

Oklahoma Senate Committee on Appropriations

2015-16 Performance Report

Oklahoma Capital Investment Board

AGENCY MISSION STATEMENT:

Here a simple statement of the adopted mission of the agency should be provided, along with the entity or person(s) who adopted the mission statement and when it was adopted.

OCIB Response

The mission of the Oklahoma Capital Investment Board has been to mobilize equity and near-equity capital for investment in such a manner that will result in a significant potential to create jobs and diversify and stabilize the economy of the State of Oklahoma. OCIB's strategy has been to build Oklahoma's risk capital industry by leveraging a small amount of state resources to create a large impact. The mission statement was originally adopted by the OCIB board members in the early 1990's.

LEAD ADMINISTRATOR:

Here the name, title and contact information for the lead administrative person should be listed.

OCIB Response

Devon Sauzek,
OCIB President,
405-848-9456

GOVERNANCE:

Here a brief description of the agency's governance structure should be provided. Is the agency headed by a Governor appointee? An appointee of an independent board? Who selects the board, and who are the current members of the board.

OCIB Response

OCIB has a five member Board whose members are appointed by the Governor, confirmed by the Senate and serve five year staggered terms. Devon Sauzek serves as the President of OCIB. Sauzek was selected by OCIB's five member board to serve as President.

The current board members are:

Jerry Austin, Fleming (Ret.), OKC
John A. Brock, Rockford Exploration, Tulsa
Michael Mitchelson, OCU Law School, OKC
Michael Oonk, American Bank & Trust Co, Tulsa
Patrick Sullivan, Check-6 International, Tulsa

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Historical members include:

Bill Andrew, Edward Jones, Enid
Bill Cameron, American Fidelity, OKC
Bill Comfort, CitiGroup Venture Capital, NYC
Bob Craine, TSF Capital, Tulsa
Cy Elmburg, Relco, Miami
Dick Gaugler, Macklanburg-Duncan, OKC
Gib Gibson, Citizens Bank, Lawton
David Johnson, Boesche McDermott & Eskridge, Tulsa
Dewey Lyon, OKC
Jean McGill, Tulsa
Ray Patton, Tulsa
Mary Polfer, PSO, Tulsa
John Rex, American Fidelity, OKC
Peggy Shreve, Frontier Engineering, Stillwater
Marshall Weissman, Warner Jewelry Case, Lawton
Will Stratton, Central and South West Energy, Tulsa

Does the Board have any committees or subgroups? If so, please provide a detailed listing of the subgroups and their areas of focus.

OCIB Response

The Board does have an audit executive subcommittee that reviews OCIB's annual audit with OCIB's outside auditors. The committee is filled on a volunteer basis with two of OCIB's existing trustees.

GOVERNANCE ACCOUNTABILITY:

Is there an attendance policy for board members/commissioners? If so, is it being followed?

OCIB Response

OCIB holds 4 regular meetings (quarterly) at which OCIB always has a quorum (minimum of 3 trustees). In almost every occasion OCIB has had 4 or more members attend. OCIB, on occasion, has held additional "special" meetings during a given year with a similar attendance record.

MODERNIZATION EFFORTS:

Please provide a listing of all government modernization efforts undertaken by the agency in the last twelve months. Additionally, please provide any authorizing statutory changes that prompted the modernization efforts and whether those efforts have led to cost savings or additional cost burden.

OCIB Response

None have taken place in the last 12 months.

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What steps has the agency taken to cut costs and/or eliminate waste? Are there efforts that have been successful which you believe could serve as a model for other state agencies seeking to keep costs minimal?

OCIB Response

No steps have taken place in the last 12 months. In 2012, SB1159 took away OCIB's ability to invest and has put the trust in wind down mode.

CORE MISSION:

What services are you required to provide which are outside of your core mission? Are any services you provide duplicated or replicated by another agency? Are there services which are core to your mission which you are unable to perform because of requirements to perform non-core services elsewhere?

OCIB Response

None.

PRIVATE ALTERNATIVES:

Are any of the services which are performed by the agency also performed in the private sector in Oklahoma? In other states? Has the agency been approached by any foundation, for-profit or not-for-profit corporation with efforts to privatize some of the functions of the agency?

OCIB Response

Historically one of OCIB's main programs has been to invest in venture capital funds in an effort to build that industry in Oklahoma. By investing OCIB has supported the development of local funds as well as the recruitment of outside capital and investment talent to the state. Yes there are members of the private sector that also invest in venture capital funds. To my knowledge all of these investors invest solely from a ROI perspective and are not focused on Oklahoma. National studies show that the amount of venture capital being invested in Oklahoma is on the decline and that Oklahoma is well behind its neighboring states (Texas and Kansas). OCIB's programs have been used to slow down this trend.

Other states do have similar programs that focus on building their own risk capital industries.

In 2002, under the Frank Keating administration, OCIB privatized the management of its programs. Since this privatization, OCIB has had no employees.