

3 Senate Bill No. 695  
4 As Amended

5 SENATE BILL NO. 695 - By: MONSON of the Senate and SHELTON of the  
6 House.

7 [ state lottery - requiring publication of information -  
8 effective date ]

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

10 SECTION 1. AMENDATORY Section 34, Chapter 58, O.S.L.  
11 2003 (3A O.S. Supp. 2004, Section 733), is amended to read as  
12 follows:

13 Section 733. To ensure the financial integrity of the lottery,  
14 the Oklahoma Lottery Commission through its board of trustees shall:

15 1. Submit quarterly and annual reports to the Governor, State  
16 Auditor and Inspector, Oklahoma State Bureau of Investigation,  
17 Attorney General, and the oversight committee created by Section 35  
18 734 of this act title, disclosing the total lottery revenues, prize  
19 disbursements, operating expenses, and administrative expenses of  
20 the Commission during the reporting period. The annual report shall  
21 additionally describe the organizational structure of the Commission  
22 and summarize the functions performed by each organizational  
23 division within the Commission. The board of trustees of the  
24 Commission shall cause the annual report to be published once in two

1 different newspapers of general statewide circulation and in a  
2 newspaper of general circulation in each county;

3 2. Adopt a system of internal audits;

4 3. Maintain weekly or more frequent records of lottery  
5 transactions, including the distribution of tickets or shares to  
6 retailers, revenues received, claims for prizes, prizes paid,  
7 prizes forfeited, and other financial transactions of the  
8 Commission;

9 4. Contract with a certified public accountant or firm for an  
10 annual financial audit of the Commission. The certified public  
11 accountant or firm shall have no financial interest in any vendor  
12 with whom the Commission is under contract. The certified public  
13 accountant or firm shall present an audit report not later than  
14 seven (7) months after the end of the fiscal year. The certified  
15 public accountant or firm shall evaluate the internal auditing  
16 controls in effect during the audit period. The cost of this annual  
17 financial audit shall be an operating expense of the Commission.  
18 The State Auditor and Inspector may at any time conduct an audit of  
19 any phase of the operations of the Commission at the expense of the  
20 Commission and shall receive a copy of the annual independent  
21 financial audit. A copy of any audit performed by the certified  
22 public accountant or firm or the State Auditor and Inspector shall  
23 be transmitted to the Governor, the President Pro Tempore of the

1 Senate, and the Speaker of the House of Representatives, the State  
2 Auditor and Inspector, and the cochairs of the oversight committee  
3 created in Section ~~35~~ 734 of this ~~act~~ title;

4 5. Submit to the Office of State Finance and the State Auditor  
5 and Inspector by June 30 of each year a copy of the annual operating  
6 budget for the Commission for the next fiscal year. This annual  
7 operating budget shall be approved by the board and be on such forms  
8 as prescribed by the Office of State Finance; and

9 6. For informational purposes only, submit to the Office of  
10 State Finance on September 1 of each year a proposed operating  
11 budget for the Commission for the succeeding fiscal year. The  
12 budget proposal shall also be accompanied by an estimate of the net  
13 proceeds to be deposited into the Oklahoma Education Lottery Trust  
14 Fund during the succeeding fiscal year. The budget shall be on such  
15 forms as prescribed by the Office of State Finance.

16 SECTION 2. This act shall become effective November 1, 2005.

17 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-22-05 - DO PASS,  
18 As Amended and Coauthored.