

1 ENGROSSED SENATE AMENDMENT  
TO  
2 ENGROSSED HOUSE  
BILL NO. 1058

By: Casey of the House

and

Halligan of the Senate

An Act relating to public finance; amending 62 O.S. 2011, Section 34.64, as amended by Section 387, Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2014, Section 34.64), which relates to payment of claims or payrolls; authorizing institutions within the Oklahoma State System of Higher Education to process certain claims without forms; providing an effective date; and declaring an emergency.

AMENDMENT NO. 1. Page 5, line 5, after the word "payments" and before the word "without" insert the words "to the United State Treasury"

Passed the Senate the 1st day of April, 2015.

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Presiding Officer of the Senate

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
2015.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

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8 2011, Section 34.64, as amended by Section 387,  
9 Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2014, Section  
10 34.64), which relates to payment of claims or  
11 payrolls; authorizing institutions within the  
12 Oklahoma State System of Higher Education to process  
13 certain claims without forms; providing an effective  
14 date; and declaring an emergency.

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

16 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.64, as  
17 amended by Section 387, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
18 2014, Section 34.64), is amended to read as follows:

19 Section 34.64 A. Except as otherwise provided in the Oklahoma  
20 State Finance Act, procedures for paying claims or payrolls shall  
21 include the following:

22 1. All miscellaneous claims and payroll claims for the payment  
23 of money from the State Treasury, shall be filed with the Director  
24 of the Office of Management and Enterprise Services for audit and

1 settlement prior to being filed for payment with the State  
2 Treasurer;

3 2. The Director of the Office of Management and Enterprise  
4 Services may establish alternative procedures for the settlement of  
5 claims whenever such procedures are more advantageous so long as  
6 they are consistent with the requirements of state law;

7 3. Such alternative procedures shall be at the discretion of  
8 the Director of the Office of Management and Enterprise Services and  
9 may include, but are not limited to:

10 a. a procedure to permit consolidated payment to vendors  
11 for claims involving more than one agency of the state  
12 when audit and settlement of such claims, as  
13 hereinafter provided, can in all respects be  
14 accomplished,

15 b. procedures based upon valid statistical sampling  
16 models for preaudit of claims, against contracts,  
17 purchase orders and other commitments before entering  
18 such claims against the accounts, and

19 c. policies, procedures and performance criteria for the  
20 participation of agencies or departments, not  
21 authorized by this section, to engage in an  
22 alternative system for the settlement of claims; and

23 4. The Director of the Office of Management and Enterprise  
24 Services may use a numeric or alphanumeric designation to cross-

1 reference claims or payrolls to check warrant numbers, transfer  
2 entry or optional settlement mode used in the payment thereof.

3 B. After claims or payrolls or both have been properly audited  
4 and recorded against the respective contracts, purchase orders,  
5 other commitments and accounts, the Division of Central Accounting  
6 and Reporting shall certify such claims or payrolls to the State  
7 Treasurer for payment.

8 C. It shall be the responsibility of the Division of Central  
9 Accounting and Reporting to determine that:

10 1. All material legal requirements concerning the expenditure  
11 of monies involved in each claim or payroll have been complied with;

12 2. Funds have been properly and legally allotted for the  
13 payment of the claim or payroll; and

14 3. A sufficient balance exists for the payment of same.

15 D. The Director of the Office of Management and Enterprise  
16 Services or bonded employees in the Division of Central Accounting  
17 and Reporting authorized by the Director shall certify to the State  
18 Treasurer that the claim or payroll has been approved for payment.

19 E. 1. The Director of the Office of Management and Enterprise  
20 Services shall be authorized to establish necessary agency  
21 disbursing funds to efficiently accommodate the cash flow  
22 requirements of applicable federal regulations, bond indebtedness  
23 and other directives deemed appropriate by the Director.

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1           2. Agencies operating such disbursing funds are authorized to  
2 establish a preaudit and settlement system for claims or payments or  
3 both relating to the purposes of the stated directives.

4           3. The State Treasurer shall establish procedures for the state  
5 in accordance with Federal Banking and National Automated Clearing  
6 House Association standards and agencies shall be required to  
7 utilize automated clearing house procedures established by the State  
8 Treasurer.

9           4. No individual or entity shall be required to have a bank  
10 account unless required by federal law or federal regulation.

11           5. Agencies shall be further required to present these  
12 transactions to the Office of Management and Enterprise Services in  
13 a summarized format and shall include any accounting information  
14 necessary as determined by the Director of the Office of Management  
15 and Enterprise Services including, but not limited to, information  
16 related to federal law.

17           6. Administrative expenditures shall not be eligible for these  
18 procedures.

19           7. The efficiency of the payment system shall be considered  
20 when the interest earnings of the state are not diminished.

21           F. The Director of the Office of Management and Enterprise  
22 Services shall be authorized to process payments for federal tax  
23 withholding without claim forms. The Director shall establish a  
24 separate fund for the purpose of accumulating federal income tax

1 withholding from payrolls and remitting same to the United States  
2 Treasury. Institutions under the administrative authority of the  
3 Oklahoma State Regents for Higher Education which are responsible  
4 for processing payments for federal tax withholding shall be  
5 authorized to process such payments without claim forms.

6 G. 1. The Director of the Office of Management and Enterprise  
7 Services shall be authorized to process, without claim forms,  
8 interest payments to the U.S. Treasury as required by federal law.

9 2. Agencies are responsible for the accrual of such interest  
10 liability of the state and shall provide payment to the Office of  
11 Management and Enterprise Services in the amount and method  
12 prescribed by the Director of the Office of Management and  
13 Enterprise Services.

14 3. Any liability of the U.S. Treasury as determined by federal  
15 law shall be deposited in the State Treasury and transferred by the  
16 Director of the Office of Management and Enterprise Services to the  
17 General Revenue Fund of the state subsequent to final determination  
18 and necessary audit resolution.

19 H. Payments disbursed from the State Treasury shall be conveyed  
20 solely through an electronic payment mechanism. The State Treasurer  
21 may provide an exemption from the provisions of this subsection,  
22 with cause, provided the number of exempted payments and a  
23 corresponding list of causes shall be published in a regularly  
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1 updated report which is featured prominently on the State  
2 Treasurer's website.

3 SECTION 2. This act shall become effective July 1, 2015.

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

8 Passed the House of Representatives the 19th day of February,  
9 2015.

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11 \_\_\_\_\_  
12 Presiding Officer of the House  
of Representatives

13 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2015.

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16 Presiding Officer of the Senate