

FY 2025 Budget Performance Review

74000 - Oklahoma State Treasurer

Version Original
Lead Administrator: Honorable Todd Russ

Date submitted 10/2/2023
Lead Financial Officer: Kiranmaye Nallayahgari

Agency Mission

The mission of the Office of 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.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

40 - 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

40 - Portfolio Accounting & 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

50 - Bond Advisor

The Debt Management Division of the Office of the State Treasurer is headed by the statutory position of State Bond Advisor which serves at the pleasure of the State Treasurer. The division serves as administrative staff to the Council of Bond Oversight and is responsible for the oversight and management of state debt issuance.

60 - 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.

30 - State Land Reimbursement

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

88 - 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.

92 - College Savings and STABLE program

Oklahoma's qualified tuition savings program under Section 529 of the federal tax code. The STABLE program provides a savings vehicle for people with disabilities to save for quality of life expenses protected from assets limits for government benefit programs.

93 - Statewide Circuit Engineering

By statute, the State Treasurer serves as chair of the Oklahoma College Savings Plan Board of Trustees, which offers tax-deductible investment savings options for post-secondary educational expenses under Section 529 of the federal tax code.

99 - Bonds and Coupons

Pass through program

FY'24 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
4002001	Banking Fees			\$350,000			\$350,000
4002006	Banking & Treasury Services	\$583,651				\$186,526	\$770,177
4004001	General Administration	\$611,790					\$611,790
4004003	Public Information	\$129,778					\$129,778
4005003	Investment Office			\$199,014			\$199,014
4005004	Link Deposit (dormant program)	\$2,509					\$2,509
4005005	Portfolio Accounting and Reporting	\$751,089					\$751,089
5005001	Bond Advisory Services			\$545,471			\$545,471
6000001	Unclaimed Property			\$63,421,004			\$63,421,004
6000002	UP - Audit & Publication			\$4,300,000			\$4,300,000
8800060	UP - Data Processing			\$820,890			\$820,890
8801040	Data Processing	\$837,677		\$554,735		\$4,166,710	\$5,559,122
9200007	College Savings Plan	\$68,329		\$14,735			\$83,064
3000001	State Land Reimbursement	\$95,000					\$95,000
9300000	Statewide Circuit Engineering			\$5,500,000			\$5,500,000
							\$0
							\$0
Total		\$3,079,823	\$0	\$75,705,849	\$0	\$4,353,236	\$83,138,908

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department:

FY'23 Carryover by Funding Source

Class Fund #	Carryover Class Fund Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
19121	Carryover	\$104,200					\$104,200
19311	Carryover	\$1,600,000					\$1,600,000
							\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable:

What changes did the agency make between FY'23 and FY'24?

1.) Are there any services no longer provided because of budget cuts?

No

2.) What services are provided at a higher cost to the user?

N/A

3.) What services are still provided but with a slower response rate?

N/A

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

Yes

FY'25 Requested Funding By Department and Source									
Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change		
4002001	Banking Fees	\$0	\$0	\$350,000	\$0	\$350,000			0.00%
4002006	Banking & Treasury Services	\$583,651	\$0	\$0	\$186,526	\$770,177			0.00%
4004001	General Administration	\$611,790	\$0	\$0	\$0	\$611,790			0.00%
4004003	Public Information	\$129,778	\$0	\$0	\$0	\$129,778			0.00%
4005003	Investment Office	\$0	\$0	\$199,014	\$0	\$199,014			0.00%
4005004	Link Deposit (dormant program)	\$2,509	\$0	\$0	\$0	\$2,509			0.00%
4005005	Portfolio Accounting and Reporting	\$751,089	\$0	\$0	\$0	\$751,089			0.00%
5005001	Bond Advisory Services	\$0	\$0	\$545,471	\$0	\$545,471			0.00%
6000001	Unclaimed Property	\$0	\$0	\$63,421,004	\$0	\$63,421,004			0.00%
6000002	UP - Audit & Publication	\$0	\$0	\$4,300,000	\$0	\$4,300,000			0.00%
8800060	UP - Data Processing	\$0	\$0	\$820,890	\$0	\$820,890			0.00%
8801040	Data Processing	\$837,677	\$0	\$554,735	\$7,313,474	\$8,705,886			56.61%
9200007	College Savings Plan	\$68,329	\$0	\$14,735	\$0	\$83,064			0.00%
3000001	State Land Reimbursement	\$95,000	\$0	\$0	\$0	\$95,000			0.00%
9300000	Statewide Circuit Engineering	\$0	\$0	\$5,500,000	\$0	\$5,500,000			0.00%
Total		\$3,079,823	\$0	\$75,705,849	\$7,500,000	\$86,285,672			3.78%

1. Please describe source(s) and % of total of "Other" funding for each department:
Other funds - Special cash appropriations for modernization project to transition from the legacy systems

FY'25 Top Five Operational Appropriation Funding Requests		
Request by Priority	Request Description	Appropriation Request Amount (\$)
Request 1:		
Request 2:		
Request 3:		
Request 4:		
Request 5:		
Top Five Request Subtotal:		\$0
Total Increase above FY-24 Budget (including all requests)		
Difference between Top Five requests and total requests:		\$0

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

Yes

How would the agency be affected by receiving the same appropriation for FY '25 as was received in FY '24? (Flat/ 0% change)

The legacy replacement project will be stopped if additional funding is not available. The current legacy systems are operating at a continuous risk of failure jeopardizing the State's financial transactions.

How would the agency handle a 2% appropriation reduction in FY '25?

To absorb a 2% reduction, the agency would have to redirect funds from planned technology and other improvement projects and consider increasing the charges for services rendered.

Is the agency seeking any fee increases for FY '25?		
Increase	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1		
Increase 2		
Increase 3		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		
Description of request in order of priority	Appropriated Amount (\$)	Submitted to LRCP? (Yes/No)
Priority 1		
Priority 2		
Priority 3		

Federal Funds							
CFDA	Federal Program Name	Agency Dept. #	FY 24 budgeted	FY 23	FY 22	FY 21	FY 20

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

FY 2024 Budgeted FTE							
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
40	General Operations	6.3	17.05		15	4.6	3.75

50 Bond Advisory Services	1.3	3.7	2.7	1.25	1.05
60 Unclaimed Property	5.75	22.9	23.3	4.15	1.2
Total	13.35	43.65	0	41	6

FTE History by Fiscal Year							
Division #	Division Name	FY 2024 Budgeted	FY 2024 YTD	FY 2023	FY 2022	FY 2021	FY 2016
40	General Operations	23.4		23.0	22.0	21.5	25.0
50	Bond Advisory Services	5.0		4.4	4.4	5.3	
60	Unclaimed Property	28.7		28.6	29.6	29.2	23.0
Total		57.0	0.0	56.0	56.0	56.0	48.0

Performance Measure Review					
	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Banking Services					
Warrants Processed	10%	11%	12%	13%	12%
Portfolio Accounting/Investments					
Earnings (Goal within 15% of projection)	18.00%	14.00%	-4.72%	-1.67%	12%
ROI vs. Benchmark - Treasuries	4.12%	1.17%			
ROI vs. Benchmark - MBS	4.23%	2.17%			
ROI vs. Benchmark - Agencies	4.48%	1.14%			
% Investments (CD and Repo) Collateralized	100	100	100	100	100
Unclaimed Property					
Amount of Claims Paid	\$28,747,843	\$36,457,684	\$45,425,667	\$33,600,000	\$51,685,045
# of Claims Paid	12,654	10,990	12,426	10,330	13,452

Revolving Funds (200 Series Funds)			
Please provide fund number, fund name, description, and revenue source	FY'21-23 Avg. Revenues	FY'21-23 Avg. Expenditures	June '23 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.	\$2,048,912	\$385,334	\$9,440,138
Securities Lending & Custodian Fee Revolving Fund (215) This fund receives securities lending revenue and is restricted to paying banking fees.	\$461,803	\$148,598	\$1,553,720
Unclaimed Property Administrative Revolving Fund (260) This fund receives 4% of amounts deposited to the Unclaimed Property Fund and is restricted to program administration.	\$4,495,659	\$3,159,631	\$11,621,966
Unclaimed Property Clearinghouse Fund (265) This fund pays for contract property location services, publication, auction and custodial services from the Unclaimed Property Fund (This is a clearing account, any ending balance is due to timing of payments).	\$130,885	\$1,022,175	\$87,549
Bond Oversight Revolving Fund (285) This fund is authorized to charge and collect a fee, in accordance with the rules of the Council, derived from proceeds of bond issues approved by the Council and any other monies provided for by law. (2018 totals are for a partial year. This function transferred to OST in Nov'17)	\$696,729	\$110,481	\$894,677

FY 2024 Current Employee Telework Summary						
List each agency location, then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.			Full-time and Part-time Employees (#)			
Agency Location / Address	City	County	Onsite (5 days onsite, rarely remote)	Hybrid (2-4 days onsite weekly)	Remote (1 day or less weekly onsite)	Total Employees
2300 N. Lincoln Blvd., Ste #217	OKC	Oklahoma	29			29
9520 N. May, LL	OKC	Oklahoma	23			23
						0
						0
Total Agency Employees						52