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Oklahoma Policy Institute

FY 2015 BUDGET HIGHLIGHTS**Total appropriations for FY 2015 are \$7.193 billion.**

- Appropriations are \$4 million less than the final FY 2014 budget.
- Certified revenue accounts for \$6.939 billion (96.5 percent) of the budget.
- An additional \$253.7 million was appropriated out of cash reserves, agency revolving funds, and other one-time revenue sources.

Most agency budgets have not kept up with inflation.

- The FY 2015 budget is \$680 million, or 8.6 percent, below FY 2009, adjusted for inflation.
- This year, 52 out of 73 appropriated state agencies, boards, and commissions received budget cuts or flat funding. Most state agencies were cut 5.5 percent.
- Many agencies are still 15-30 percent below pre-recession funding levels.

A few agencies received funding increases.

- Department of Education: \$80 million to fund school employee health benefits and boost the school funding formula.
- Department of Human Services: \$44.6 million to fund reforms to the child welfare system, provide employee pay raises, and reduce the waiting list for developmental disability services.
- Department of Public Safety: \$5.4 million for pay raises for state troopers and other employees.
- Department of Mental Health and Substance Abuse Services: \$2.2 million for drug courts, Systems of Care, and pay raises.
- Office of the Chief Medical Examiner: \$1.5 million for operations and debt service on a new headquarters in Edmond.

The budget will result in significant cuts to Medicaid and mental health.

- Oklahoma's Medicaid program receives flat funding in the FY 2015 budget. However, to maintain existing services the program needed a \$90 million state funding increase, due to increasing costs and utilization and reduced federal matching funds.
- Due to the funding shortfall, Medicaid is planning to slash provider rates, limit benefits, and hike copays for low-income adults and Oklahomans with disabilities.
- The Department of Mental Health and Substance Abuse Services was provided just \$2.2 million of \$20.9 million needed to maintain services.

Figure 1: State Appropriations, FY 2007 to FY 2015

(in \$ millions; includes supplementals, Rainy Day spillover funds)

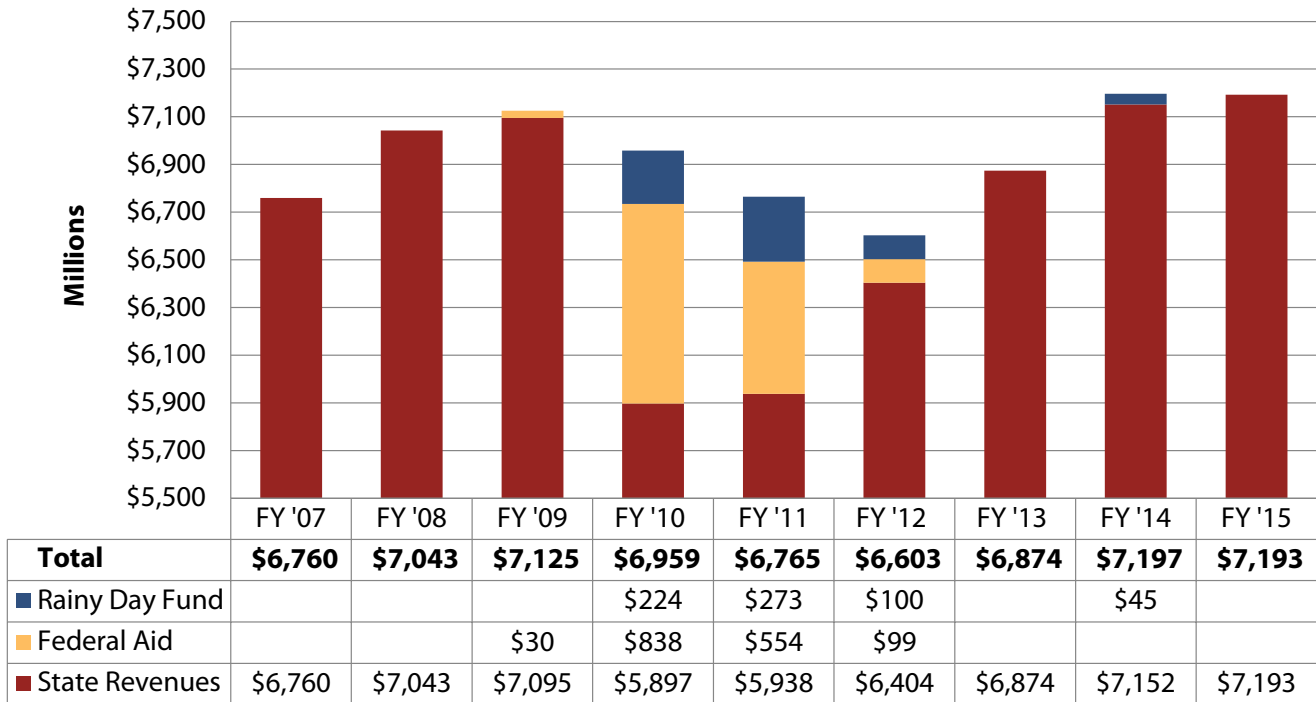


Figure 2: State Appropriations, Adjusted for Inflation

(in \$ millions; 2014 dollars adjusted using the Consumer Price Index)

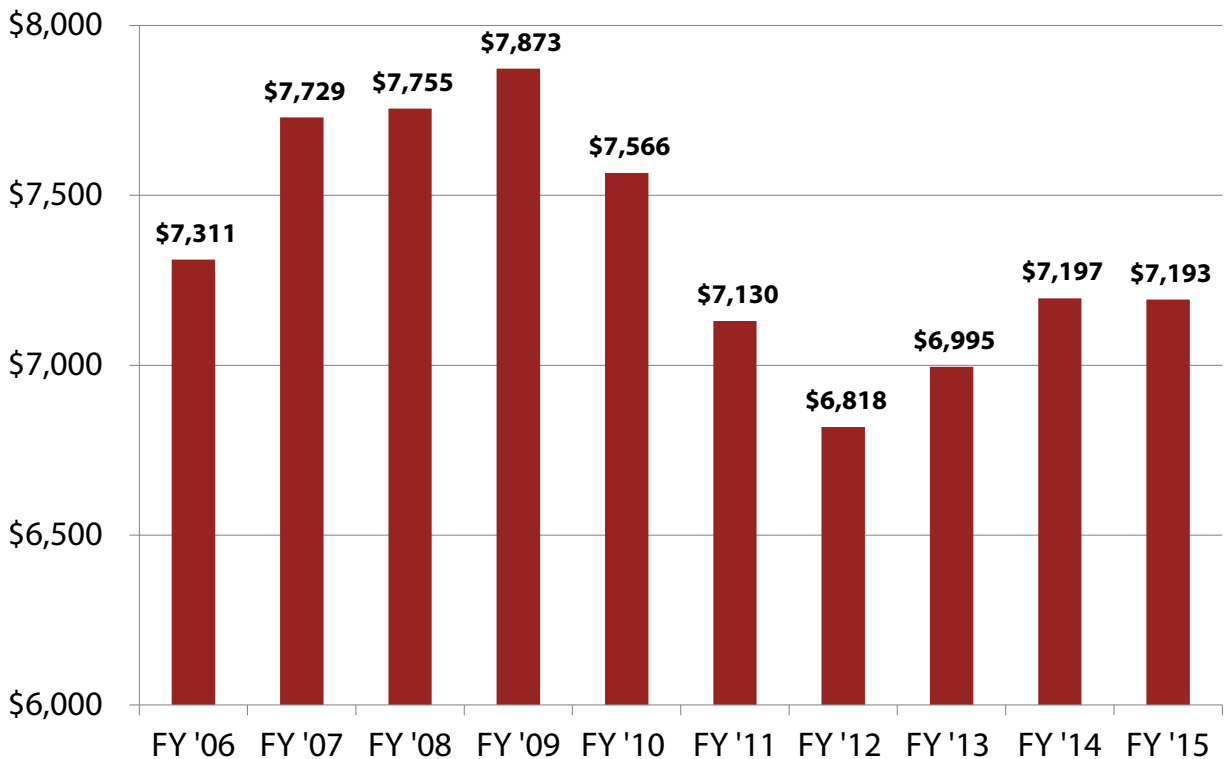


Figure 3: FY 2015 Appropriations to Ten Largest Agencies

Total Appropriations:
\$7,193.3M

Total Ten Largest:
\$6,443.7M (89.6%)

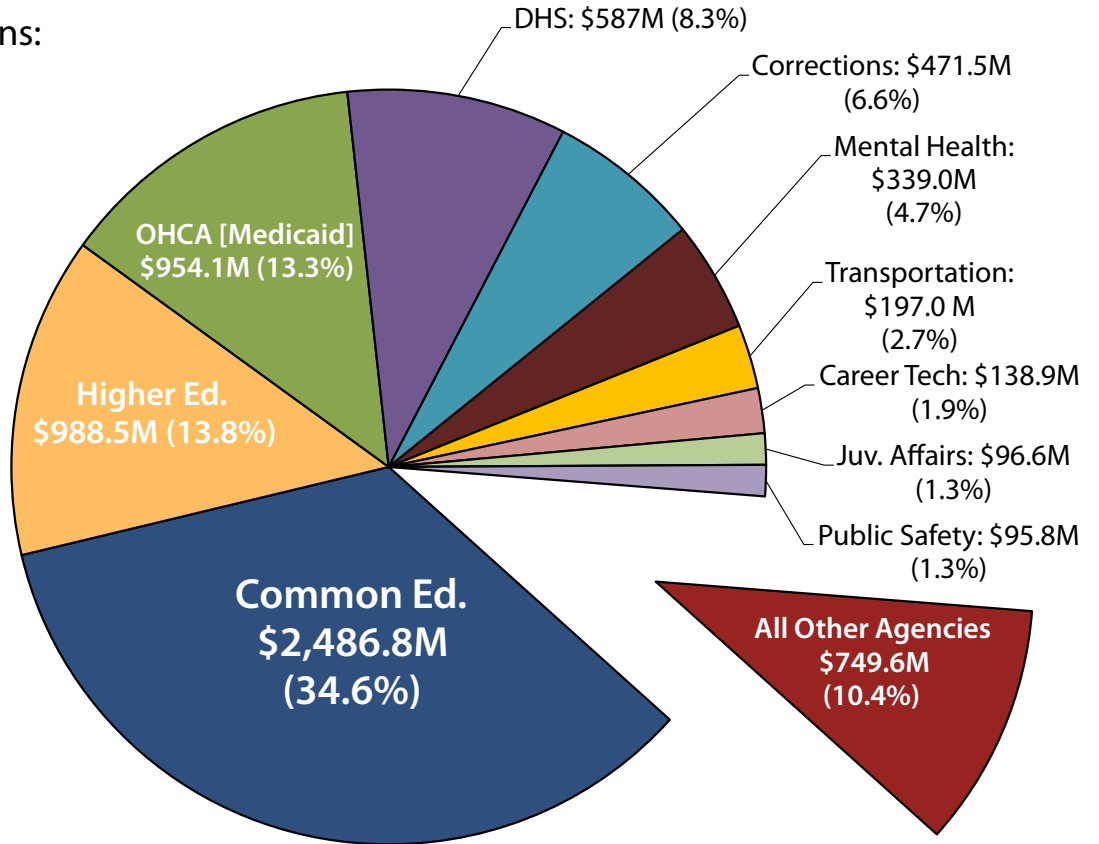
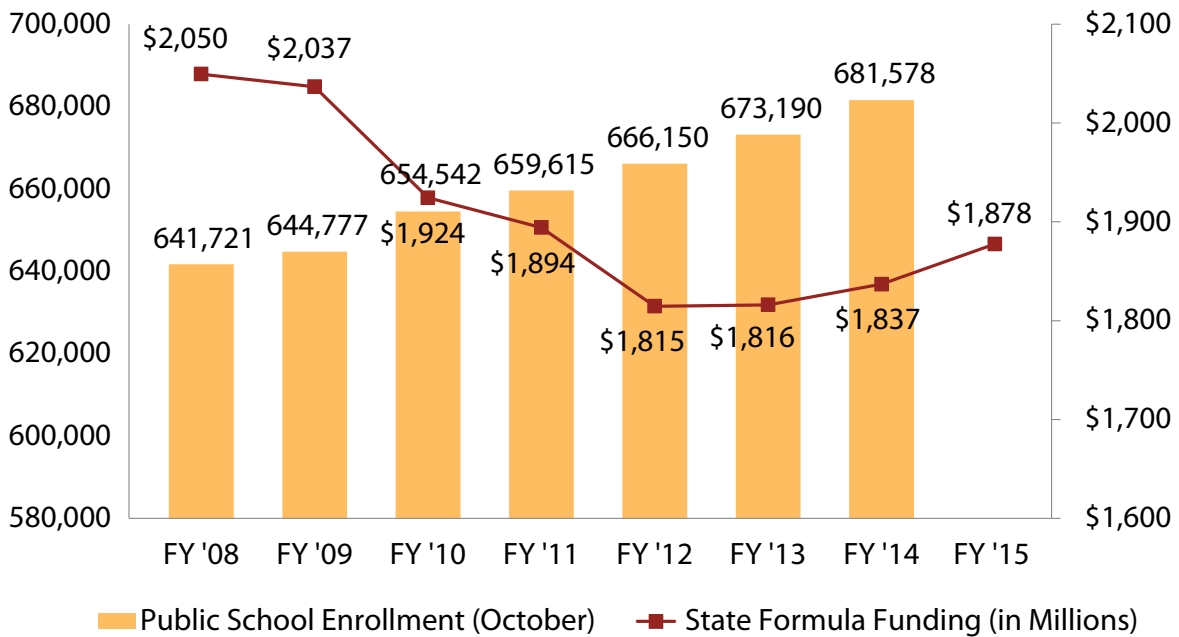


Figure 4: Public School Enrollment and State Formula Funding (in millions), FY 2008 to FY 2015



Note: State Funding excludes money allocated for textbooks

Figure 5: General Revenue by Tax, FY 2008 to FY 2015

(in \$ millions; FY 2014 and FY 2015 based on Feb. 2014 Board of Equalization estimates)

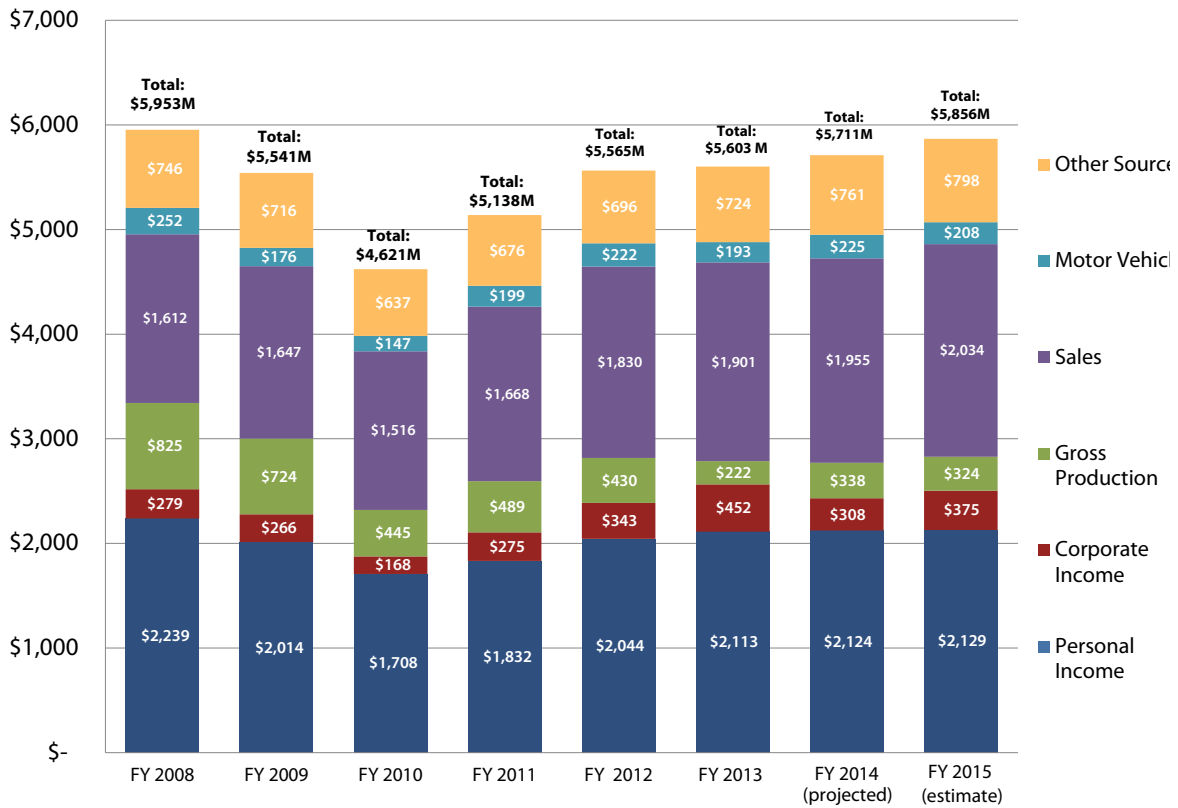


Figure 6: FY 2015 Appropriations Revenue Sources

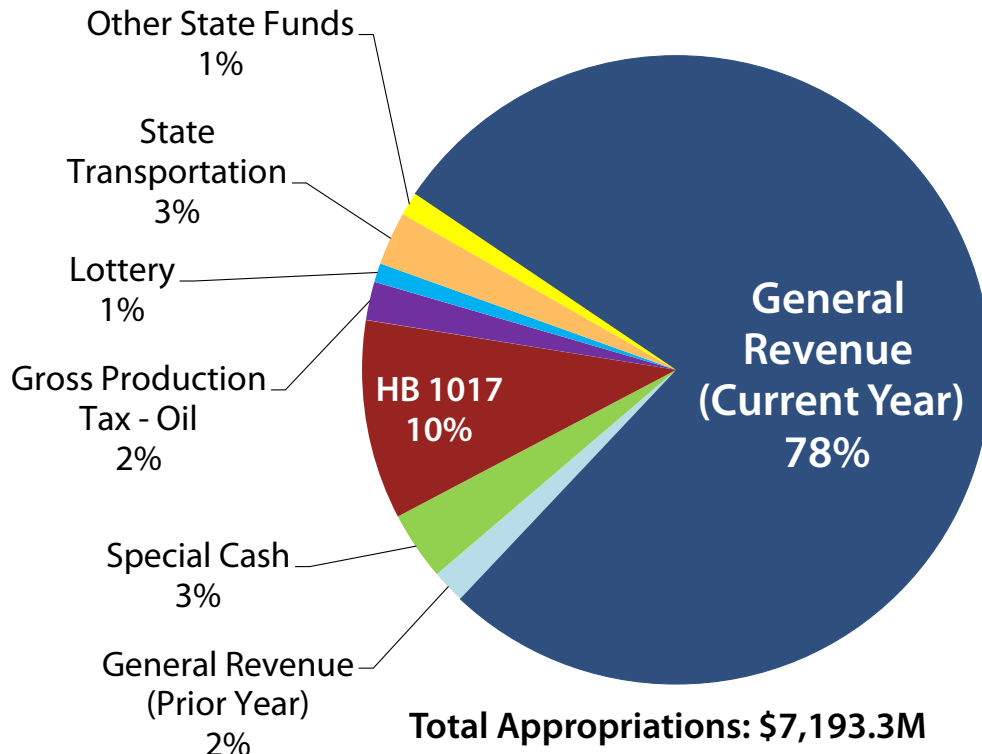


TABLE: FY 2009 to FY 2014 Appropriations by Agency (page 1 of 5)

(Includes all supplemental appropriations)									
	FY '09	FY '10 (Final after cuts)	FY '11	FY '12	FY '13	FY '14	FY '15	% Change FY2014 - FY2015	% Change FY2009 - FY2015
Subcommittee on Education									
Arts Council	\$5,150,967	\$4,763,988	\$4,406,689	\$4,010,087	\$4,010,087	\$4,010,087	\$3,789,532	-5.5%	-26.4%
Career and Technology Education, Department of	\$158,269,736	\$146,217,612	\$143,377,302	\$133,742,618	\$135,142,618	\$138,142,618	\$138,892,618	0.5%	-12.2%
Education, State Department of ¹	\$2,531,702,553	\$2,446,504,826	\$2,385,556,186	\$2,330,604,082	\$2,364,201,755	\$2,433,127,082	\$2,486,854,082	2.2%	-1.8%
Education Quality and Accountability, Office of ²	-	-	-	-	-	\$661,271	\$1,931,271	192.1%	
Educational Television Authority	\$8,394,383	\$4,468,468	\$4,200,360	\$3,822,328	\$3,822,328	\$3,822,328	\$3,612,100	-5.5%	-57.0%
Higher Education, Regents for	\$1,039,886,280	\$1,037,705,291	\$1,013,461,016	\$945,260,277	\$955,260,277	\$988,549,007	\$988,549,007	0.0%	-4.9%
Land Office, Commissioners of	\$4,864,881	\$5,004,880	\$7,109,000	\$7,109,000	\$16,000,000	\$15,062,250	\$8,538,600	-43.3%	75.5%
Libraries, Department of	\$7,294,856	\$6,747,464	\$6,342,616	\$5,898,633	\$5,898,633	\$5,898,633	\$5,574,208	-5.5%	-23.6%
Physician Manpower Training Commission	\$5,523,502	\$5,205,484	\$4,812,367	\$4,379,254	\$4,379,254	\$4,379,254	\$4,138,395	-5.5%	-25.1%
Science & Math, School of	\$7,985,737	\$6,980,704	\$6,540,080	\$6,332,274	\$6,332,274	\$6,332,274	\$6,332,774	0.0%	-20.7%
Science & Technology, Center for	\$22,456,507	\$20,374,571	\$19,152,096	\$17,811,449	\$17,811,449	\$17,811,449	\$16,831,819	-5.5%	-25.0%
Teacher Preparation, Commission on ²	\$2,059,982	\$1,772,100	\$1,641,053	\$1,526,179	\$1,526,179	\$1,526,179	\$0	-100.0%	-100.0%
Subcommittee Total	\$3,793,589,384	\$3,685,925,160	\$3,596,598,765	\$3,460,496,181	\$3,514,384,854	\$3,619,322,432	\$3,665,044,406	1.3%	-3.4%

Subcommittee on General Government									
Auditor and Inspector	\$6,315,269	\$5,432,710	\$5,152,673	\$4,706,986	\$4,706,986	\$4,706,986	\$4,448,102	-5.5%	-29.6%
Bond Advisor	\$186,419	\$160,367	\$155,556	\$143,112	\$143,112	\$143,112	\$135,241	-5.5%	-27.5%
Central Services, Department of ³	\$18,713,175	\$17,252,205	\$15,973,031	\$17,313,301	\$17,313,301	\$0	-	-	-
Civil Emergency Management Administration	\$1,156,604	\$729,204	\$692,744	\$651,179	\$1,851,179	\$651,179	\$918,697	41.1%	-20.6%
Election Board ⁹	\$6,805,988	\$5,906,801	\$8,047,225	\$7,805,808	\$7,805,808	\$7,805,808	\$7,805,808	0.0%	14.7%
Ethics Commission ⁹	\$667,960	\$574,613	\$545,882	\$523,129	\$648,129	\$738,129	\$1,456,749	97.4%	118.1%
Governor ⁴	\$2,661,981	\$2,289,969	\$2,129,671	\$1,980,594	\$2,172,900	\$2,172,900	\$2,107,713	-3.0%	-20.8%
House of Representatives ⁹	\$19,176,434	\$16,496,527	\$15,341,770	\$15,774,682	\$15,574,682	\$16,574,682	\$16,663,074	0.5%	-13.1%
Legislative Service Bureau	\$5,537,349	\$5,271,866	\$4,902,835	\$4,892,835	\$4,892,835	\$9,892,835	\$4,892,835	-50.5%	-11.6%

TABLE: FY 2009 to FY 2014 Appropriations by Agency (page 2 of 5)

(Includes all supplemental appropriations)									
	FY '09	FY '10 (Final after cuts)	FY '11	FY '12	FY '13	FY '14	FY '15	% Change FY2014 - FY2015	% Change FY2009 - FY2015
Lt. Governor	\$659,597	\$567,418	\$527,699	\$506,591	\$506,591	\$506,591	\$478,728	-5.5%	-27.4%
Management and Enterprise Services, Office of ³	\$23,081,434	\$22,175,326	\$20,623,054	\$19,179,440	\$19,179,440	\$45,132,347	\$42,802,244	-5.2%	85.4%
Merit Protection Commission	\$613,684	\$567,657	\$527,921	\$490,967	\$490,967	\$490,967	\$463,964	-5.5%	-24.4%
Military, Department of	\$13,132,301	\$11,374,203	\$10,787,365	\$10,247,997	\$10,747,997	\$11,747,997	\$11,868,249	1.0%	-9.6%
Personnel Management ³	\$4,891,745	\$4,208,124	\$3,913,555	\$3,639,606	\$3,639,606	\$0	-	-	-
Secretary of State	\$380,517	\$327,340	\$304,426	\$0	-	-	-	-	-
Senate	\$14,699,125	\$12,644,922	\$11,759,778	\$11,171,789	\$12,171,789	\$13,171,789	\$12,447,341	-5.5%	-15.3%
Space Industry Development Authority	\$530,340	\$456,225	\$424,289	\$394,589	\$394,589	\$394,589	\$372,887	-5.5%	-29.7%
Tax Commission	\$50,201,340	\$43,830,944	\$46,830,944	\$46,915,944	\$46,915,944	\$46,915,944	\$44,335,567	-5.5%	-11.7%
Transportation, Department of ⁵	\$207,691,448	\$193,085,716	\$114,771,010	\$106,737,039	\$206,405,702	\$208,707,119	\$197,228,227	-5.5%	-5.0%
Treasurer	\$4,668,763	\$4,023,803	\$3,903,089	\$3,629,873	\$3,743,873	\$3,553,873	\$3,358,410	-5.5%	-28.1%
Subcommittee Total	\$381,771,473	\$347,375,941	\$267,314,517	\$256,705,461	\$359,305,430	\$373,306,847	\$351,783,836	-5.8%	-7.9%

Subcommittee on Human Services									
Children and Youth, Commission on	\$2,608,473	\$2,294,214	\$2,156,561	\$2,027,167	\$2,027,167	\$2,027,167	\$2,129,673	5.1%	-18.4%
Disability Concerns, Office of	\$412,769	\$363,311	\$341,513	\$317,607	\$317,607	\$317,607	\$300,139	-5.5%	-27.3%
Human Rights Commission ⁶	\$710,226	\$614,256	\$571,258	\$531,270	\$0	-	-	-	-
Human Services, Department of	\$559,107,190	\$522,260,369	\$543,110,884	\$537,136,664	\$586,958,664	\$630,958,664	\$675,594,994	7.1%	20.8%
Indian Affairs, Commission of ⁴	\$258,466	\$222,345	\$206,781	\$192,306	\$0	-	-	-	-
Juvenile Affairs	\$112,254,258	\$104,161,835	\$99,162,067	\$96,187,205	\$96,187,205	\$98,187,205	\$96,616,843	-1.6%	-13.9%
Rehabilitation Services, Department of	\$30,053,770	\$29,369,737	\$30,453,770	\$30,149,232	\$30,449,232	\$30,949,232	\$30,582,097	-1.2%	1.8%
Subcommittee Total	\$705,405,152	\$659,286,068	\$676,002,834	\$666,541,451	\$715,939,875	\$762,439,875	\$805,223,746	5.6%	14.2%

TABLE: FY 2009 to FY 2014 Appropriations by Agency (page 3 of 5)

(Includes all supplemental appropriations)									
	FY '09	FY '10 (Final after cuts)	FY '11	FY '12	FY '13	FY '14	FY '15	% Change FY2014 - FY2015	% Change FY2009 - FY2015
Subcommittee on Health and Social Services									
Health Care Authority ^{7,9}	\$872,122,261	\$980,384,093	\$1,008,015,720	\$983,085,563	\$930,483,007	\$953,701,274	\$954,073,857	0.0%	9.4%
Health, Department of	\$75,028,113	\$68,883,659	\$63,709,238	\$60,083,682	\$61,783,682	\$62,983,682	\$60,706,499	-3.6%	-19.1%
J.D. McCarty Center	\$4,452,961	\$4,146,257	\$4,021,869	\$3,740,338	\$3,740,338	\$4,140,338	\$4,417,593	6.7%	-0.8%
Mental Health & Substance Abuse Services ⁷	\$209,579,129	\$188,685,541	\$187,742,113	\$187,151,517	\$311,421,073	\$336,821,458	\$339,073,891	0.7%	61.8%
University Hospitals Authority	\$43,250,342	\$41,005,093	\$38,595,044	\$38,446,391	\$41,624,391	\$44,530,391	\$42,120,379	-5.4%	-2.6%
Oklahoma State University Medical Authority	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$8,080,000	\$13,000,000	\$12,285,000	-5.5%	145.7%
Veterans Affairs, Department of	\$40,282,600	\$37,261,405	\$35,957,256	\$34,698,752	\$35,698,752	\$35,698,752	\$36,138,743	1.2%	-10.3%
Subcommittee Total	\$1,249,715,406	\$1,325,366,048	\$1,343,041,240	\$1,312,206,243	\$1,392,831,243	\$1,450,875,895	\$1,448,815,962	-0.1%	15.9%
Subcommittee on Natural Resources and Regulatory Affairs									
Agriculture, Department of ⁹	\$34,540,185	\$30,777,266	\$26,306,894	\$25,610,247	\$27,610,247	\$25,910,247	\$28,169,739	8.7%	-18.4%
Commerce, Department of	\$30,934,772	\$30,836,632	\$26,905,919	\$29,073,212	\$29,573,212	\$32,573,212	\$28,268,951	-13.2%	-8.6%
Conservation Commission ⁹	\$10,292,962	\$9,021,281	\$9,845,434	\$9,561,684	\$10,061,684	\$10,461,684	\$13,379,221	27.9%	30.0%
Consumer Credit, Department of	\$669,042	\$575,543	\$535,255	\$331,730	\$31,730	\$31,730	\$0	-100.0%	-100.0%
Corporation Commission ⁸	\$12,415,417	\$11,935,261	\$12,133,793	\$11,324,427	\$11,324,427	\$11,324,427	\$10,788,480	-4.7%	-13.1%
Environmental Quality, Dept of	\$9,728,096	\$8,599,845	\$8,126,853	\$7,557,973	\$7,757,973	\$9,057,973	\$7,142,284	-21.1%	-26.6%
Historical Society	\$14,967,451	\$13,476,863	\$12,913,636	\$12,502,546	\$12,502,546	\$12,502,546	\$12,020,252	-3.9%	-19.7%
Horse Racing Commission	\$2,669,568	\$2,296,496	\$2,135,741	\$2,072,167	\$2,072,167	\$2,072,167	\$1,976,189	-4.6%	-26.0%
Insurance Commissioner	\$2,515,943	\$2,164,340	\$2,012,836	\$1,871,937	\$1,871,937	\$1,871,937	\$1,768,980	-5.5%	-29.7%
J.M. Davis Memorial Commission	\$385,403	\$331,543	\$306,677	\$306,009	\$306,009	\$306,009	\$289,179	-5.5%	-25.0%
Labor, Department of	\$3,760,284	\$3,404,419	\$3,166,110	\$3,081,160	\$3,311,160	\$3,311,160	\$3,129,046	-5.5%	-16.8%
Mines, Department of	\$1,013,586	\$871,937	\$810,902	\$779,139	\$779,139	\$879,139	\$879,139	0.0%	-13.3%

TABLE: FY 2009 to FY 2014 Appropriations by Agency (page 4 of 5)

(Includes all supplemental appropriations)									
	FY '09	FY '10 (Final after cuts)	FY '11	FY '12	FY '13	FY '14	FY '15	% Change FY2014 - FY2015	% Change FY2009 - FY2015
Scenic Rivers Commission ⁹	\$345,322	\$297,063	\$279,239	\$271,315	\$271,315	\$271,315	\$271,315	0.0%	-21.4%
Tourism and Recreation, Dept of	\$28,041,991	\$23,966,201	\$22,503,229	\$21,803,003	\$21,803,003	\$21,803,003	\$20,773,376	-4.7%	-25.9%
Water Resources Board ⁹	\$6,801,524	\$6,036,011	\$5,698,571	\$5,499,671	\$6,999,671	\$9,999,671	\$8,114,689	-18.9%	19.3%
Will Rogers Memorial Commission	\$933,702	\$803,217	\$744,984	\$740,486	\$740,486	\$740,486	\$699,759	-5.5%	-25.1%
Subcommittee Total	\$160,015,248	\$145,393,917	\$134,426,073	\$132,386,706	\$137,016,706	\$143,116,706	\$137,670,599	-3.8%	-14.0%

Subcommittee on Public Safety									
Alcoholic Beverage Laws Enforcement	\$3,925,266	\$3,630,864	\$3,376,703	\$3,140,334	\$3,140,334	\$3,140,334	\$3,054,947	-2.7%	-22.2%
Attorney General ⁶	\$14,781,704	\$12,693,067	\$12,704,552	\$13,548,571	\$20,228,141	\$15,228,141	\$14,597,733	-4.1%	-1.2%
Corrections, Department of	\$503,000,000	\$476,225,000	\$467,341,777	\$459,831,068	\$463,731,068	\$476,731,068	\$471,451,551	-1.1%	-6.3%
Court of Criminal Appeals	\$3,474,527	\$3,056,710	\$3,455,575	\$3,334,631	\$3,484,631	\$3,634,631	\$3,634,631	0.0%	4.6%
District Attorneys and DAC	\$42,820,210	\$36,836,086	\$34,257,560	\$32,887,258	\$34,187,258	\$39,687,258	\$39,687,258	0.0%	-7.3%
District Courts	\$58,067,785	\$52,502,812	\$57,641,865	\$59,600,000	\$59,600,000	\$59,600,000	\$55,606,800	-6.7%	-4.2%
Fire Marshal	\$2,270,855	\$2,077,424	\$1,932,004	\$1,796,764	\$1,796,764	\$1,796,764	\$1,748,367	-2.7%	-23.0%
Indigent Defense System	\$16,734,008	\$14,554,964	\$15,153,971	\$14,699,353	\$14,699,353	\$15,699,353	\$16,099,353	2.5%	-3.8%
Investigation, State Bureau of	\$17,316,450	\$15,824,002	\$14,716,322	\$13,848,059	\$13,848,059	\$14,283,059	\$14,370,884	0.6%	-17.0%
Judicial Complaints, Council on	\$283,729	\$247,937	\$230,581	\$75,000	-	-	-	-	-
Law Enforcement Education and Training	\$4,614,370	\$4,341,704	\$3,917,618	\$3,426,565	\$3,682,560	\$3,757,560	\$3,554,474	-5.4%	-23.0%
Medicolegal Investigations, Board of	\$4,825,625	\$4,580,913	\$4,794,164	\$5,698,281	\$7,198,281	\$8,698,281	\$10,219,876	17.5%	111.8%
Narcotics and Dangerous Drugs, Bureau of	\$7,423,895	\$5,928,493	\$5,466,418	\$3,616,418	\$3,616,418	\$3,616,418	\$3,766,869	4.2%	-49.3%
Pardon and Parole Board	\$2,577,581	\$2,334,162	\$2,334,162	\$2,217,454	\$2,217,454	\$2,292,454	\$2,469,692	7.7%	-4.2%
Public Safety, Department of	\$97,170,391	\$89,339,209	\$88,432,073	\$89,894,790	\$89,894,790	\$90,416,790	\$95,826,223	6.0%	-1.4%
Supreme Court	\$19,247,063	\$16,550,345	\$15,381,358	\$17,300,000	\$17,337,000	\$17,300,000	\$17,300,000	0.0%	-10.1%

TABLE: FY 2009 to FY 2014 Appropriations by Agency (page 5 of 5)

(Includes all supplemental appropriations)									
	FY '09	FY '10 (Final after cuts)	FY '11	FY '12	FY '13	FY '14	FY '15	% Change FY2014 - FY2015	% Change FY2009 - FY2015
Workers' Compensation Commission	\$5,259,801	\$4,676,769	\$4,349,395	\$4,197,166	\$4,247,166	\$1,500,000	\$2,750,000	83.3%	-47.7%
Workers' Compensation Court of Existing Claims	-	-	-	-	-	\$4,247,166	\$2,750,000	-35.3%	-
Subcommittee Total	\$803,793,260	\$745,400,460	\$735,486,098	\$729,111,712	\$742,909,277	\$761,629,277	\$758,888,658	-0.4%	-5.6%

Other Appropriations									
REAP	\$15,500,000	\$13,333,875	\$12,400,504	\$11,532,469	\$11,532,469	\$11,532,469	\$10,898,183	-5.5%	-29.7%
Governor's Emergency Fund	\$15,000,000	\$15,000,000	\$0	\$34,156,706	\$0	\$45,000,000		-100.0%	-100.0%
Office of State Finance - Voluntary Buy-Out	-	\$22,000,000	-	-	-	-	-	-	-
Building Maintenance Revolving Fund	-	-	-	-	-	\$30,000,000	\$15,000,000	-50.0%	-
Others Total	\$30,500,000	\$50,333,875	\$12,400,504	\$45,689,175	\$11,532,469	\$86,532,469	\$25,898,183	-70.1%	-15.1%

TOTAL	\$7,124,789,923	\$6,959,081,468	\$6,765,270,031	\$6,603,136,929	\$6,873,919,854	\$7,197,223,501	\$7,193,325,390	-0.1%	1.0%
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NOTES

- (1) Department of Education FY '13 includes \$12.050M for Ad Valorem Reimbursement Fund and \$1.6M for Teachers Retirement System - SB 1975
- (2) Office of Education Quality and Accountability includes Commission on Teacher Preparation as of FY '15
- (3) Department of Central Services and Office of Personnel Management included in Office of Management and Enterprise Services as of FY '14
- (4) Funds for the Commission of Indian Affairs were shifted to the Governor's Office in FY '13
- (5) Department of Transportation received additional \$65 million in FY '11 from bond issue - SB 1466; additional \$70M in FY '12 bond issue - HB 1271
- (6) Funds for Human Rights Commission were shifted to the Attorney General in FY '13
- (7) \$118.1 million for behavioral health services were transferred from the Oklahoma Health Care Authority to the Department of Mental Health and Substance Abuse Services in FY '13; an additional \$8 million was transferred in FY '14
- (8) Corporation Commission FY '11 includes \$2 million transfer from Underground Storage Tank Fund
- (9) One-time and ongoing funding for Oklahoma Health Care Authority, Agriculture Department, Conservation Commission, Scenic Rivers Commission, Water Resources Board, House of Representatives, Ethics Commission, Election Board, and Building Maintenance Revolving Fund all treated as FY '14 supplementals in 2014 budget agreement, treated here as FY '15 funding since they will be used for 2015 operations.