

Ethics Commission

Lead Administrator: Lee Slater

Lead Financial Officer: Ashley Kemp

Mission Statement: The Oklahoma Ethics Commission has the Constitutional responsibility to promulgate rules of ethical conduct for campaigns for state offices and campaigns for state questions and to promulgate rules of ethical conduct for state officers and employees. It has the further Constitutional responsibility to enforce those rules. Beginning January 1, 2015 the Commission has statutory authority to enforce the Local Government Campaign Finance and Financial Disclosure Act (SB 1745).

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
General Operations	\$738,129		\$69,000			
	\$718,620					
Total	\$1,456,749	\$0	\$69,000	\$0	\$0	\$1,525,749

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

FY'14 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'14 Carryover	\$0	\$0	\$154,506	\$0	\$0	\$154,506

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

The Ethics Commission constitutionally does not "carryover" appropriated funds and uses the revolving fund instead.

What Changes did the Agency Make between FY'14 and FY'15

- 1.) Are there any services no longer provided because of budget cuts?**
The agency did not have a budget cut in FY 2015 however as a result of the budget the agency does not offer routine educational programs to state officers, employees, or agencies. All educational programs are upon request and as staff time allows.
- 2.) What services are provided at a higher cost to the user?**
- 3.) What services are still provided but with a slower response rate?**
Again, no budget cut but the budget constraints do not allow for as quickly produced instructional materials or advice on application of the rules to specific fact scenarios.
- 4.) Did the agency provide any pay raises that were not legislatively/statutorily required?**
No.

FY'16 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
General Operations	\$1,182,129		\$0			
Total	\$1,182,129	\$0	\$0	\$0	\$0	

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

FY'16 Top Five Appropriation Funding Requests

	\$ Amount
IT hosting/Maintenance/Modifications	\$126,012
Continuing Education Programs	\$165,090
Continuing Education Programs one time expense	\$52,000
74 O.S. sec 4258.1 (1/1/2015) one time expense	\$100,000

Total Increase above FY-15 Request : NOT AN INCREASE OVER FY 15, a decrease of \$274,611. 443,102

How would the agency handle a 3% appropriation reduction in FY'16?

The Ethics Commission received two appropriations last year totaling approximately \$1.4 million. One was for ongoing operations and one was for new software with the understanding there would be ongoing software hosting/maintenance that would need to be accommodated in future years. The additional cost this year is \$126,012. If the 3% reduction is from the \$1.4 million the agency could absorb that reduction. If the reduction is from the ongoing operations appropriation only, a reduction would be devastating considering the new cost of hosting and maintaining the new software.

How would the agency handle a 5% appropriation reduction in FY'16?

See answer above.

Is the agency seeking any fee increases for FY'16?

Yes the transition to new rules requires setting fees under the Ethics Rules annually in July rather than through statute.	\$ Amount
Increase 1	\$0
Increase 2	\$0
Increase 3	\$0

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

\$52,000 in one time costs to establish a routine training program due to the complexity of the ethics rules and severity of penalties.
 \$100,000 one time costs to enforce SB 1745 which establishes the Local Government Campaign Finance and Financial Disclosure Act. SB 1745 requires the Ethics Commission to enforce the LGCFFDA, establishes an enforcement Division and created an enforcement fund. The Ethics Commission is only required to enforce the Act if the enforcement fund has at least \$100,000.

Federal Government Impact

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

N/A

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

N/A

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

N/A

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

N/A

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

N/A

Division and Program Descriptions

The legislature established a new division for the Ethics Commission in 2014. The Commission now has two divisions: (1) General Operations; and (2) Political Subdivisions Enforcement Division. Its constitutional mission is to promulgate and enforce rules of ethical conduct for state campaigns for elective office, campaigns for state initiative and referenda, and state officers and employees. Statutorily, it now must enforce local government campaigns and financial disclosures provided there is \$100,000 in the Political Subdivisions Enforcement Fund.

FY'16 Budgeted FTE

	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
General Operations	2	0	4		3	3
Total	2	0	4	0	3	3

FTE History

	2015 Budgeted	2014	2010	2009	2004
General Operations	6	5	5	6	
Total	6	5	5	6	0

Performance Measure Review					
	FY'13	FY'12	FY'11	FY'10	FY'09
Measure I					
Measure II					

Revolving Funds (200 Series Funds)			
	FY'12-14 Avg. Revenues	FY'12-14 Avg. Expenditures	June '14 Balance
Revolving Fund I Brief Description 74 O.S. 4258, revolving fund for registration fees.	\$77,027	\$50,899	\$154,506
Revolving Fund II Brief Description	\$0	\$0	\$0