

## Oklahoma Bureau of Narcotics and Dangerous Drugs Control

**Lead Administrator: John Scully, Director**

### FY'18 Projected Division/Program Funding By Source

	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$0	\$0	\$2,453,163	\$0	\$0	\$2,453,163
Enforcement	\$2,940,729	\$430,855	\$6,979,554	\$0	\$350,000	\$10,701,138
Human Trafficking & M.L.	\$0	\$0	\$811,163	\$0	\$50,000	\$861,163
Diversion	\$0	\$324,995	\$1,881,612	\$0	\$0	\$2,206,607
Educ. Trng. & Comm	\$0	\$8,000	\$1,567,996	\$0	\$0	\$1,575,996
Inofrmation Services	\$0	\$332,247	\$1,857,953	\$0	\$0	\$2,190,200
<b>Total</b>	<b>\$2,940,729</b>	<b>\$1,096,097</b>	<b>\$15,551,441</b>	<b>\$0</b>	<b>\$400,000</b>	<b>\$19,988,267</b>

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

NOTE: The budget above includes revisions 1-3. Federal monies are budgeted in Funds 210, 410, 415, & 418. Fund 700 (2%) is utilized for OBNDCC's Official Advanced Funds and is identified in "other."

### FY'17 Carryover by Funding Source

	Appropriations	Federal	Revolving	Local	Other*	Total
FY'17 Carryover	\$0	\$269,706	\$11,770,005	\$0	\$555,767	\$12,595,478
FY'17 GR Refund**	\$0	\$0	\$0	\$0	\$0	\$0

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

\*\*Indicate how the FY'17 General Revenue refund was budgeted

NOTE: The revolving fund carryover category is not true carryover monies but it is the cash balance as of 6-30-17. As of 7-3-17 the agency's revolving funds were reduced by \$2 million per SB860. Agency continues to pay for prior year obligations in the current FY. Also note "other" identifies OBNDCC's Fund 700 Official Advanced Funds. \*\*OBNDCC has received Special Cash vs. General Revenue during FY-17, therefore no GR Refund was received.

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

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

Not currently

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

Not Applicable

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

None

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 the past six months the agency has joined OMES for shared services, one position resigned, one position retired and another position was reclassified. Please see sheet attached.

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

	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$0	\$0	\$2,453,163	\$0	\$2,453,163	0.00%
Enforcement	\$2,940,729	\$155,855	\$6,979,554	\$350,000	\$10,426,138	-2.57%
Human Trafficking & M.L.	\$0	\$0	\$811,163	\$50,000	\$861,163	0.00%
Diversion	\$0	\$57,153	\$3,532,612	\$0	\$3,589,765	62.68%
Educ. Trng. & Comm	\$0	\$0	\$1,567,996	\$0	\$1,567,996	-0.51%
Inofrmation Services	\$0	\$250,000	\$1,857,953	\$0	\$2,107,953	-3.76%
<b>Total</b>	<b>\$2,940,729</b>	<b>\$463,008</b>	<b>\$17,202,441</b>	<b>\$400,000</b>	<b>\$21,006,178</b>	<b>5.09%</b>

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

NOTE: The agency has not developed an actual FY-19 BWP at this time. The information above is based on the FY-18 BWP with exception of the following: Multiple grants related the PMP will dissolve in the first quarter of FY-19; therefore you will see a decrease in federal funding and an increase in revolving funds, as the agency will have to absorb these expenses. You will also see an increase in the Diversion Division as the Agency is planning to increase Diversion FTE in efforts to combat the Opioid epidemic in Oklahoma. OBNDCC is not requesting any additional appropriated funds in FY-19, rather requesting a flat (stand still) budget considering the current financial/economic condition of the State in general.

### FY'19 Top Five Appropriation Funding Requests

	\$ Amount
Request 1: Description	
Request 2: Description	
Request 3: Description	
Request 4: Description	
Request 5: Description	
<b>Total Increase above FY-18 Request</b>	<b>0</b>

NOTE: The OBNDCC did not request any decision packages considering the budget shortfall expected by the state overall. The total general revenue has been reduced by 56.6% over the last nine years; revolving funds have also been reduced by \$8,000,000 over the last three years per HB2242, SB1616 & SB860 for the purposes of Special Cash. Due to the cuts stated above, it would be advantageous to the agency if no further reductions are made either in general revenue and/or revolving funds.

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How would the agency handle a 2% appropriation reduction in FY'19?							
Appropriated funds are budgeted exclusively for personnel costs and as such, has the least flexibility. General Revenue for FY-18 is \$2,940,729, a two percent (2%) reduction would be \$58,815. The current GR is approximately fifteen percent (14.71%) of total agency revenue and covers only twenty-two percent (22%) of salaries and benefits. With the continued conservative approach with the existing budget, constant monitoring of agency expenditures, curtailing expenses as necessary and revenue sources remaining constant, the OBNDCC would reconsider replacement of two high mileage vehicles.							
How would the agency handle a 4% appropriation reduction in FY'19?							
Appropriated funds are budgeted exclusively for personnel costs and as such, has the least flexibility. General Revenue for FY-18 is \$2,940,729 a four percent (4%) reduction would be \$117,629. The current GR is approximately fifteen percent (14.71%) of total agency revenue and covers only twenty-two percent (22%) of salaries and benefits. With the continued conservative approach with the existing budget, constant monitoring of agency expenditures, curtailing expenses as necessary and other revenue sources remaining constant, the OBNDCC would reconsider replacement of four high mileage vehicles.							
How would the agency handle a 6% appropriation reduction in FY'19?							
Appropriated funds are budgeted exclusively for personnel costs and as such, has the least flexibility. General Revenue for FY-18 is \$2,940,729 a six percent (6%) reduction would be \$176,444. The current GR is approximately fifteen percent (14.71%) of total agency revenue and covers only twenty-two percent (22%) of salaries and benefits. With the continued conservative approach with the existing budget, constant monitoring of agency expenditures, curtailing expenses as necessary and other revenue sources remaining constant, the OBNDCC would reconsider replacement of six high mileage vehicles.							
Is the agency seeking any fee increases for FY'19?							
							\$ Amount
Increase 1	Not at this time, however with the reduction of federal grants currently utilized for the PMP expenses and the demands on this agency due to the opioid epidemic, a fee increase may be considered.						\$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?							
Not Applicable							
Federal Government Impact							
1.) How much federal money received by the agency is tied to a mandate by the Federal Government?							
The OBNDCC does not operate under any federal mandates at this time. However, the federal funds received are tied to several state mandates by our agency; such as law enforcement narcotics training and education, prescription monitoring program and marijuana eradication.							
2.) Are any of those funds inadequate to pay for the federal mandate?							
Not applicable.							
3.) What would the consequences be of ending all of the federal funded programs for your agency?							
The OBNDCC currently runs three (3) federally funded programs: Prescription Monitoring Program, Domestic Cannabis Eradication/Suppression Program (DCE/SP) and the HIDTA Deconfliction Center. The loss of any of these programs would be detrimental to the State of Oklahoma and the safety of its citizens. All of these programs work toward a common goal of a drug-free state and a safer Oklahoma.							
- The PMP system is a critical system maintained by the OBNDCC and used by law enforcement and the medical field for prescription monitoring. The OBNDCC has received federal funding directly from the Department of Justice and through the OK State Department of Health for the continuance of the PMP system. <b>However, these funding streams will end in the first quarter of FY-19 and OBNDCC will have to absorb the cost to maintain the system.</b>							
- The DCE/SP program provides aggressive enforcement actions by the OBNDCC and DEA to decrease the unlawful cultivation of marijuana in this state. This program not only includes cooperative investigations with various federal, state and local law enforcement agencies but also provides law enforcement training for officers from other agencies each year and opportunities to educate our citizens as well. The multiple objectives of this program lead to the seizure of marijuana plants and the arrests of the criminals involved.							
- The HIDTA program is a joint effort between federal, state and local law enforcement agencies to assess regional drug threats, develop and implement strategies and initiatives to disrupt and dismantle drug trafficking organizations. As one of many partners in this program, the OBNDCC is the Deconfliction Center for the Oklahoma Initiative. The Deconfliction center is a centralized support system that provides officer safety and information sharing among agencies.							
4.) How will your agency be affected by federal budget cuts in the coming fiscal year?							
As expected, federal budgets continue to be reduced and/or restricted. Therefore, the OBNDCC progressively reviews and restructures the agency budget in order to continue the programs mentioned above which are critical to the State. OBNDCC did not receive federal funding to continue the Anti-Methamphetamine Program in FY-18 and has therefore absorbed the costs of certain clan lab trainings. Also, in FY-19 OBNDCC will no longer receive the current federal funding for the PMP system.							
5.) Has the agency requested any additional federal earmarks or increases?							
OBNDCC continues to search and apply for federal funding applicable to the agency and it's core mission.							



Revolving Funds (200 Series Funds)						
			FY'15-17 Avg. Revenues	FY'15-17 Avg. Expenditures	June '17 Balance	
<b>Revolving Fund I - 21000*</b>			\$3,474,501	\$3,529,508	\$1,194,140	
This fund is the OBNDDC's General Revolving Fund and is referred to in the statute as the "Bureau of Narcotics Revolving Fund". Several fees, fines and other sources of revenue are placed in this fund. Registration fees for medical professionals, as well as fines, penalties and restitution are placed in this fund. Seized cash and proceeds from sale of seized property processed through State court.						
<b>Revolving Fund II - 21500</b>			\$43,813	\$500	\$224,069	
This fund is the OBNDDC's Drug Education Revolving Fund and is referred to in the statute as the "Bureau of Narcotics Drug Education Revolving Fund". Fees collected by Court Clerks and submitted to the OBNDDC for possession of marijuana or drug paraphernalia convictions are placed in this fund.						
<b>Revolving Fund III - 22000</b>			\$12,297,179	\$9,675,395	\$4,699,153	
This fund is the OBNDDC's Drug Money Laundering and Wire Transfer Fund and is referred to in the statute as the "Drug Money Laundering and Wire Transmitter Revolving Fund". Fees collected by the Oklahoma Tax Commission and submitted to the OBNDDC for money wire transmissions are placed in this fund.						
<b>Revolving Fund III - 22500*</b>			\$5,865,588	\$255,942	\$5,652,643	
This fund is the OBNDDC's State Asset Forfeiture/Seizure Fund. Monies seized during searches are placed in this fund after all necessary legal actions have been taken.						
* Averages for Fund 21000 and 22500 are slightly skewed due to the creation of Fund 22500 in FY-17. Approximately \$2mil was transferred from 21000 to 22500 in order to properly separate and identify state seizures.						