

## State Treasurer

Lead Administrator: Ken Miller, State Treasurer

FY'15 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
General Operations	\$2,539,437		\$807,884			\$3,347,321
Unclaimed Property			\$5,182,602			\$5,182,602
Data Processing	\$715,000		\$1,202,000			\$1,917,000
State Land Reimbursements	\$100,000					
<b>Total</b>	<b>\$3,354,437</b>	<b>\$0</b>	<b>\$7,192,486</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,546,923</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	\$1,456,000	\$0	\$5,322,000	\$0	\$0	\$6,778,000

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

What Changes did the Agency Make between FY'14 and FY'15	
<b>1.) Are there any services no longer provided because of budget cuts?</b>	There were no services discontinued between FY14 and FY15 due to budget cuts.
<b>2.) What services are provided at a higher cost to the user?</b>	The costs of services provided to TSET pursuant to Title 74 O.S. Section 581 increased by \$3,000.
<b>3.) What services are still provided but with a slower response rate?</b>	No service levels were reduced due to budget cuts between FY14 and FY15.
<b>4.) Did the agency provide any pay raises that were not legislatively/statutorily required?</b>	Yes.

FY'16 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
General Operations	\$2,534,437		\$807,788		\$3,342,225	
Unclaimed Property			\$5,297,263		\$5,297,263	
Data Processing	\$720,000		\$1,196,000		\$1,916,000	
State Land Reimbursements	\$100,000				\$100,000	
<b>Total</b>	<b>\$3,354,437</b>	<b>\$0</b>	<b>\$7,301,051</b>	<b>\$0</b>	<b>\$10,655,488</b>	

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

FY'16 Top Five Appropriation Funding Requests		\$ Amount
Due to continued efficiencies from operations the funding available for administration of the unclaimed property program has exceeded operational costs. The Treasurer has identified an additional \$1 million that could be transferred from the Unclaimed Property Administrative Revolving Fund to the Legislature for appropriation.		-\$1,000,000
The Treasurer is not seeking any increases.		
<b>Total Increase above FY-15 Request</b>		<b>-1,000,000</b>

How would the agency handle a 3% appropriation reduction in FY'16?	
The Treasurer's Office has already initiated numerous cost-cutting measures which has allowed the agency to absorb a 17.38% cumulative reduction since Treasurer Miller took office and a 34% cumulative reduction over the last 10 years. To absorb an additional 3% reduction the agency would have to consider increasing the charge for expenses incurred in managing the state blended portfolio from 1.25 basis points to 2 basis points.	

How would the agency handle a 5% appropriation reduction in FY'16?	
The Treasurer's Office has already initiated numerous cost-cutting measures which has allowed the agency to absorb a 17.38% cumulative reduction since Treasurer Miller took office and a 34% cumulative reduction over the last 10 years. To absorb an additional 5% reduction the agency would have to consider increasing the charge for expenses incurred in managing the state blended portfolio from 1.25 basis points to 2.5 basis points.	

Is the agency seeking any fee increases for FY'16?		\$ Amount
Increase 1	No fee increases	\$0
Increase 2		\$0
Increase 3		\$0

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

Except for the cumulative \$5.5 million dollars of revolving funds which have been identified as excess and transferred to the legislature during the last three years, the agency continues to use carryover and revolving funds to upgrade computer systems.

**Federal Government Impact**

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

N/A

**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?**

N/A

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

N/A

**Division and Program Descriptions**

**Banking and Treasury Services**

Warrant printing, clearing and imaging, electronic receipt and disbursement processing including ACH transactions, wire transfers and credit and debit card processing, depository bank services including return item processing, lockbox, image cash letter and remote deposit capture, cashier services including deposit processing, check cashing, and change order processing, stop payment services, agency activity statements, manage earnings credits and banking fees

**Portfolio Accounting and Reporting/Investment Services**

Bank account reconciliation, correction processing, cash management including daily cash position, initiate, settle, record and reconcile investment transactions, monitor and record investment income, manage relationships with master custody bank, securities lending agent and authorized financial institutions, issue and redeem CDs, manage investment portfolio, record bond sinking fund transactions, monitor collateralization of state funds on deposit, investment performance reporting, prepare annual financial statements

**Unclaimed Property**

The objective of this program is to secure and return unclaimed property to its rightful owner. Activities include: importing and entering owner, property and holder information, publishing owner names and last known addresses, initiating, reviewing and approving documentation provided in support of claims, processing payments and promoting public awareness of the program.

**Data Processing**

OST contracts with OMES ISD for information technology services including desktop, network and application support. Application support includes both server and mainframe processes and both internal applications used exclusively by OST and hosted applications used statewide such as for disbursements and deposits processing.

**State Land Reimbursement**

This program passes funds to counties based on state owned land.

**FY'16 Budgeted FTE**

	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
General Operations	5.15		24.7	7.85	8.75	8.1
Unclaimed Property	2.85		22.8	6.65	13.25	2.9
Data Processing						
<b>Total</b>	<b>8</b>	<b>0</b>	<b>47.5</b>	<b>14.5</b>	<b>22</b>	<b>11</b>

**FTE History**

	2015 Budgeted	2014	2010	2009	2004
General Operations	29	31	33	35	42
Unclaimed Property	19	18	19	19	19
Data Processing			9	9	14
<b>Total</b>	<b>48</b>	<b>49</b>	<b>61</b>	<b>62</b>	<b>75</b>

Performance Measure Review					
	FY'13	FY'12	FY'11	FY'10	FY'09
<b>Banking Services</b>					
Certificates of Deposit Issued: Total (in billions)	\$0.57	\$0.85	\$0.91	\$1.12	\$1.34
Early Deposits: Added Interest Earned	\$126,587	\$167,520	\$172,220	\$185,294	\$307,480
Warrants Processed	26.5%	34.0%	39.8%	40.8%	51.0%
<b>Portfolio Accounting/Investments</b>					
Earnings (Goal within 10% of projection)	84.00%	99.20%	64.30%	85.74%	107.30%
ROI v. Benchmark (95% goal)	100%	93%	40%	375%	188%
% Investments (CD and Repo) Collateralized	100%	100%	100%	100%	100%
Transactions Audited (within 60 days)	44%	40%	29%	80%	73%
<b>Unclaimed Property</b>					
Amount of Claims Paid	\$22,890,000	\$18,859,000	\$15,936,394	\$19,333,417	\$16,831,267
# of Claims Paid	15,503	13,932	12,148	14,978	16,544

Revolving Funds (200 Series Funds)			
	FY'12-14 Avg. Revenues	FY'12-14 Avg. Expenditures	June '14 Balance
<b>State Treasurer's Revolving Fund (200)</b> This fund receives payments from state agencies for managing investments, processing stop payments, returned check collection and fines for late payment records.	\$601,000	\$353,000	\$1,488,072
<b>Securities Lending &amp; Custodian Fee Revolving Fund (215)</b> - This fund receives securities lending revenue and is restricted to paying banking fees.	\$366,000	\$142,000	\$762,514
<b>Unclaimed Property Administrative Revolving Fund (260)</b> - This fund receives 4% of amounts deposited to the Unclaimed Property Fund and is restricted to program administration.	\$2,992,000	\$1,736,000	\$3,071,307
<b>Unclaimed Property Clearinghouse Fund (265)</b> - This fund pays for contract property location services, publication, auction and custodial services from the Unclaimed Property Fund	\$1,077,000	\$1,056,000	\$315