

**FY 2026 Budget Performance Review
74000 - Oklahoma State Treasurer**

Version Original
Lead Administrator: Honorable Todd Russ

Date submitted 10/1/2024
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 Deputy Treasurer for Debt Management 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

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

The State Treasurer receives monies into the Statewide Circuit Engineering District Revolving fund and disburses them to fund the Statewide Circuit Engineering District. This is a pass through program.

99 - Bonds and Coupons

Pass through program

FY'25 Budgeted Department Funding By Source

Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
4002001	Banking Fees			\$358,500			\$358,500
4002006	Banking & Treasury Services	\$657,808				\$395,201	\$1,053,009
4004001	General Administration	\$614,204					\$614,204
4004003	Public Information	\$78,288					\$78,288
4005003	Investment Office			\$242,321			\$242,321
4005004	Link Deposit (dormant program)	\$11,772					\$11,772
4005005	Portfolio Accounting and Reporting	\$826,787					\$826,787
5005001	Bond Advisory Services			\$521,438			\$521,438
6000001	Unclaimed Property			\$3,719,688		\$60,000,000	\$63,719,688
6000002	UP - Audit & Publication			\$4,300,000			\$4,300,000
8800060	UP - Data Processing			\$567,716			\$567,716
8801040	Data Processing	\$742,692		\$501,547		\$7,104,799	\$8,349,038
9200007	College Savings Plan	\$53,272		\$1,500			\$54,772
3000001	State Land Reimbursement	\$95,000					\$95,000
9300000	Statewide Circuit Engineering					\$5,500,000	\$5,500,000
Total		\$3,079,823	\$0	\$10,212,710	\$0	\$73,000,000	\$86,292,533

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:

Other funds - Special cash appropriations for modernization project to transition from the legacy systems; Unclaimed property; Pass through funds

Balances of Appropriated Funds from Prior Fiscal Years

3-digit Class Fund #	Class Fund Name	GA Bill # and Section #	Fiscal Year of Original Appropriation	Original Appropriation Amount (\$)	Total Expended Amount as of 8/31/2024 (\$)	Balance as of 8/31/2024 (\$)
193	General Appropriations	SB1040; Sec #66/67	FY23	\$3,079,823	\$2,749,556	\$330,267
194	General Appropriations	HB1004; Sec #64/65	FY24	\$3,079,823	\$1,338,549	\$1,741,274
Total remaining prior year appropriation balance:						\$2,071,541

Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 193, 194). Do not report carryover class funds separately. Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.

What changes did the agency make between FY'24 and FY'25?	
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

Appropriation Increase Review					
Appropriation Increase Purpose	Appropriation Increases (Additional to Agency Base Appropriation)			Expenditures	
	FY 2023	FY 2024	Total Amount Received FY 2023-2024	Total Expenditure of Increase as of 6/30/2024	If funds have not been spent, please explain why.
		\$0	\$0		
			\$0		
			\$0		
Total:	\$0	\$0	\$0	\$0	

List appropriation increases that the agency has received in the prior two years. List amounts received in each year. Include PREP, but not ARPA/SRF, appropriations.

FY'26 Requested Funding By Department and Source							
Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
4002001	Banking Fees	\$0	\$0	\$358,500	\$0	\$358,500	0.00%
4002006	Banking & Treasury Services	\$657,808	\$0	\$0	\$395,201	\$1,053,009	0.00%
4004001	General Administration	\$614,204	\$0	\$0	\$0	\$614,204	0.00%
4004003	Public Information	\$78,288	\$0	\$0	\$0	\$78,288	0.00%
4005003	Investment Office	\$0	\$0	\$242,321	\$0	\$242,321	0.00%
4005004	Link Deposit (dormant program)	\$11,772	\$0	\$0	\$0	\$11,772	0.00%
4005005	Portfolio Accounting and Reporting	\$826,787	\$0	\$0	\$0	\$826,787	0.00%
5005001	Bond Advisory Services	\$0	\$0	\$521,438	\$0	\$521,438	0.00%
6000001	Unclaimed Property	\$0	\$0	\$3,719,688	\$60,000,000	\$63,719,688	0.00%
6000002	UP - Audit & Publication	\$0	\$0	\$4,300,000	\$0	\$4,300,000	0.00%
8800060	UP - Data Processing	\$0	\$0	\$567,716	\$0	\$567,716	0.00%
8801040	Data Processing	\$742,692	\$0	\$501,547	\$7,104,799	\$8,349,038	0.00%
9200007	College Savings Plan	\$53,272	\$0	\$1,500	\$0	\$54,772	0.00%
3000001	State Land Reimbursement	\$95,000	\$0	\$0	\$0	\$95,000	0.00%
9300000	Statewide Circuit Engineering	\$0	\$0	\$0	\$5,500,000	\$5,500,000	0.00%
Total		\$3,079,823	\$0	\$10,212,710	\$73,000,000	\$86,292,533	0.00%

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

FY'26 Top Five Operational Appropriated Funding Increase Requests				
Request by Priority	Request Description	Is this a Supplemental Request? (Yes/No)	Timeframe (One-Time or Recurring)	Appropriation Request Increase Amount (\$)
Request 1:				
Request 2:				
Request 3:				
Request 4:				
Request 5:				
Top Five Request Subtotal:				\$0
Total Increase above FY-25 Budget (including all requests)				
Difference between Top Five requests and total requests:				\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		
Description of requested increase in order of priority	Needed State Funding for Project (\$)	Submitted to LRCPC or OCAMP? (Yes/No)
Priority 1		
Priority 2		
Priority 3		

List any requests for new construction from the Legacy Capital Fund		
Description of requested increase in order of priority	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)
Priority 1		
Priority 2		
Priority 3		

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 '26 as was received in FY '25? (Flat/ 0% change)
There will not be any significant changes in operations. OST will continue to operate in a lean and efficient manner.

How would the agency handle a 2% appropriation reduction in FY '26?
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. In addition, the agency will have to pause some of the program initiatives to ensure sufficient funding is available for any unplanned expenses for the legacy replacement project.

Is the agency seeking any fee increases for FY '26?		
Description of requested increase in order of priority	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1 N/A		
Increase 2		
Increase 3		

Federal Funds							
CFDA	Federal Program Name	Agency Dept. #	FY 25 budget (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)	FY 22 actuals (\$)	FY 24 budgeted FTE (#)

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 2025 Budgeted FTE							
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+
40	General Operations	7.15	17.9	1.5	14.35	4.8	4.4
50	Bond Advisory Services	2.1	2.75		1.55	2.2	1.1
60	Unclaimed Property	5.6	24.95	1	24.2	4	1.35
92	College Savings	0.15	0.4		0.4		0.15
Total		15	46	2.5	40.5	11	7

FTE History by Fiscal Year							
Division #	Division Name	FY 2025 Budgeted	FY 2025 YTD	FY 2024	FY 2023	FY 2022	FY 2016
40	General Operations	25.05	22.6	19.0	23.0	22.0	25.0
50	Bond Advisory Services	4.85	3.4	4.3	4.4	4.4	
60	Unclaimed Property	30.55	24.6	27.1	28.6	29.6	23.0
88	Information Services	0.00	0.0	1.1			
90	College Savings	0.55	0.6	0.6			
Total		61.00	51.0	52.0	56.0	56.0	48.0

Performance Measure Review					
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Banking Services					
Warrants Processed		10%	11%	12%	13%
Portfolio Accounting/Investments					
Earnings (Goal within 15% of projection)	13%	18.00%	14.00%		
ROI vs. Benchmark - Treasuries	92%	96.00%	88.00%		
ROI vs. Benchmark - MBS	100%	98.00%	92.00%		
ROI vs. Benchmark - Agencies	103%	100.00%	98.00%		
% Investments (CD and Repo) Collateralized	100%	100%	100%	100%	100%
Unclaimed Property					
Amount of Claims Paid	\$35,574,779	\$28,747,843	\$36,457,684	\$45,425,667	\$33,600,000
# of Claims Paid	12,399	12,654	10,990	12,426	10,330

Revolving Funds (200 Series Funds)			
	FY'22-24 Avg. Revenues	FY'22-24 Avg. Expenditures	June '24 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.	\$2,449,236	\$506,842	\$11,543,061
Securities Lending & Custodian Fee Revolving Fund (215)			
This fund receives securities lending revenue and is restricted to paying banking fees.	\$843,749	\$127,276	\$2,761,355
Unclaimed Property Administrative Revolving Fund (260)			
This fund receives 4% of amounts deposited to the Unclaimed Property Fund and is restricted to program administration.	\$4,998,604	\$3,293,770	\$13,978,524
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).	\$1,325,037	\$1,324,867	\$52,257
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)	\$949,766	\$144,551	\$1,043,271

FY 2025 Current Employee Telework Summary						
List each agency physical location (not division), 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	31			31
9520 N. May, LL	OKC	Oklahoma	21			21
						0
Total Agency Employees						52