Pursuant to Article VI, Section 8 of the Oklahoma Constitution it is hereby ordered:

1. Each executive agency shall comply with Attorney General Opinion 87-100 when awarding local project funding contracts as defined in Paragraph 7 of this order.

2. A local project funding contract shall be awarded on the basis of the merits of the local project rather than because of caprice or arbitrary action. If an executive agency's policies and procedures do not assure a local project funding contract award is based on the merits of the project as measured by the agency's objective criteria, or if such policies and procedures have not been duly adopted and promulgated pursuant to the Administrative Procedures Act, 75 Okla. Stat. §301 et seq. (as amended by HB 1669 and HB 1567, 2nd Sess., 41st Okla. Legis., 1988), the executive agency shall adopt and promulgate such policies and procedures through rules, as provided by law.

3. Funds shall not be encumbered for a local project funding contract until the potential contracting agency, by its director or his designee, certifies by sworn or affirmed statement to the Director of the Office of State Finance, on forms provided by the Director, that the proposed contract meets the contracting agency's objective criteria as set out in its rules.

4. Each local project funding contract shall be enumerated serially within the awarding agency. This number shall be cited in all correspondence the awarding agency conducts with the Office of State Finance concerning the contract, including the request for encumbrance.

5a. An executive agency shall announce the availability of contracts for local project funds by publication in the Oklahoma Register at least one month prior to the deadline for applications for such contracts. This announcement shall state:
i. The name of the contracting agency;

ii. A description of the type(s) of projects eligible for local project funding contracts, such description being simple and easily read yet sufficiently detailed to allow a reasonable person to know whether a project he may desire would be eligible;

iii. The total amount of money available from the agency for the local project funding contract program described in the announcement;

iv. A description of the type(s) of persons or entities who are eligible for local project funding contracts and a citation to the specific authority or authorities which establish the eligibility criteria;

v. The closing date and time for receipt of applications; and

vi. the name(s), business address(es) and telephone number(s) of the person(s) who interested parties may contact for additional information.

b. An executive agency shall submit the announcement to the Oklahoma Register on or before the publication deadline, as established by the rules of the Director of the Department of Libraries, which precedes the desired publication of the Oklahoma Register. The executive agency shall submit the announcement in a format required by the rules of the Director of the Department of Libraries.

c. The Director of the Department of Libraries shall adopt and promulgate rules to effectuate Paragraph 5 of this order.

6. Failure of responsible awarding agency personnel to abide by the provisions of this order, except Paragraph 4, and the law as interpreted by Attorney General Opinion shall be evidence of cause for removal as provided by law.

7. A local project funding contract is an agreement between a state agency and either a local government or private entity, or both, in which the state agency agrees to provide funding to the local government or private entity who agrees to accomplish a public purpose. In addition, the direct benefits of
such a contract accrue primarily to the local population rather than the state as a whole. If an appropriation were to be made directly for the purpose of the contract and to the funding recipient, such appropriation would be a special law and conform to the requirements of Okla. Const. Art. V, §§32 and 46. Local project funding contracts do not include contracts subject to state competitive bidding requirements.

IT IS FURTHER ORDERED that Executive Order 88-06 is hereby rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed at Oklahoma City, this 9th day of September, 1988.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

ATTEST:

Hannah S. Atkinson
Secretary of State