

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

SENATE BILL 695

By: Monson

AS INTRODUCED

An Act relating to the state lottery; amending Section 34, Chapter 58, O.S.L. 2003 (3A O.S. Supp. 2004, Section 733), which relates to the Oklahoma Education Lottery Act; requiring publication of certain information; and providing an effective date.

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

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

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

1. Submit quarterly and annual reports to the Governor, State Auditor and Inspector, Oklahoma State Bureau of Investigation, Attorney General, and the oversight committee created by Section ~~35~~ 734 of this ~~act~~ title, disclosing the total lottery revenues, prize disbursements, operating expenses, and administrative expenses of the Commission during the reporting period. The annual report shall additionally describe the organizational structure of the Commission and summarize the functions performed by each organizational division within the Commission. The board of trustees of the Commission shall cause the annual report to be published once in two different newspapers of general statewide circulation and in a newspaper of general circulation in each county;

2. Adopt a system of internal audits;

3. Maintain weekly or more frequent records of lottery transactions, including the distribution of tickets or shares to

retailers, revenues received, claims for prizes, prizes paid, prizes forfeited, and other financial transactions of the Commission;

4. Contract with a certified public accountant or firm for an annual financial audit of the Commission. The certified public accountant or firm shall have no financial interest in any vendor with whom the Commission is under contract. The certified public accountant or firm shall present an audit report not later than seven (7) months after the end of the fiscal year. The certified public accountant or firm shall evaluate the internal auditing controls in effect during the audit period. The cost of this annual financial audit shall be an operating expense of the Commission. The State Auditor and Inspector may at any time conduct an audit of any phase of the operations of the Commission at the expense of the Commission and shall receive a copy of the annual independent financial audit. A copy of any audit performed by the certified public accountant or firm or the State Auditor and Inspector shall be transmitted to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, the State Auditor and Inspector, and the cochairs of the oversight committee created in Section ~~35~~ 734 of this ~~act~~ title;

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

6. For informational purposes only, submit to the Office of State Finance on September 1 of each year a proposed operating budget for the Commission for the succeeding fiscal year. The budget proposal shall also be accompanied by an estimate of the net proceeds to be deposited into the Oklahoma Education Lottery Trust

Fund during the succeeding fiscal year. The budget shall be on such forms as prescribed by the Office of State Finance.

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

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