

# STATE TREASURER

## GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY13 Adjusted Base	FY14 Recommended	% Change Over FY13	FY15 Recommended	% Change Over FY14
PR-S	4,861,100	4,874,600	0.3	4,877,600	0.1
TOTAL	4,861,100	4,874,600	0.3	4,877,600	0.1

## FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY13 Adjusted Base	FY14 Recommended	FTE Change Over FY13	FY15 Recommended	FTE Change Over FY14
PR-S	9.95	9.95	0.00	9.95	0.00
TOTAL	9.95	9.95	0.00	9.95	0.00

## AGENCY DESCRIPTION

The office was established in 1848. The duties of the State Treasurer were established in the State Constitution and under Chapter 14, Subchapter IV, Wisconsin Statutes.

The State Treasurer maintains custody and records for all property received under the uniform unclaimed property and general escheat laws. If necessary, the office audits business and corporate records to ensure compliance with unclaimed property and general escheat laws.

## MISSION

The mission of the office is to fulfill the constitutional and statutory responsibilities of the office in order to assure the sound financial oversight and absolute safety of all public funds collected, managed and disbursed, and to do so at no cost to the state's taxpayers.

## Treasurer

### PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

#### Program 1: Custodian of State Funds

Goal: Provide an annual reporting mechanism for holders in possession of cash and securities owned by persons who cannot be located and provide an efficient process to verify and pay claims.

Objective/Activity: The State Treasurer serves as the administrator of the state's unclaimed property program. Currently, the State Treasurer is custodian of over \$368 million on behalf of approximately 1,000,000 unclaimed property owners. Generally, unclaimed property consists of such items as bank accounts, insurance proceeds, and uncashed dividends and stocks that have had no activity by the owner for a period of three to five years, depending on the category of the asset. Each year, the State Treasurer is required to publish a legal notice in a newspaper in each county listing the names and last known addresses of these owners in an attempt to return unclaimed property to its rightful owners.

Note: Effective July 1, 2011, the Local Government Investment Pool was transferred to the Department of Administration.

Goal: Assist local governments in the investment of funds through the State of Wisconsin Investment Board. The current investment pool totals approximately \$2.9 billion.

Objective/Activity: Provide a cost-effective mechanism for local governments of all sizes to interact in a financial manner with the State of Wisconsin and to provide a timely vehicle for investment of government funds.

#### Program 2: College Tuition Prepayment Program

Note: Effective July 1, 2011, the College Tuition Prepayment Program was transferred to the Department of Administration.

Goal: Combine the EdVest Tuition Trust and Tomorrow's Scholar College Savings Program into one administrative unit and increase the number of accounts and dollars invested into the program each year. There are approximately 256,000 accounts in the program with assets of over \$2.9 billion.

Objective/Activity: Increase the number of accounts and dollars invested into the program each year. EdVest and Tomorrow's Scholar are the state-sponsored college savings programs created to help families save for future higher education expenses. The program offers state and federal tax benefits, broad eligibility and flexibility to program participants.

**Treasurer**

**PERFORMANCE MEASURES**

**2011 AND 2012 GOALS AND ACTUALS**

<b>Prog. No.</b>	<b>Performance Measure</b>	<b>Goal 2011</b>	<b>Actual 2011</b>	<b>Goal 2012</b>	<b>Actual 2012</b>
1.	Unclaimed property received through audits and holder reporting.	\$37.5 million	\$38.4 million	\$38 million	\$38 million
1.	Unclaimed property claims and amount returned to rightful owner. <sup>1</sup>	36,000 \$25 million	27,673 \$35 million	37,000 \$25 million	32,170 \$36.2 million
1.	Average daily balance of Local Government Investment Pool.	\$3 billion	\$2.8 billion	\$3.5 billion	\$2.9 billion
1.	Number of Local Government Investment Pool participants.	1,300	1,290	1,300	1,297
2.	College Savings total accounts. <sup>2</sup>	270,000	264,000	280,000	256,000
2.	College Savings total participant investment for future higher education costs.	\$2.7 billion	\$2.8 billion	\$2.9 billion	\$2.9 billion

Note: Based on fiscal year.

<sup>1</sup>Goal has been modified.

<sup>2</sup>Wells Fargo Funds Management, LLC, was the party primarily responsible for the marketing of the EdVest program under its contract with the state. New accounts and total investments, therefore, were dependent on Wells Fargo's marketing strategy, which was not a direct State Treasurer responsibility. Wells Fargo's base contract as custodian for the College Savings Program ran through October 31, 2012.

**2013, 2014 AND 2015 GOALS**

<b>Prog. No.</b>	<b>Performance Measure</b>	<b>Goal 2013</b>	<b>Goal 2014</b>	<b>Goal 2015</b>
1.	Unclaimed property received through audits and holder reporting.	\$38.5 million	\$39 million	\$39.5 million
1.	Unclaimed property claims and amount returned to rightful owner. <sup>1</sup>	32,000 \$36.7 million	32,500 \$37.2 million	33,000 \$37.7 million

Note: Based on fiscal year.

<sup>1</sup>Goal has been modified.

**Treasurer**

## **STATE TREASURER**

### **GOVERNOR'S BUDGET RECOMMENDATIONS**

#### **RECOMMENDATIONS**

1. Extend Unclaimed Property Permanent Positions
2. Standard Budget Adjustments

**Treasurer**

**Table 1  
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
PROGRAM REVENUE (2)	\$3,044.4	\$4,861.1	\$4,874.6	\$4,877.6	\$4,874.6	\$4,877.6
State Operations	3,044.4	4,861.1	4,874.6	4,877.6	4,874.6	4,877.6
TOTALS - ANNUAL	\$3,044.4	\$4,861.1	\$4,874.6	\$4,877.6	\$4,874.6	\$4,877.6
State Operations	3,044.4	4,861.1	4,874.6	4,877.6	4,874.6	4,877.6

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2  
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST FY14	AGENCY REQUEST FY15	GOVERNOR'S RECOMMENDATION FY14	GOVERNOR'S RECOMMENDATION FY15
PROGRAM REVENUE (2)	9.95	9.95	9.95	9.95	9.95
TOTALS - ANNUAL	9.95	9.95	9.95	9.95	9.95

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

**Treasurer**

**Table 3  
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY12	ADJUSTED BASE FY13	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY14	FY15	FY14	FY15
1. Custodian of state funds	\$3,044.4	\$4,861.1	\$4,874.6	\$4,877.6	\$4,874.6	\$4,877.6
TOTALS	\$3,044.4	\$4,861.1	\$4,874.6	\$4,877.6	\$4,874.6	\$4,877.6

**Table 4  
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY13	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY14	FY15	FY14	FY15
1. Custodian of state funds	9.95	9.95	9.95	9.95	9.95
TOTALS	9.95	9.95	9.95	9.95	9.95

(4) All positions are State Operations unless otherwise specified

**Treasurer**

**1. Extend Unclaimed Property Permanent Positions**

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	200,700	4.00	200,700	4.00	200,700	4.00	200,700	4.00
TOTAL	200,700	4.00	200,700	4.00	200,700	4.00	200,700	4.00

The Governor recommends providing funding and position authority to extend 4.0 FTE unclaimed property permanent positions, which have a sunset date of June 30, 2013, for an additional two years.

**2. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendations			
	FY14		FY15		FY14		FY15	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-S	-187,200	-4.00	-184,200	-4.00	-187,200	-4.00	-184,200	-4.00
TOTAL	-187,200	-4.00	-184,200	-4.00	-187,200	-4.00	-184,200	-4.00

The Governor recommends adjusting the agency's base budget for: (a) removal of noncontinuing elements from the base (-\$200,700 and -4.0 FTE positions in each year); (b) full funding of continuing position salaries and fringe benefits (-\$4,900 in each year); and (c) full funding of lease and directed moves costs (\$18,400 in FY14 and \$21,400 in FY15).

**Treasurer**