ENROLLED HOUSE
BILL NO. 1575

By: Seikel and Blackburn of the House

and

Cain of the Senate

An Act relating to human services; establishing the Oklahoma Human Services Foundation; providing for appointment, terms, qualifications, removal and duties; encouraging the Oklahoma Human Services Foundation to cooperate with certain nonprofit foundations; requiring certain audits and reports; requiring record maintenance; creating the Oklahoma Human Services Foundation Revolving Fund and certain procedures related thereto; providing for deposits and expenditures; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5001 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the "Oklahoma Human Services Foundation", to be governed as a nonprofit organization, with tax exempt designation of 501(c)(3), and an appointed Governing Board.

B. The Governing Board shall consist of five (5) members, to be appointed by December 1, 1995, as follows:

1. One member shall be appointed by the President Pro Tempore of the Oklahoma State Senate for a three-year term;

2. One member shall be appointed by the Speaker of the Oklahoma House of Representatives for a three-year term;

3. One member shall be appointed by the Governor for a three-year term; and

4. Two members shall be appointed by the Commission for Human Services:

a. one of the two members appointed by the Commission for Human Services shall not be a member of the Commission for Human Services, and shall serve a three-year term, and

b. the second of the two members appointed by the Commission for Human Services shall be a member of the Commission for Human Services, shall serve until such person is no longer a member of the Commission for Human Services, and shall serve as the Chairperson for the Oklahoma Human Services Foundation.

C. Beginning with the expiration of the terms of the five (5) members initially appointed, the Governing Board shall consist of five (5) members, appointed as follows:

1. One member shall be appointed by the President Pro Tempore of the Oklahoma State Senate and shall serve a term of one (1) year;

2. One member shall be appointed by the Speaker of the Oklahoma House of Representatives and shall serve a term of two (2) years;

3. One member shall be appointed by the Governor and shall serve a term of three (3) years;

4. One of the two members appointed by the Commission for Human Services shall not be a member of the Commission for Human Services, and shall serve a three-year term; and

5. The second of the two members appointed by the Commission for Human Services shall be a member of the Commission for Human Services, shall serve until such person is no longer a member of the Commission for Human Services, and shall serve as the Chairperson for the Oklahoma Human Services Foundation.

D. At the expiration of the term, or termination of the member's service for any reason, the original appointing authority shall appoint a successor for a term of three (3) years, or for the remainder of an unexpired term.

E. Members of the Commission shall be knowledgeable of and have concern for Human Services issues, the needs of Human Services clients, and the purpose for the Oklahoma Human Services Foundation. All members shall be residents of the state and qualified electors at the time of their appointment. Before entering upon the duties of their office, members of the Governing Board shall take the Constitutional oath of office and the same shall be filed with the Secretary of State. A member of the Governing Board may be reappointed to succeed himself. Governing Board members shall be reimbursed for travel expenses incurred in the performance of their duties as provided in the State Travel Reimbursement Act.

F. The original appointing authority may remove any Governing Board member for misconduct, incompetence or neglect of duty, after giving such member a written statement of charges, and opportunity for a hearing.

G. Any Governing Board member shall be automatically removed for nonattendance of any three meetings during a calendar year.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5002 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Human Services Foundation shall seek ways to encourage contributions by private individuals, companies, foundations, corporations, and others in the private and public sectors by operating as a public, nonprofit foundation with 501(c)(3) status. This foundation shall operate for the exclusive purpose of receiving, investing, and expending privately donated nonstate funds for the funding of social service and welfare projects administered by the Oklahoma Department of Human Services.

B. The Oklahoma Human Services Foundation Governing Board shall have sole authority in administering the foundation funds and determining what projects presented by the Oklahoma Department of Human Services shall receive funds. The nonprofit foundation shall make a full report annually of its activities to the Governor, the Legislature, and the Oklahoma Department of Human Services Commission.

C. The nonprofit foundation shall have an independent financial and program audit, in full compliance with the 1984 Single Audit Act, conducted annually. Copies of the independent audit report shall be provided to the Governor, the Legislature, and the Oklahoma Department of Human Services Commission.

D. The nonprofit foundation shall maintain all financial records according to Generally Accepted Accounting Principles. The nonprofit foundation shall utilize the Oklahoma Department of Human Services Division of Finance for the maintenance of all financial

records. The nonprofit foundation shall make all of its financial records and documents, including work papers, except for the names of donors, available to auditors who are performing audits of the Oklahoma Department of Human Services. Full disclosure of all financial records, including working papers, shall be made available to auditors from both the Office of the State Auditor and the Office of the Attorney General.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5003 of Title 56, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Human Services, to be designated the "Oklahoma Human Services Foundation Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Human Services Foundation from donations, gifts and bequests by individuals, corporations, companies, businesses, organizations, associations, and foundations specifying that such monies be expended on the projects sanctioned by the Governing Board of the nonprofit foundation for implementation and administration through the Oklahoma Department of Human Services. No state monies shall be deposited in this fund. Regular appropriations to the Oklahoma Department of Human Services shall not be reduced due to monies donated to the nonprofit foundation. The nonprofit foundation shall reimburse the Oklahoma Department of Human Services for all approved work through development of a detailed operating budget and comprehensive written financial agreement that shall be developed between the nonprofit foundation Governing Board of Directors and the Director for the Oklahoma Department of Human Services. Expenditures from the Oklahoma Human Services Revolving Fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5004 of Title 56, unless there is created a duplication in numbering, reads as follows:

A. The Governing Board for the nonprofit foundation shall meet every three (3) months to conduct general business, and one meeting shall be designated as the annual meeting. Special meetings may be held at such times as may be deemed necessary or advisable by a majority of the Governing Board. All meetings of the Governing Board shall be open and public and shall be held in accordance with the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

B. The Oklahoma Department of Human Services shall provide legal, financial, secretarial, and technical support to the nonprofit foundation for conducting business activities. Office supplies shall also be furnished by the Oklahoma Department of Human Services.

C. The Oklahoma Department of Human Services shall prepare project proposals for consideration by the nonprofit foundation. It shall be the responsibility of the Governing Board members to seek funding for the proposals submitted, to determine the order of priority to funding proposals, and to report to the Director of the Oklahoma Department of Human Services and to the Commission of the Oklahoma Department of Human Services the status of fund-raising and the status of proposal selection and implementation.

SECTION 5. This act shall become effective July 1, 1995.

Passed the House of Representatives the 25th day of April, 1995.

Speaker of the House of Representatives

Passed the Senate the 10th day of April, 1995.

President of the Senate