

Department of Environmental Quality

Lead Administrator: Scott Thompson, Executive Director

Lead Financial Officer: Kathy Aebischer, CFO

FY'16 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administrative Services	\$0	\$1,967,221	\$7,833,431			\$9,800,652
State Environmental Lab Services	\$2,022,785	\$712,250	\$4,891,653			\$7,626,688
Environmental Complaints and Local Services	\$3,105,291	\$1,191,229	\$4,131,375			\$8,427,895
Air Quality	\$0	\$2,235,891	\$10,154,893			\$12,390,784
Water Quality	\$1,648,820	\$5,448,687	\$4,997,714			\$12,095,221
Land Protection	\$0	\$9,363,122	\$13,399,824			\$22,762,946
Information Technology	\$0	\$81,600	\$3,978,110			\$4,059,710
Sec of Energy and Environment **	\$0	\$8,431,267	\$0			\$8,431,267
Total	\$6,776,896	\$29,431,267	\$49,387,000	\$0	\$0	\$85,595,163

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

**OSE&E's Federal Water Quality Management Fund was moved from OWRB's budget to DEQ's budget for FY2015 and remains with DEQ.

FY'15 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'15 Carryover						\$0

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

What Changes did the Agency Make between FY'15 and FY'16?	
1.) Are there any services no longer provided because of budget cuts?	No programs or major services were entirely eliminated from FY 15 to FY 16. DEQ took a \$10 million cut in revolving funds and a \$357 thousand cut in general appropriations.
2.) What services are provided at a higher cost to the user?	N/A
3.) What services are still provided but with a slower response rate?	Remediation work has been pushed back and local services may be slowed.
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.	In October 2015, DEQ employees received varied raise amounts based upon a market study. The legally mandated costs to the employee, primarily from insurance, continue to increase, while salaries do not. HB3053 was signed into law in 2012, which froze the Benefit Allowance at the Plan Year 2012 rate for state agencies.

FY'17 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administrative Services	\$0	\$2,467,221	\$7,083,431		\$9,550,652	-2.55%
State Environmental Lab Services	\$2,022,785	\$712,250	\$4,391,653		\$7,126,688	-6.56%
Environmental Complaints and Local Services	\$3,105,291	\$1,191,229	\$4,131,375		\$8,427,895	0.00%
Air Quality	\$0	\$2,235,891	\$9,904,893		\$12,140,784	-2.02%
Water Quality	\$1,648,820	\$5,448,687	\$4,497,714		\$11,595,221	-4.13%
Land Protection	\$0	\$7,949,274	\$11,679,332		\$19,628,606	-13.77%
Information Technology	\$0	\$81,600	\$3,478,110		\$3,559,710	-12.32%
Sec of Energy and Environment	\$0	\$8,431,267	\$0		\$8,431,267	0.00%
Total	\$6,776,896	\$28,517,419	\$45,166,508	\$0	\$80,460,823	-6.00%

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

FY'17 Top Five Appropriation Funding Requests		\$ Amount
Request 1: Description		
Request 2: Description		
Request 3: Description		
Request 4: Description		
Request 5: Description		
Total Increase above FY-17 Request		0

How would the agency handle a 5% appropriation reduction in FY'17?
A reduction of 5% to the FY-2016 General Appropriation (GR) would equal \$338,845. GR funding supports water and wastewater programs and environmental complaint programs. The decreased funding necessarily means limiting services to regulated water systems and the citizens using these services. Additional consequences might include slower response time to environmental complaints. Small communities struggling to meet federal mandates would receive further reduced levels of assistance from the agency.

How would the agency handle a 7.5% appropriation reduction in FY'17?
A reduction of 7.5% to the FY-2016 General Appropriation (GR) would equal \$508,267. In addition to the above, this would likely result in vacated positions going unfilled, with an associated further reduction in service capacity, and could result in seeking an increase in user fees, with the greatest per capita increase being borne by populations in small communities.

How would the agency handle a 10% appropriation reduction in FY'17?
A reduction of 10% to the FY-2016 General Appropriation (GR) would equal \$677,690. In addition to the above, this would result in vacated positions going unfilled, with an associated further reduction in service capacity, and would likely result in seeking an increase in user fees, with the greatest per capita increase being borne by populations in small communities.

Is the agency seeking any fee increases for FY'16?		\$ 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?	
DEQ Parking Garage	\$4,000,000
SELS HVAC System	\$500,000

Federal Government Impact
<p>1.) How much federal money received by the agency is tied to a mandate by the Federal Government? Approximately \$25,000,000 of our federal money is tied to federally delegated programs. While federal law does not mandate that DEQ administer them, the regulated community prefers that DEQ run those programs in lieu of the federal government. The DEQ must use General Revenue to support its citizen complaint response effort. The state appropriated dollars are also used to support water and wastewater activities for municipalities and rural water systems.</p> <p>2.) Are any of those funds inadequate to pay for the federal mandate? See above.</p> <p>3.) What would the consequences be of ending all of the federal funded programs for your agency? EPA would become the environmental regulator for the State of Oklahoma resulting in higher costs to citizens and businesses.</p> <p>4.) How will your agency be affected by federal budget cuts in the coming fiscal year? At this point DEQ does not anticipate major changes in its federal funding in the coming Fiscal Year.</p> <p>5.) Has the agency requested any additional federal earmarks or increases? No.</p>

Division and Program Descriptions
<p>Administrative Services</p> <p>ASD manages the support functions of the agency, including the fiscal, human resources, training, building management, and central records programs. ASD also includes the Office of the Executive Director (OED)</p> <p>OED encompasses not only the Office of the Executive Director per se, but also the Office of General Counsel (OGC) and the Office of External Affairs (OEA). OED proper is responsible for management decisions affecting the Department as a whole, final Departmental policy, final issuance of major permits and enforcement orders, and governmental relations. OGC counsels DEQ employees on legal matters related to operation of the agency, including laws, regulations, court opinions, and enforcement actions. OEA manages a customer assistance program, media relations, social media functions, and general educational outreach.</p>
<p>State Environmental Lab Services</p> <p>SELSD is responsible for providing services both inside and outside the agency. The organic and inorganic chemistry laboratories provide analytical support to the various programs within DEQ, to other state agencies, and to public water supply systems of the state. The Laboratory Accreditation Unit operates an accreditation program for in-state and out-of-state environmental laboratories.</p>
<p>Environmental Complaints and Local Services</p> <p>ECLSD is responsible for receiving and resolving environmental complaints from citizens of Oklahoma. Complaints are received in the 24 field offices and by the 24/7 environmental complaints hotline. ECLSD also responds to environmental emergencies, such as spills of hazardous materials and natural disasters. Other responsibilities include response to citizen requests for private well inspections, percolation and soil profile tests, and inspections of individual sewage disposal systems; licensing and regulation of septic tank installers and septic tank cleaners; and multi-media inspections of facilities across the state, including water supplies, water pollution control facilities, solid waste landfills, industrial waste facilities, and facilities with air quality permits.</p>
<p>Air Quality</p> <p>AQD implements the requirements of the state and federal Clean Air Acts. This includes compliance, enforcement, emissions inventory, quality assurance, monitoring, analysis, and permitting.</p>
<p>Water Quality</p> <p>WQD operates programs for public water supplies, source water protection, sludge disposal, and municipal and industrial water pollution control. These programs include review of plans and specs, permitting, tracking, compliance, enforcement, water quality planning, training and certification, and complaint resolution activities. WQD provides licensing and regulation of municipal water and wastewater operators.</p>
<p>Land Protection</p> <p>LPD implements programs for solid waste and hazardous waste planning, management, permitting, and enforcement. It coordinates the federal chemical spill and reporting program and peer reviews risk assessment decisions for the agency. LPD is also responsible for regulatory activities for the use of atomic energy and other sources of ionizing and non-ionizing radiation and for state activities associated with the federal Superfund Program.</p>
<p>Information Technology</p> <p>In FY2013, due to implementing HB 1304, agencies had to set their budget structures with separate divisions for Information Technology (IT) functions. IT consists of the agency's postal meters, telephone charges, IT agreements with OMES and anything else that reasonably falls within the guidelines set forth in HB1304.</p>
<p>Sec of Energy and Environment **</p> <p>The Office of the Secretary of Energy and Environment (OSEE) coordinates and makes application on behalf of various state environmental agencies for U.S. EPA Clean Water Act funds, and disburses such funds to state environmental agencies based upon statutory duties and responsibilities. In FY 15, at the request of OSEE, DEQ assumed responsibility for certain administrative support functions related to these OSEE responsibilities.</p>

FY'17 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administrative Services	22	62	13	0	30	45
State Environmental Lab Services	12	59	1	0	12	48
Environmental Complaints and Local Services	14	86	3	0	14	75
Air Quality	19	118	6	0	24	100
Water Quality	21	112	7	0	24	95
Land Protection	20	85	5	0	10	80
Information Technology	IT is contracted through the Office of Management and Enterprise Services; no IT staff employed directly by DEQ.					
Sec of Energy and Environment	0	1	0	0	0	1
Total	108	523	35	0	114	444

FTE History						
	2016 Budgeted	2015	2012	2009	2005	
Administrative Services	74	64	81	67	62	62
State Environmental Lab Services	60	58	57	61	72	72
Environmental Complaints and Local Services	89	89	95	100	95	95
Air Quality	124	125	111	114	118	118
Water Quality	119	113	106	125	122	122
Land Protection	89	88	84	82	80	80
Information Technology	0	0	0	0	0	0
Sec of Energy and Environment	1	1	0	0	0	0
Total	556	538	534	549	549	549

Performance Measure Review						
		FY'15	FY'14	FY'13	FY'12	FY'11
Administrative Services						
●	Percent of Claims Paid Within 45 Working Days	100%	100%	100%	100%	100%
●	Permit Assistance Info Provided to New and Expanding Businesses	100%	100%	100%	100%	100%
●	Percent of Initial Response To Requests for Record Searches, Copying and Reviews Within One Day	100%	100%	100%	99%	99%
Air Quality						
●	Amount Saved by OK Major Sources (\$ in millions; based on OK Title V program compared to a Fed Title V program & fees)	\$1.9	\$2.0	\$1.9	\$2.7	\$1.9
●	Reductions in Tons of Emissions From Enforcement Actions	755	3,058	4,000	246	171
State Environmental Laboratory Services						
●	Provide Analytical Collection Materials and Instruction for Customer Requests	95%	95%	95%	95%	N/A
●	Percent of laboratory samples processed within appropriate turnaround time targets	90%	96%	92%	96%	95%
Environmental Complaints & Local Services						
●	Percent of Complainants Contacted Within Two	75%	79%	76%	67%	86%
●	Number of Complaints	2,663	3,046	3,044	3,371	3,609
●	Percent of Complaints Resolved Within 90 Days or approved extension	100%	100%	100%	100%	100%
●	Gallons of Sewage eliminated from the Environment (Millions)	10.5	11	14	15	22
Water Quality						
●	Amount of Low Interest Loans Provided to Public Water Supply Systems to Help Compliance With Safe Water Drinking Act (Millions)	\$45.8	\$20.0	\$45.5	\$59.5	\$70.6
●	Percent of Public Water Supply Facilities In Compliance With Drinking Water Requirements	76%	81%	85%	86%	85%
Land Protection						
●	Number of Acres for Which Remediation Was Completed at Highly Contaminated Sites	259	162	183	894	595
●	Number of Abandoned Tires Remediated From Illegal Dumps	46,783	82,699	86,476	104,121	5,625

Revolving Funds (200 Series Funds)				
	FY'13-15 Avg. Revenues	FY'13-15 Avg. Expenditures		June '15 Balance
Revolving Fund 200 - Operating the following programs: Air Quality Title V, Air Quality Non-Title V, Lab Certification, Laboratory Analysis, Drinking Water, Wastewater, Stormwater, Hazardous Waste, Solid Waste, Radiation, Private Water and Sewage, SARA Title III, Tire, Lead, Voluntary Clean-Up, Highway Remediation, Soil Profiler and Southeast Commerce Passive Treatment	\$ 41,317,995	\$ 38,428,135	@6/30 Exp after 6/30 Pay after 6/30 Remaining	\$ 10,859,865 \$ (1,621,970) \$ 59,855 \$ 9,297,750
Environmental Education Fund 210 - Pass-through money to schools for environmental education	\$ 9,208	\$ 7,806	@6/30 Exp after 6/30 Pay after 6/30 Remaining	\$ 11,222 \$ - \$ - \$ 11,222
Environmental Trust Fund 215 - This fund is no longer used. The balance is less than \$1.00.	\$ -	\$ -	@6/30 Exp after 6/30 Pay after 6/30 Remaining	\$ 1 \$ - \$ - \$ 1
Hazardous Waste Penalty Fund 220 - Match for Superfund program and hazardous waste cleanups.	\$ 67,934	\$ 14,734	@6/30 Exp after 6/30 Pay after 6/30 Remaining	\$ 202,254 \$ - \$ (17) \$ 202,237
Certificate Fund 225 - The Certificate Fund is expended for training programs, including itinerant training programs, meetings, personnel, expenses, and purchase of personal property, to carry out the purposes of the Waterworks and Wastewater Works Operator Certification Act	\$ 710,490	\$ 820,521	@6/30 Exp after 6/30 Pay after 6/30 Remaining	\$ 291,311 \$ (47,225) \$ (15,010) \$ 229,075