

Oklahoma Center for the Advancement of Science and Technology

Lead Administrator: C. Michael Carolina

Lead Financial Officer: Diane Lewis

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
General Administration	\$704,140					
Program Services	\$1,312,796					
Oklahoma Health Research	\$3,857,919					
Oklahoma Applied Research	\$3,640,447					
Intern Partnerships	\$587,108					
Plant Science Research	\$250,000					
Inventors Assistance	\$377,537					
Small Bus. Research Asst.	\$382,258					
OK Industrial Extension	\$1,428,747					
Tech. Comm. Program	\$2,061,093					
Tech. Bus. Finance Prog.	\$0				\$1,809,143	
Seed Capital	\$17,983,363					
Tech. Info. Services	\$486,511					
Research Equip. Program	\$0					
Centers of Excellence	\$0					
Total	\$33,071,919	\$0	\$0	\$0	\$1,809,143	\$34,881,062

*Source of "Other" and % of "Other" total for each. Repayments of loans issued by Technology Business Finance Program (100%)
 NOTE: Appropriations includes prior year appropriations carried over to future years of multi-year awards. FY15 appropriation is \$16,811,295.

FY'14 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'14 Carryover	\$96,150	\$0	\$0	\$0	\$0	\$96,150

*Source of "Other" and % of "Other" total for each.

What Changes did the Agency Make between FY'14 and FY'15	
1.) Are there any services no longer provided because of budget cuts?	No.
2.) What services are provided at a higher cost to the user?	None.
3.) What services are still provided but with a slower response rate?	None, although there are fewer research awards made.
4.) Did the agency provide any pay raises that were not legislatively/statutorily required?	The agency provided pay raises pursuant to its long-standing policy to provide pay raises after one year of employment at OCAST if indicated, and as indicated to reward performance and retain valuable staff.

FY'16 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
General Administration	\$791,985					
Program Services	\$1,381,022					
Oklahoma Health Research	\$4,227,386					
Oklahoma Applied Research	\$4,283,362					
Intern Partnerships	\$492,146					
Plant Science Research	\$390,000					
Inventors Assistance	\$380,347					
Small Bus. Research Asst.	\$432,258					
OK Industrial Extension	\$1,354,278					
Tech. Comm. Program	\$2,186,725					
Tech. Bus. Finance Prog.	\$0			\$1,809,143		
Seed Capital	\$3,977,280					
Tech. Info. Services	\$503,211					
Research Equip. Program	\$5,000,000					
Centers of Excellence	\$0					
Total	\$25,400,000	\$0	\$0	\$1,809,143	\$27,209,143	51.0%

*Source of "Other" and % of "Other" total for each. Repayments of loans issued by Technology Business Finance Program (100%)

FY'16 Top Five Appropriation Funding Requests		\$ Amount
1	Enhancement of existing OCAST programs	\$3,415,934
2	Research equipment	\$5,172,771
Total Increase above FY-15 Request		\$8,588,705

How would the agency handle a 3% appropriation reduction in FY'16?
A 3% reduction of the FY-2015 appropriations for FY-2016 would lower OCAST funding by \$504,339. A cut this size would result in decreased program awards which causes a decrease in ROI for the state of Oklahoma, and lost opportunity to create jobs for Oklahomans. Based on the agency's cumulative (long-term) return on investment, a 3% budget reduction would result in a missed (leverage) opportunity of approximately \$10 million, and the projected loss of 75 to 100 new jobs. Over the past four years' budget reductions have resulted in a reduction of program awards of nearly \$5 million. These reductions directly impact program awards and the agency's ability to support its mission of fostering innovation in existing and developing Oklahoma businesses and supporting basic and applied research, and in lost opportunity to fully leverage a return on the state's investment in innovation activities.

How would the agency handle a 5% appropriation reduction in FY'16?
A 5% reduction of the FY-2015 appropriations for FY-2016 would lower OCAST funding by \$840,565. A cut this large would result in decreased program awards which causes a decrease in ROI for the State of Oklahoma and lost opportunity to create jobs for Oklahomans. Based on the agency's cumulative return on investment (20:1), a 5% budget reduction would result in a missed (leverage) opportunity of approximately \$18 million, and the projected loss of 125 to 150 new jobs.

Is the agency seeking any fee increases for FY'16?		\$ Amount
Increase 1	None	\$0
Increase 2		\$0
Increase 3		\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?
None.

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?
None

2.) Are any of those funds inadequate to pay for the federal mandate?
N/A

3.) What would the consequences be of ending all of the federal funded programs for your agency?
N/A

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?
OCAST leverage ratios (ROI) will be affected by federal research budget reductions because many R&D projects require more funding than OCAST can provide and the federal R&D funding to Oklahoma businesses and researchers is critical to completing projects to move towards commercialization.

5.) Has the agency requested any additional federal earmarks or increases?
No.

Division and Program Descriptions	
Programs	Programs includes funding for health, applied, nanotechnology, and plant research awards, as well as services for Oklahoma entrepreneurs, including inventors and manufacturing assistance, federal funding support, and technology commercialization.
Seed Capital Fund	Provides seed capital to Oklahoma high-tech firms with high potential for positive impact on the Oklahoma economy through the creation of higher-than-average-wage jobs that will stay in the State.
General Administration	Provides administrative support for all OCAST programs.

FY'16 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
General Administration	2.5	-	7.5	-	5.0	2.5
Program Services	1.0	-	8.5	0.5	7.0	1.0
Tech. Info. Services	0.5	-	3.5	-	3.0	0.5
Total	4.0	-	19.5	0.5	15.0	4.0

FTE History						
	2015 Budgeted	2014	2010	2009	2004	
General Administration	7.5	7.1	8.6	7.9		*
Program Services	8.5	7.8	10.7	12.7		*
Tech. Info. Services	3.5	2.4	2.0	2.0		*
Total	19.5	17.3	21.3	22.6		19.3

* Agency organization was significantly changed between FY 2004 and FY 2009 and departmental FTE cannot be reconstructed.

Performance Measure Review					
	FY'14	FY'13	FY'12	FY'11	FY'10
Administration % Admin Expense	3.8%	3.9%	2.8%	3.4%	3.6%
Programs - Oklahoma Health Research Leverage	\$ 16,572,797	\$ 14,778,050	\$ 23,389,517	\$ 30,228,923	\$ 17,326,022
Patent Applications	10	7	17	11	13
Job Payroll	\$ 5,097,059	\$ 15,637,020	\$ 20,301,938	\$ 7,448,870	\$ 7,752,044
Programs - Oklahoma Applied Research Leverage	\$ 127,707,536	\$ 15,743,177	\$ 16,131,901	\$ 30,471,945	\$ 27,762,733
Business Financial Impacts	\$ 47,995,060	\$ 40,489,335	\$ 53,969,036	\$ 64,140,520	\$ 63,186,361
Programs - Plant Science Research Leverage	\$ 4,587,042	\$ 2,114,116	\$ 8,588,707	\$ 10,094,347	\$ 6,010,485
Scientific/technical jobs	28	31	34	32	24
Programs - Oklahoma Nanotechnology App Leverage	\$ 458,259	\$ 2,549,841	\$ 149,984	\$ 9,087,213	\$ 4,762,906
Jobs created/retained	26	8	21	31	19
Programs -Small Bus. Research Assist Jobs created/retained	9	9	2	32	61
Business Financials	\$ 14,548,050	\$ 3,619,000	\$ 3,761,000	\$ 2,959,046	\$ 8,769,231
Programs - Oklahoma Industrial Extension Jobs created/retained	765	521	3121	2582	1556
Increase in gross sales	\$ 87,800,603	\$ 86,674,000	\$ 188,445,234	\$ 143,638,706	\$ 122,353,660

Revolving Funds (200 Series Funds)

	FY'12-14 Avg. Revenues	FY'12-14 Avg. Expenditures	June '14 Balance
Research Support Revolving Fund (200)			
Brief Description			
Major purpose is to hold multiple-year research award funds until researchers invoice for work completed; it also holds Technology Business Finance Program funds and miscellaneous revenue. Receives transfers of yearly appropriation in order to set aside funds for multi-year awards and to ensure cash is available when the researchers are ready to spend it. Also receives repayments of Technology Business Finance Program loans, which are required to be used for only the Technology Business Finance Program. Also receives miscellaneous refunds and a small amount of federal grants (EPSCoR). Fund may be expended for research awards and administrative costs of all programs.			
Appropriation transfers	\$12,491,107		
Miscellaneous refunds and small grants	\$25,329		
Subtotal	\$12,516,436	\$12,362,643	\$13,761,914
Dept of Commerce Grant for Industrial Extension System	\$208,889	\$208,889	\$0
Technology Business Finance Program (usable only for TBFP)	\$610,644	\$514,356	\$1,809,143
Seed Capital Fund (220)			
Brief Description			
Funds for the Seed Capital Program. Receives transfers from the yearly appropriation. Cash must be available when companies have met agreed-upon milestones and are ready for additional committed investments. Funds may be used for seed capital investments and for operating costs of the Seed Capital Fund, but not for any administrative, management or operating expenses of OCAST.			
	\$3,400,907	\$2,102,754	\$14,269,029