

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1842

By: Aldridge

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5  
6 AS INTRODUCED

7 An Act relating to prison and reformatories; amending  
8 57 O.S. 2001, Section 537, which relates to Board of  
9 Directors for canteen services; modifying entity  
10 approving certain accounts; amending 62 O.S. 2001,  
11 Section 7.2, as amended by Section 1, Chapter 105,  
12 O.S.L. 2002 (62 O.S. Supp. 2007, Section 7.2), which  
13 relates to the Special Agency Account Board;  
14 abolishing the Special Agency Account Board;  
15 transferring all powers, duties, and responsibilities  
16 to the Office of State Finance; requiring the Office  
17 of State Finance to convert certain accounts by a  
18 date certain; amending 72 O.S. 2001, Section 222,  
19 which relates to the Oklahoma Department of Veterans  
20 Affairs Revolving Fund; modifying entity approving  
21 certain accounts; amending 74 O.S. 2001, Section  
22 85.58N, which relates to Quick Settlement Account;  
23 modifying entity to be the depository for certain  
24 account; providing an effective date; and declaring  
an emergency.

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

19 SECTION 1. AMENDATORY 57 O.S. 2001, Section 537, is  
20 amended to read as follows:

21 Section 537. A. There shall be established a Board of  
22 Directors for all canteen services within the Department of  
23 Corrections. The members of the Board shall be appointed by the  
24 Director of the Department of Corrections. All canteen operations

1 shall be under the control of the Board and shall operate pursuant  
2 to written guidelines established by the Board. The overall canteen  
3 operation shall be self-supporting.

4 B. Each correctional facility may have a canteen. The  
5 directors of each canteen shall be the facility head and two  
6 directors appointed by the facility head. The business manager  
7 shall act as custodian of canteen funds and shall make daily  
8 deposits of cash receipts in an agency special account approved by  
9 the ~~Special Agency Account Board~~ Office of State Finance. Canteen  
10 funds may be transferred from one canteen fund special account to  
11 another canteen fund special account upon an affirmative vote by the  
12 Board of Directors. All disbursements made from the account shall  
13 be by voucher signed by two of the directors of the canteen.  
14 Documentation of each disbursement shall be kept on permanent file  
15 at each institution. Accounting procedures in accordance with state  
16 fiscal accounting procedures shall be followed in administering  
17 canteen funds. All profits from the canteen operations shall be  
18 used exclusively for the benefit of the inmates of the various  
19 institutions and personnel of the Department of Corrections as  
20 determined by the canteen Board of Directors pursuant to subsection  
21 A of this section.

22 C. Employees utilized in the operation of the canteen services  
23 at each institution shall be state employees. Inmates may work in  
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1 the canteen operations. Reimbursement for ~~said~~ the work shall be  
2 accomplished through the institution incentive pay program.

3 D. The operations of the canteen service shall be the subject  
4 of an annual audit by the Office of the State Auditor and Inspector.  
5 Reports of the audit shall be provided to the Governor, the Speaker  
6 of the House of Representatives, the President Pro Tempore of the  
7 Senate, the Legislative Service Bureau, the Department of  
8 Corrections, and to the warden of the concerned institution.

9 E. Merchandise for resale purchased and sold through a  
10 correctional facilities' canteen as established in this section  
11 shall be exempted from the provisions of the Oklahoma Central  
12 Purchasing Act.

13 SECTION 2. AMENDATORY 62 O.S. 2001, Section 7.2, as  
14 amended by Section 1, Chapter 105, O.S.L. 2002 (62 O.S. Supp. 2007,  
15 Section 7.2), is amended to read as follows:

16 Section 7.2 A. There is hereby ~~re-created, to continue until~~  
17 ~~July 1, 2008, in accordance with the provisions of the Oklahoma~~  
18 ~~Sunset Law, Section 3901 et seq. of Title 74 of the Oklahoma~~  
19 ~~Statutes, a abolished the Special Agency Account Board, to consist~~  
20 ~~of the Director of State Finance, the State Treasurer and the~~  
21 ~~Director of the Legislative Service Bureau. Effective July 1, 2008,~~  
22 all powers, duties and responsibilities of the Special Agency  
23 Account Board shall be transferred to the Office of State Finance.  
24 All records, property and matters pending of the Board shall also be

1 transferred to the Office of State Finance. The ~~Board~~ Office of  
2 State Finance shall have the authority to approve the establishment  
3 of agency special accounts in the official depository of the State  
4 Treasury. In the case of institutions of higher education, the  
5 ~~Special Agency Account Board~~ Office of State Finance, acting in  
6 conjunction with the Oklahoma State Regents for Higher Education,  
7 shall establish special agency accounts as appropriate which shall  
8 be consistent with provisions of the Oklahoma Budget Law of 1947,  
9 Section 41.1 et seq. of this title, as it relates to institutions in  
10 The Oklahoma State System of Higher Education.

11 B. The ~~Board, created by this section,~~ Office of State Finance  
12 shall adopt procedures including application forms, justification  
13 and other pertinent information as to the basis for a state agency  
14 application for the establishment of agency special accounts. By  
15 July 1, 2011, the Office of State Finance shall convert all existing  
16 state agency Annuity Savings Accounts (ASA) to 700 Series Fund  
17 accounts.

18 C. The ~~Board~~ Office of State Finance may approve agency special  
19 accounts for money received by state agencies for the following  
20 purposes:

21 1. Benefit programs for individuals, including, but not limited  
22 to, unemployment compensation, workers' compensation and state  
23 retirement programs;

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1           2. Revenues produced by activities or facilities ancillary to  
2 the operation of a state agency which receive no money, directly or  
3 indirectly, from or through that state agency, including, but not  
4 limited to, revenues from the sales of food at retail level, sales  
5 at canteens, sales at student unions, sales at student bookstores,  
6 receipts from athletic programs and receipts from housing.  
7 Provided, however, that a state institution of higher learning may  
8 purchase necessary equipment and instructional supplies and office  
9 supplies from a student bookstore, or, subject to authorization by  
10 the Oklahoma State Regents for Higher Education, may rent building  
11 space for institutional use in a building operated by an  
12 organization or entity whose existence is ancillary to the operation  
13 of a state agency, and whose cost was financed in whole or in part  
14 with revenue-type bonds; provided, further, that the cost of such  
15 office supplies or space rental shall not exceed the cost of similar  
16 supplies or rentals available commercially;

17           3. Gifts, devises and bequests with an agency as beneficiary,  
18 unless otherwise provided by statute;

19           4. Evidence funds for law enforcement agencies;

20           5. Student loan funds and scholarship funds;

21           6. Funds held in escrow;

22           7. Land Commission funds;

23           8. Funds for which the state agency acts as custodian,  
24 including, but not limited to, fees from employee earnings approved

1 by the governing board of the agency, funds of student organizations  
2 including student activity fees collected by an educational  
3 institution as a separate item in enrollment procedures,  
4 professional organizations, patients and inmates;

5 9. Funds used by the Oklahoma Tax Commission to pay for the  
6 filing of liens with the Federal Aviation Administration;

7 10. Temporary accounts for funds arising from new or amended  
8 legislation not otherwise provided for in statute or for other  
9 emergency situations. Such accounts are to be utilized only pending  
10 legislative action directing custody of such funds;

11 11. Payment of liability claims against the state;

12 12. Activities of the various Armory Boards of the Oklahoma  
13 Military Department to receive and dispense funds derived by the  
14 Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of  
15 the Oklahoma Statutes; and

16 13. Payment of expenses incurred in connection with the  
17 acceptance of payments made with nationally recognized credit cards.

18 D. The State Treasurer is authorized to accept deposit of money  
19 made directly to agency special accounts approved by the ~~Board~~  
20 Office of State Finance. All money received by a state agency, as  
21 described in Section 7.1 of this title, shall be deposited in State  
22 Treasury funds or accounts and no money shall be deposited in banks  
23 or other depositories unless the bank accounts are maintained by the

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1 State Treasurer or are for the deposit of authorized petty cash  
2 funds.

3 E. Money deposited in agency special accounts shall be  
4 disbursed on vouchers issued by the state agency concerned to  
5 accomplish the purpose for which the money was intended.

6 F. Funds and revenues of the Grand River Dam Authority are  
7 exempt from the requirements of this section.

8 G. Funds and revenues of the Oklahoma Municipal Power Authority  
9 are exempt from the requirements of this section.

10 H. Monies used for investment purposes by the Oklahoma  
11 Firefighters Pension and Retirement System, the Oklahoma Police  
12 Pension and Retirement System, the Uniform Retirement System for  
13 Justices and Judges, the Oklahoma Law Enforcement Retirement System,  
14 the Oklahoma Public Employees Retirement System, the Teachers'  
15 Retirement System of Oklahoma, the State Insurance Fund, the State  
16 and Education Employees Group Insurance Board, the Commissioners of  
17 the Land Office, and the Oklahoma State Regents for Higher Education  
18 for its Endowment Trust Fund are exempt from the requirements of  
19 this section, and shall be placed with the respective custodian bank  
20 or trust company.

21 SECTION 3. AMENDATORY 72 O.S. 2001, Section 222, is  
22 amended to read as follows:

23 Section 222. A. There is hereby created in the State Treasury  
24 a Revolving Fund for the Oklahoma Department of Veterans Affairs to

1 be known as the Oklahoma Department of Veterans Affairs Revolving  
2 Fund. The Revolving Fund shall consist of all funds and monies  
3 received by the Oklahoma Department of Veterans Affairs, its  
4 constituent institutions, and/or, the War Veterans Commission of  
5 Oklahoma, from any gifts, contributions, bequests, individual  
6 reimbursements except as otherwise provided by law, and other  
7 sources of revenue, for the care or support of war veterans  
8 discharged other than under dishonorable conditions, who have been  
9 admitted and cared for at the Oklahoma Department of Veterans  
10 Affairs Centers, at Ardmore, Claremore, Clinton, Lawton/Ft. Sill,  
11 Norman, Sulphur or Talihina. Provided no grants-in-aid,  
12 reimbursements, or other revenue from the United States government  
13 or any instrumentality of the United States government shall be  
14 deposited in the fund. Provided further, nothing contained herein  
15 prohibits the establishment and utilization of special agency  
16 accounts by the Department of Veterans Affairs and its constituent  
17 institutions, as may be approved by the ~~Special Agency Account Board~~  
18 Office of State Finance, for receipt and disbursement of the  
19 personal funds of Veteran Center patients and members and/or for  
20 receipt and disbursement of charitable contributions and donations  
21 for use by and for patients and members.

22 B. The Revolving Fund herein created shall be used by the  
23 Oklahoma Department of Veterans Affairs to pay for the care of war  
24 veterans discharged other than under dishonorable conditions, in

1 Veterans Centers, to pay the general operating expenses of the  
2 Veterans Centers, including the payment of salaries and wages of  
3 officials and employees, to pay for the employee safety programs and  
4 incentive awards provided for in Section 63.10a of this title, and  
5 to remodel, repair, construct, build additions, modernize, or add  
6 improvements of domiciliary or hospital buildings necessary for the  
7 care of veterans, including tuberculosis, mentally ill or  
8 neuropsychiatric patients, but not excluding others; and  
9 architectural plans, specifications, or other costs pertinent  
10 thereto.

11 C. The Department of Veterans Affairs may transfer monies from  
12 the revolving fund created in this section to the W.V.C. Revolving  
13 Fund in the State Treasury.

14 D. All expenditures from ~~said~~ the Revolving Fund shall be made  
15 upon warrants issued by the State Treasurer based upon claims  
16 approved by the Department of Veterans Affairs, as provided by law,  
17 and filed with the Director of State Finance for approval and  
18 payment.

19 SECTION 4. AMENDATORY 74 O.S. 2001, Section 85.58N, is  
20 amended to read as follows:

21 Section 85.58N ~~The Special Agency Account Board~~ Office of State  
22 Finance shall create in the official depository of the State  
23 Treasury an agency special account for the Department of Central  
24 Services to be designated as the "Quick Settlement Account". The

1 purpose of the account shall be the payment of liability claims  
2 against the state after a determination by the Risk Management  
3 Administration that such payments are in the best interest of the  
4 state, are in accordance with the laws and regulations governing the  
5 Comprehensive Professional Risk Management Program, and are in an  
6 amount not exceeding Ten Thousand Dollars (\$10,000.00). No monies  
7 shall be expended from the Quick Settlement Account except as  
8 provided for in this section.

9 The Department of Central Services shall transfer funds as  
10 necessary from the Risk Management Revolving Fund to the Quick  
11 Settlement Account, provided that the maximum sum held in the Quick  
12 Settlement Account shall not exceed Ten Thousand Dollars  
13 (\$10,000.00), excluding funds in transit. Expenditures from the  
14 Quick Settlement Account shall be exempt from the provisions of the  
15 Oklahoma Central Purchasing Act.

16 SECTION 5. This act shall become effective July 1, 2008.

17 SECTION 6. It being immediately necessary for the preservation  
18 of the public peace, health and safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

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