

State Treasurer (740)

Lead Administrator: Ken Miller, State Treasurer

FY'17 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
General Operations	\$1,965,463		\$1,019,014			\$2,984,477
Unclaimed Property	\$0		\$7,678,435			\$7,678,435
Data Processing	\$755,000		\$1,527,149			\$2,282,149
State Land Reimbursements	\$95,000		\$0			\$95,000
						\$0
Total	\$2,815,463	\$0	\$10,224,598	\$0	\$0	\$13,040,061

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

FY'16 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'16 Carryover	\$1,354,108		\$7,642,965			\$8,997,073
FY'16 GR Refund**	\$79,765					\$79,765

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

**Indicate how the FY'16 General Revenue refund was budgeted
This amount was budgeted as personal services.

What Changes did the Agency Make between FY'16 and FY'17?	
1.) Are there any services no longer provided because of budget cuts?	There were no services discontinued between FY16 and FY17 due to budget cuts.
2.) What services are provided at a higher cost to the user?	The costs of services provided to TSET pursuant to Title 74 O.S. Section 581 increased by \$5,081.00
3.) What services are still provided but with a slower response rate?	Due to continuing turnover and the associated training of new employees, the agency struggled to meet administrative deadlines throughout FY16 and into FY17.
4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.	Yes.

FY'18 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$1,965,463		\$816,255		\$2,781,718	-6.79%
Unclaimed Property			\$7,683,727		\$7,683,727	0.07%
Data Processing	\$755,000		\$1,538,149		\$2,293,149	0.48%
State Land Reimbursements	\$95,000				\$95,000	0.00%
Total	\$2,815,463	\$0	\$10,038,131	\$0	\$12,853,594	-1.43%

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

FY'17 Top Five Appropriation Funding Requests	
	\$ Amount
The Treasurer is not seeking any increases in appropriations.	

Total Increase above FY-18 Request 0

How would the agency handle a 5% appropriation reduction in FY'18?	
The Treasurer's Office has already initiated numerous cost-cutting measures which has allowed the agency to absorb a 28% cumulative reduction since Treasurer Miller took office and a 39% cumulative reduction over the last 10 years. To absorb an additional 5% reduction the agency would have to cut non-mission critical expenditures, utilize earnings credits to offset banking fees as economic conditions permit, and 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 7.5% appropriation reduction in FY'18?	
The Treasurer's Office has already initiated numerous cost-cutting measures which has allowed the agency to absorb a 28% cumulative reduction since Treasurer Miller took office and a 39% cumulative reduction over the last 10 years. To absorb an additional 5% reduction the agency would have to cut non-mission critical expenditures, utilize earnings credits to offset banking fees as economic conditions permit, and	

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 10% appropriation reduction in FY'18?

The Treasurer's Office has already initiated numerous cost-cutting measures which has allowed the agency to absorb a 28% cumulative reduction since Treasurer Miller took office and a 39% cumulative reduction over the last 10 years. To absorb an additional 5% reduction the agency would have to cut non-mission critical expenditures, utilize earnings credits to offset banking fees as economic conditions permit, and consider increasing the charge for expenses incurred in managing the state blended portfolio from 1.25 basis points to 2 basis points.

Is the agency seeking any fee increases for FY'18?

Increase 1	None	\$ Amount

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

Upgrade application used statewide for check printing which runs on an outdated unsupported operating system and continue replacement of COBOL based mainframe applications using carryover and revolving funds.

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'18 Budgeted FTE

	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
General Operations	4.9		21.95	6.5	9.25	6.3
Unclaimed Property	3.1		24.55	11	10.75	2.7
Total	8	0	46.5	17.5	20	9

FTE History					
	2017 Budgeted	2016	2013	2010	2006
General Operations	22	21	29	34	0
Unclaimed Property	25	21	16	17	0
Data Processing				9	0
Total	46	42	45	60	0

Performance Measure Review					
	FY'16	FY'15	FY'14	FY'13	FY'12
Banking Services					
Certificates of Deposit Issued: Total (in billions)	\$0.61	\$0.57	\$0.53	\$0.57	\$0.85
Warrants Processed	14%	16%	20.9%	26.5%	34.0%
Portfolio Accounting/Investments					
Earnings (Goal within 10% of projection)	96	102	81.58	84.00%	99.20%
ROI v. Benchmark (95% goal)	248	440	638	100%	93%
% Investments (CD and Repo) Collateralized	100	100	100	100%	100%
Transactions Audited (within 60 days)	95	99	95.7	44%	40%
Unclaimed Property					
Amount of Claims Paid	\$31,144,764	\$38,596,000	\$33,989,118	\$22,890,000	\$18,859,000
# of Claims Paid	12,925	16,680	14,054	15,503	13,932

Revolving Funds (200 Series Funds)			
	FY'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures	June '16 Balance
State Treasurer's Revolving Fund (200) This fund receives payments from state agencies for managing investments, processing stop payments, returned check collection and fines for late payment records.	\$529,714	\$294,663	\$1,920,505
Securities Lending & Custodian Fee Revolving Fund (215) - This fund receives securities lending revenue and is restricted to paying banking fees.	\$230,088	\$105,531	\$897,346
Unclaimed Property Administrative Revolving Fund (260) - This fund receives 4% of amounts deposited to the Unclaimed Property Fund and is restricted to program administration.	\$3,799,377	\$3,969,930	\$4,803,311
Unclaimed Property Clearinghouse Fund (265) - This fund pays for contract property location services, publication, auction and custodial services from the Unclaimed Property Fund	\$2,086,720	\$2,081,999	\$21,803