

## Department of Mines

Lead Administrator: Mary Ann Pritchard

Lead Financial Officer: Suzen Rodesney

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Coal Program	\$155,000	\$927,900	\$433,550			
Minerals Program	\$550,767		\$431,095			
Administration	\$167,300	\$298,200	\$140,428			
Okla. Miner Training Inst.	\$5,000	\$100,000	\$150,000			
Data Processing		\$33,500	\$21,000			
<b>Total</b>	<b>\$878,067</b>	<b>\$1,359,600</b>	<b>\$1,176,073</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,413,740</b>

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

FY'14 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'14 Carryover	\$49,706	\$0	\$0	\$0	\$0	\$49,706

\*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
4.) Did the agency provide any pay raises that were not legislatively/statutorily required?	ODM did not fill some vacant positions, which allowed for minimal pay increases for specific personnel based upon pay for performance. An increase (\$3,000) was authorized by the Oklahoma Mining Commission for the agency Director.

FY'16 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Coal Program	\$155,000	\$927,900	\$433,550			
Minerals Program	\$550,767		\$431,095			
Administration	\$167,300	\$298,200	\$140,428			
Okla. Miner Training Inst.	\$5,000	\$100,000	\$150,000			
Data Processing		\$33,500	\$21,000			
<b>Total</b>	<b>\$878,067</b>	<b>\$1,359,600</b>	<b>\$1,176,073</b>	<b>\$0</b>	<b>\$0</b>	

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

FY'16 Top Five Appropriation Funding Requests	
	\$ Amount
No additional funds were requested. Stand still budget	

**Total Increase above FY-15 Request** 0

How would the agency handle a 3% appropriation reduction in FY'16?
A three percent reduction would be equal to \$26,342. Due to the previous budget cuts, the agency has part time personnel completing the duties of full time staff. These positions would be the first positions impacted in any budget cuts. We would continue to reevaluate and reassign responsibilities as a result of this cut.

How would the agency handle a 5% appropriation reduction in FY'16?
A five percent would be approximately \$44,000. Due to the previous budget cuts, the agency has part time personnel completing the duties of full time staff. These positions would be the first positions impacted in any budget cuts. We would continue to reevaluate and reassign responsibilities as a result of this cut. The usage of agency vehicles would be reviewed for additional cost saving measures.

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?**

NA

**Federal Government Impact**

**1.) How much federal money received by the agency is tied to a mandate by the Federal Government?**

100% of the federal funds received from the Office of Surface Mining Reclamation and Enforcement (OSMRE) are tied to mandates. The State of Oklahoma has primacy for the administration and enforcement of the coal mining program in Oklahoma. 100% of the federal funds received from the Mine Safety and Health Administration (MSHA) are utilized solely for the operation of the Oklahoma Miner Training Institute. This program is also mandated by state statute, found in Title 45.

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

The OSMRE federal funds required approximately a 50% match requirement. Due to the limited ability of our agency to match federal funding, there have been many missed opportunities to utilize available federal funds. Consequently, things such as technology upgrades, vehicle replacement and field equipment purchases have been tabled until those needs become critical. The Oklahoma Miner Training Institute does not receive an amount close to the funding required for a minimum program implementation. Only 1/3 of the funds expended are received from federal funding. The remaining expenditures are covered with a portion of the production fees, certification fees and appropriations received by the agency.

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

The State of Oklahoma would need to replace the federal funding with state resources, or the state's failure to fund this program would result in the Federal Government taking over the regulation, permit issuance and enforcement of coal mining in Oklahoma. The Oklahoma Miner Training Institute is mandated by state law, and would still need to have funding for the program. The only solution would be a funding stream supplied via appropriations or significant fee changes for the mining industry to obtain their training and certification. Currently, a task force comprised of members of the Oklahoma Mining Commission, Department of Mines staff, and the Director of OMTI are reviewing and analyzing how to replace the potential loss of federal funds for the OMTI.

**4.) How will your agency be affected by federal budget cuts in the coming fiscal year?**

Currently, the Department of Mines has not received any notification regarding funding cuts. In the past, the federal funds have been available with the match that the agency can provide for the minimum services required.

**5.) Has the agency requested any additional federal earmarks or increases?**

No.

**Division and Program Descriptions**

**Minerals Program :**

This program includes all activities of the minerals division, including health and safety inspections, and the non-mining blasting enforcement. There are over 700 permitted sites in all 77 counties of the state. Permitted operations include minerals sites issued life expectancy permits and limited use mining permits with a one year life span.

**Coal Program:**

The Coal Program includes the administration and enforcement of the coal regulatory program( referred to as primacy) for the State of Oklahoma. It includes all permitting activities, inspection, reclamation and legal actions associated with the coal program enforcement. The Coal Combustion By Product program is assigned to the coal program and monitored by coal program staff.

**Administration:**

This program includes the Director and finance staff. The finance staff are comprised of the Chief Financial Officer and support staff responsible for the billing, accounts receivable, accounts payable, purchasing, human resources, grant administration and performance bonding .

**Oklahoma Miner Training Institute:**

The Oklahoma Miner Training Institute (OMTI) is responsible for the training of all miners on the mine sites in the state. The OMTI will also train and certify miners from other states, independent contractors and provide training in Spanish upon request.

**Data Processing:**

This division is responsible for the data processing expenditures of the agency. Costs include the Intergovernmental contract with OMES for the administration, support and maintenance of agency equipment and network services. Contract costs include internet, email, and PeopleSoft usage costs, as well as supply and equipment needs of the agency.

**FY'16 Budgeted FTE**

	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Coal Program	5	0	15.7	0	15.7	0
Minerals Program	2	0	10.3	0	10.3	0
Administration	2	0	6	1	4	1
Okla. Miner Training Inst.	0	0	0	0	0	0
<b>Total</b>	<b>9</b>	<b>0</b>	<b>32</b>	<b>1</b>	<b>30</b>	<b>1</b>

**FTE History**

	2015 Budgeted	2014	2010	2009	2004
Coal Program	15.70	15.50	15.70	14.80	15.80
Minerals Program	10.30	10.50	11.40	12.30	12.80
Administration	6.00	6.00	7.00	8.00	8.00
Okla. Miner Training Inst.	0.00	0.00	0.00	0.00	0.00

Total	32	32	34	35	37
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Performance Measure Review					
	FY'14	FY'13	FY'12	FY'11	FY'10
<b>Health and Safety Inspections</b> Each mining operation must be inspected a minimum of 4-6 times per year; based upon the status of the mine. Inspections may occur more frequently based upon mine or permit conditions.	3409	3075	3836	5469	7548
<b>Permit issued/renewals</b> Each mining operation either receives a life expectancy permit, or renews an existing permit.	643	651	621	644	614