\$23,130,239</b>	<b>19.09%</b>

\*Source of "Other" and % of "Other" total for each.

Federal EDA Grant - 2nd year award amount at 100%.

\*\*This will be the amount drawn down from the revolving funds to pay out year award contracts already executed.

\*\*\* OCAST is requesting a total increase of \$6,077,108 over FY2018. Board approved request to invest in Oklahoma's future in science and technology.

**FY'19 Top Five Appropriation Funding Requests**

		\$ Amount
Center of Excellence	3,500,000	3,500,000
OK Health Research	620,072	620,072

OK Applied Research	620,072	620,072
Seed Capital	1,336,964	1,336,964
<b>Total Increase above FY-18 Request</b>		<b>6,077,108</b>

**How would the agency handle a 2% appropriation reduction in FY'19?**

A 2% reduction of the requested appropriation of \$19.5 million for FY-2019 would lower OCAST funding by \$390,000. A cut this size would result in decreased program awards which causes a decrease in return on investment (ROI) for the state of Oklahoma, and lost opportunity to create jobs for Oklahomans. Based on the agency's cumulative (long-term) ROI, a 2% budget reduction would result in a missed (leverage) opportunity of \$5.9 million, and the projected loss of up to 45 new jobs created. When comparing the FY2018 appropriation to the FY2017 appropriation, program awards lost an additional \$1.5 million for a total of just over \$10 million. These reductions directly impact program awards and the agency's ability to support its mission of fostering innovation in existing and developing Oklahoma businesses and supporting basic and applied research, and in lost opportunity to fully leverage a return on the state's investment in innovation activities.

**How would the agency handle a 4% appropriation reduction in FY'19?**

A 4% reduction of the requested appropriation of \$19.5 million for FY-2019 would lower OCAST funding by \$780,000. A cut this size would result in decreased program awards which causes a decrease in ROI for the state of Oklahoma, and lost opportunity to create jobs for Oklahomans. Based on the agency's cumulative (long-term) ROI, a 4% budget reduction would result in a missed (leverage) opportunity of approximately \$11.8 million and the projected loss of up to 91 new jobs created.

**How would the agency handle a 6% appropriation reduction in FY'19?**

A 6% reduction of the requested appropriation of \$19.5 million for FY-2019 would lower OCAST funding by \$1,170,000. A cut this size would result in decreased program awards which causes a decrease in ROI for the state of Oklahoma, and lost opportunity to create jobs for Oklahomans. Based on the agency's cumulative (long-term) ROI, a 6% budget reduction would result in a missed (leverage) opportunity of approximately \$17.7 million and the projected loss of up to 136 new jobs created.

**Is the agency seeking any fee increases for FY'19?**

		\$ Amount
Increase 1	N/A	\$0
Increase 2	N/A	\$0
Increase 3	N/A	\$0

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

**Federal Government Impact**

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

\$0

2.) Are any of those funds inadequate to pay for the federal mandate?

No

3.) What would the consequences be of ending all of the federal funded programs for your agency?

Ending federal funding to the agency will result in the elimination of our EDA sponsored manufacturer assistance program.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

It is unlikely our agency would see any direct impact from federal budget cuts.

5.) Has the agency requested any additional federal earmarks or increases?

No

**Division and Program Descriptions**

**Programs:**

Programs includes funding for health, applied research and plant research awards, as well as services for Oklahoma entrepreneurs, including inventors and manufacturing assistance, federal funding support, and technology commercialization.

**Seed Capital Fund:**

Provides seed capital to Oklahoma high-tech firms with high potential for positive impact on the Oklahoma economy through the creation of higher-than-average-wage jobs that will stay in the state.

**General Administrative Services:**

Provides administrative support for all OCAST programs.

FY'18 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	2.5		7.5	2	3	2.5
Program	1		6.0		5	1.0
Technology Information Services	0.5		2.5		2	0.5
<b>Total</b>	<b>4</b>	<b>0</b>	<b>16</b>	<b>2</b>	<b>10</b>	<b>4.0</b>

FTE History					
	2018 Budgeted	2017	2014	2011	2007
Administration	7.5	7.5	7.5	8.5	7.5
Programs	6.0	6.0	11.0	9.5	15.5
Technology Information Services	2.5	2.5			
Seed					1.0
Edge				1.0	1.0
<b>Total</b>	<b>16.0</b>	<b>16.0</b>	<b>18.5</b>	<b>19.0</b>	<b>25.0</b>

Performance Measure Review					
	FY'17	FY'16	FY'15	FY'14	FY'13
Administration % Admin Expense	5.00%	3.50%	2.3%	3.8%	3.9%
Programs - Oklahoma Health Research Leverage	\$70,428,666	\$45,806,151	\$ 34,951,408	\$ 16,572,797	\$ 14,778,050
Patent Applications	25	4	18	10	7
Programs - Oklahoma Applied Research Leverage	\$52,832,093	\$46,636,600	\$ 31,625,473	\$ 127,707,536	\$ 15,743,177
Business Financial Impacts	\$68,480,918	\$91,306,939	\$ 86,451,200	\$ 47,995,060	\$ 40,489,335
Programs - Plant Science Research Leverage	\$5,656,582	\$11,943,903	\$ 5,583,695	\$ 4,587,042	\$ 2,114,116
Scientific/technical jobs	35	25	25	28	31
Programs - Oklahoma Industrial Extension Jobs created/retained	1659	1354	1888	765	521
Increase in gross sales	\$232,016,995	\$244,865,087	\$ 228,269,703	\$ 87,800,603	\$ 86,674,000

Revolving Funds (200 Series Funds)			
	FY'15-17 Avg. Revenues	FY'15-17 Avg. Expenditures	June '17 Balance
<b>Research Support Revolving Fund (200)</b> Appropriation + Misc. refunds and small grants	\$10,427,179	\$12,773,601	\$10,582,923
<b>Seed Capital Fund (220)</b> Brief Description	\$3,005,830	\$8,087,461	0