

Office of the State Treasurer

AGENCY MISSION STATEMENT:

The mission of the Office of the State Treasurer is to serve the people of Oklahoma by providing sound banking and investment services, reuniting individuals and businesses with their unclaimed property, and promoting economic opportunities in a fiscally responsible and efficient manner while adhering to the highest professional and ethical standards.

The mission statement was approved by the State Treasurer and was most recently updated on January 1, 2012.

LEAD ADMINISTRATOR:

State Treasurer Ken Miller
ken.miller@treasurer.ok.gov
405-521-3191

GOVERNANCE:

The Office of the State Treasurer is headed by State Treasurer Ken Miller, who was elected by the people to serve a four-year term beginning January 10, 2011.

GOVERNANCE ACCOUNTABILITY:

The state treasurer is accountable to the people of Oklahoma through the election process.

MODERNIZATION EFFORTS:

Please provide a listing of all government modernization efforts undertaken by the agency since July 1, 2010. 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.

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?

Projects started and/or completed:

- OST continued improvements and maintained operations while voluntarily reducing the agency's reliance on appropriations by 5%
- Since July 1, 2010, the agency has increased efficiency by consolidating and restructuring operations, resulting in reduction of 16 positions and net savings of more than \$1,350,000 which were used to fund technology projects that are completed or are nearing completion

Oklahoma Senate Committee on Appropriations

2014-15 Performance Report

- Replacing outdated and unsupported COBOL programming funded with accumulated savings from operations of more than \$1,700,000, resulting in a more stable and efficient environment for the processing of state financial transactions
- Established Investment Advisory Committee to obtain broad expertise in support of State's investment strategies
- Launched the *Oklahoma Economic Report*, providing Oklahomans with reliable monthly business and economic news relevant to our state
- OST lessened the burden on Oklahoma businesses by launching the Unclaimed Property Division's online holder reporting application, reducing the time and paperwork required to remit unclaimed property to the state
- Continued to emphasize electronic payment options and monitor electronic payment volumes in response to HB 1086, passed during the 2011 legislative session. Quarterly reports were posted to the State Treasurer's website in compliance with the statutory requirements during FY2013 and FY2014. Additionally, the State Treasurer's office worked with several agencies to implement the use of reloadable prepaid debit cards
- OST launched an online checkbook to further support goals of transparency and accountability
- Maximized investment earnings by lowering average daily liquidity
- During FY2013, OST completed a two-phase project to reconfigure the existing office space allocated to the state treasurer by modifying workspace along the south side of the Capitol's northeast hallway. The project increased the number of workspaces by 85%, allowing for the further consolidation of all OST functions, including the Unclaimed Property Division, resulting in the elimination of all externally-leased office space with annual savings of \$64,000

Projects underway or planned:

- Continue improvements and maintain operations while reducing the agency's reliance on appropriations by another 5%
- Identify, purchase and implement a new treasury investment system to provide more accurate and timely investment accounting and performance reporting, better manage liquidity, lower risk and increase earnings
- Major projects during FY-15 will focus on the enhancement of core services and continued replacement of outdated and unsupported COBOL programming used in cash management and banking services funded by savings from operations
- Banking services will be enhanced by expanding use of Remote Deposit Capture and increased use of debit cards in lieu of paper warrants for state agencies and other political subdivisions
- To help meet our objective of increasing dollars returned to rightful owners, OST initiated a pilot performance pay program for its unclaimed property staff and expanded its marketing efforts

Office of the State Treasurer

- Enhance the efficiency and effectiveness of the process by which state financial institutions collateralize state funds on deposit
- Offer state agencies the opportunity to collect payments through secure mobile applications
- Expand the use of the recently launched internet-based unclaimed property reporting application for businesses
- Work with OMES Information Services Division to ensure adequate functionality is available to securely support essential operations on a continuous basis

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?

Services provided by the Office of the State Treasurer lie within its core mission. The agency has outsourced or contracted with other entities for all non-core functions.

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?

Many functions are already performed by the private sector for the Office of the State Treasurer. In fact, banking services (deposit, disbursement, credit and debit card processing, and ATM, custody, and securities lending services) account for the major expenditure of the office from appropriated funds after payroll and technology services costs. The office also outsources property location and recovery, advertising and custody services in connection with the administration of the State's Unclaimed Property Program. Outsourcing has historically been used by the office, but has been increased in the past few years with the transfer of information technology services, and certain purchasing, payables and payroll processing functions. The Office also contracts with the Office of the Attorney General for legal services.