

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2938

By: Nations

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5
6 AS INTRODUCED

7 An Act relating to amusements and sports; amending
8 Section 34, Chapter 58, O.S.L. 2003 (3A O.S. Supp.
9 2007, Section 733), which relates to reports and
10 records of the Oklahoma Lottery Commission; updating
11 statutory citations; providing an effective date; and
12 declaring an emergency.

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

14 SECTION 1. AMENDATORY Section 34, Chapter 58, O.S.L.
15 2003 (3A O.S. Supp. 2007, Section 733), is amended to read as
16 follows:

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

19 1. Submit quarterly and annual reports to the Governor, State
20 Auditor and Inspector, Oklahoma State Bureau of Investigation,
21 Attorney General, and the oversight committee created by Section ~~35~~
22 734 of this ~~act~~ title, disclosing the total lottery revenues, prize
23 disbursements, operating expenses, and administrative expenses of
24 the Commission during the reporting period. The annual report shall
additionally describe the organizational structure of the Commission

1 and summarize the functions performed by each organizational
2 division within the Commission;

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
24 Senate, and the Speaker of the House of Representatives, the State

1 Auditor and Inspector, and the cochairs of the oversight committee
2 created in Section ~~35~~ 734 of this ~~act~~ title;

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

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

15 SECTION 2. This act shall become effective July 1, 2008.

16 SECTION 3. It being immediately necessary for the preservation
17 of the public peace, health and safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

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