

AGENCY NAME:

Office of the State Treasurer

AGENCY CODE:

E16

SECTION:

097



Fiscal Year 2013-14 Accountability Report

SUBMISSION FORM

AGENCY MISSION

"To serve the citizens of South Carolina by providing transparent, accountable and efficient banking, investment and financial management services for South Carolina State Government. Our commitment is to safeguard our State's financial resources and to maximize return on our State's investments."

Please identify your agency's preferred contacts for this year's accountability report.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Daniel Brennan	803-734-5065	Daniel.brennan@sto.sc.gov
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I have reviewed and approved the enclosed FY 2013-14 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR
(SIGN/DATE):

(TYPE/PRINT NAME):

The Honorable Curtis M. Loftis, Jr.

BOARD/CMSN CHAIR
(SIGN/DATE):

(TYPE/PRINT NAME):

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AGENCY'S DISCUSSION AND ANALYSIS

Treasurer Loftis was elected in November 2010 and took his oath of office on January 12th, 2011. His administration is in place and the first three years have been marked with many accomplishments. This document serves as a review of the Office for the previous fiscal year.

State Treasurer Curtis M. Loftis, Jr. is now serving his fourth full year in office and has worked tirelessly to reform the Office, enhance services and create an environment of openness in government while bringing the Office into the 21st century as it conducts business on behalf of the State.

The Office of the State Treasurer is responsible for the investment, cash management, and safekeeping of the State's general and restricted funds, as well as a portion of the assets of the South Carolina Retirement Systems. The Office also provides fiscal management services, including receipt and disbursement of all funds. The Office coordinates all banking services, manages the State's debt, administers the Unclaimed Property and College Savings Programs and works and communicates regularly with the three major bond rating firms to maintain high credit ratings that keep the State's borrowing cost low. The Office manages the excess funds of the State as well as the local governments and political subdivisions.

The Office continues to operate with five major program areas: Treasury Management; Investment Management; Debt Management; Unclaimed Property; and College Savings Plans.

Over the past fiscal year, a number of management positions were filled. The State Treasurer named a new Chief of Staff, hired a new Deputy State Treasurer and a new General Counsel as well as recruited the State's first full time Custody Officer to manage the safekeeping of the State's funds.

Some of the major accomplishments and challenges of the Office are summarized below:

Treasury Management. The Treasury Management Division is responsible for the day-to-day banking operations of the State, collection and remittance of court fines, account deposits, payroll processing, check distribution and cash management activities for the State. In the previous fiscal year, the Division made 4,417,866 disbursements, distributed 1,172,342 paper checks, distributed 2,975,524 electronic checks and made over 150,000 deposits on behalf of the State. During the two winter storms of 2014 which took place on payroll disbursement days, the Division ensured that payroll was accurate and on-time despite the emergency conditions.

The Treasury Management Division continues to work with the SCEIS team in the transition of statewide banking and investment functions to SCEIS. This is the next major step transitioning to SCEIS for both banking and treasury management. The Division has already converted the following four out of the five statewide checking accounts to SCEIS; contingent checks, public assistance checks, payroll checks and income tax relief checks. The remaining checking account for special payments is ongoing and will be completed in the upcoming fiscal years.

Executive management of the Office is continuing to work with the Division in the development of a succession plan that addresses impending retirements of several key positions, including the Division

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Director. During the fiscal year, the Division replaced a Fiscal Analyst III position with a credentialed FTE with a Masters Degree in Business Administration. Cross-training is critical to the successful operations of the Division. Because many of the mandated responsibilities of the staff are integral to the day-to-day operations of the State, the Division must ensure that its employees are cross-trained in the event another employee is out of work that day.

Investment Management. The Investment Management Division manages, according to SC Code 11-9-660, approximately \$13.1 billion in assets for both the State of South Carolina and local governments. The current custodial agent, Bank of New York Mellon, acts as a holder and record keeper of these funds. The Bank of New York Mellon was awarded the contract in fiscal year 2012-2013.

The Investment Management Division utilizes the services of its external investment advisor Jamison, Eaton, & Wood Inc., whose job is to advise the Division on investment strategy in order to optimize potential earnings on all of the investments that the State of South Carolina holds. During the past fiscal year, the STO also began utilizing the services of Pension Consulting Alliance (PCA) for portfolio monitoring services. Quarterly investment meetings are held with Jamison, PCA and internal staff meet with the Treasurer to review portfolio performance and strategies.

For fiscal year 2013-2014, the general funds investment portfolio yielded a .75% return on investment and outperformed the benchmarks of 90-day Treasury Bills and Federal Funds by .71% and .66% respectively. The Local Government Investment Pool (LGIP) continued to produce above market returns for its participants, earning an average rate of .16% compared to the average 90-day T-Bill benchmark rate of .04%.

Earnings on General Fund investments were \$19.53 million, which exceeded the investment earnings projection by over half a million dollars. This was achieved in spite of continued historically low interest rates, as well as increased demand for securities on the short end of the yield curve.

The STO provided investment services at a low cost of .0247%, compared to the industry average of .10% (Source: Jameson Eaton & Wood, Investment Advisors). The cost of services slightly increased over the previous fiscal year due primarily to the cost attributed to the SAP systems conversion.

The Investment Division has made significant progress toward implementing SCEIS. The contingent checks and the funding part of cash management have been completed. The Division developed a proof of concept for replacement of the legacy Investment Management System.

Debt Management. During the fiscal year, the division assisted 10 agencies in the sale of 11 issues for the purposes of academic and housing construction, economic development, and refinancing. A total of \$363 million was issued for these purposes during the year, \$142 million of which represented refinancing existing debt to achieve \$9 million in interest savings.

On a composite basis, general obligation debt was issued at yields at or favorable to the Municipal Market Data (MMD) yields for comparably secured MMD-AAA securities. For the fiscal year 2013-2014, the overall yield on general obligation debt issued was 1.57%, as compared to the MMD-AAA and MMD-AA yields for the same period at 1.71% and 1.90%, respectively. The State's total interest cost of \$40.4 million for the \$252.2 million in general obligation debt issued during the fiscal year was

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favorable to the prevailing market by \$3.6 million and \$8.4 million as compared to the MMD-AAA and MMD-AA scales, respectively.

Over the course of the fiscal year, the division continued to refine its disclosure policies, enhance the State's official statements, and review continuing disclosure requirements. The division has also made significant progress in implementing SCEIS processing, enhancing its legacy systems to become SCEIS compliant and reducing dependence on STARS interfaces, and evaluating alternatives to its Debt Management System debt and capital projects systems.

Unclaimed Property. The Unclaimed Property Program Division processed 26,768 claims totaling more than \$15.9 million paid to rightful owners. The total dollars paid increased by 3% over the previous fiscal year. As a result of staff outreach efforts, the number of holders reporting unclaimed property increased by 13% and the number of accounts reported by holders increased 19%. Also, the Program sold 149,776 shares of stock at no cost to the claimants.

The Unclaimed Property audit staff has assisted holder companies with compliance matters, reporting requirements and remittance processes. The audit staff consists of three FTE's, one CPA and two auditors. As a result of the audit staff's work, the number of reported accounts due to audits was 31,127 which totaled over \$1.2 million and is now available to be returned to the citizens and businesses to which it belongs.

Future Scholar College Savings Program. Future Scholar is now in its second year since launching our new Direct and Advisor products with lower fees, lower investment minimums and new and expanded investment products. The public responded positively and Future Scholar had another record sales year with total accounts surpassing 100,000. For calendar year 2013, sales increased 24.8% over 2012 to a record \$273,791,978. As of June 30, 2014, sales have increased 23.6% to \$165,813,433 over the calendar year to date sales for the six month period ending June 30, 2013.

In conjunction with National 529 Day, Future Scholar launched it's second annual grant program funded by Columbia Management called the Future Scholar 529 Day PalmettoBaby Grant Program. All babies born in South Carolina on May 29, 2014 were awarded the opportunity to receive a \$529 grant into a Future Scholar account if the baby born had a 529 account opened in his or her name and proof of birth was provided. The STO partnered with South Carolina hospitals to distribute materials to families of all babies born on May 29, 2014. The successful program was promoted via multiple marketing channels throughout the State.

The STO and the College Savings Plans Division continued its quarterly investment meetings, during which investments and program initiatives are reviewed within the college savings plans and the tuition prepayment program.

The Division also continued to provide a top-quality 529 College Savings Plan Investment Program to the residents of South Carolina and other states who can benefit from the advantages of investing in the Future Scholar Plan. Once again, Future Scholar received the top accolades from Morningstar and was designated a 5-Cap Program for investment options available, quality customer service and for the nation's lowest fees. At the end of the fiscal year, the number of Future Scholar accounts totaled 108,464. The Treasurer is proud to continue operating one of the nation's highest rated 529 College Savings Programs without the use of state funds.

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The Office continues to monitor the unfunded liability associated with the South Carolina Tuition Prepayment Plan. An annual report is sent to the General Assembly with updated information to keep the legislature apprised of the ongoing financial constraints within the Program. The State Treasurer also updates the Office's legislative budget subcommittees during his budget hearings each year.

Administration and Information Technology. While maintaining daily operational activities, the Administrative Division staff monitored and provided budgetary and legislative information reports, processed personnel actions and employee benefits for new hires and separations, reviewed and revised Office contracts, and updated records retention schedules. Additionally, the Information Technology staff coordinated a number of projects to transition payment processing, banking and investment activities from STARS, the statewide agency legacy system, to SCEIS, and also had Hewlett Packard Enterprise Services (HPES) conduct a comprehensive IT Security Audit.

HPES completed a risk assessment, technical assessment and physical assessment in 2013 on all of the STO's networks, applications and systems. In its Audit Report, HPES made 95 recommendations for better securing the STO information, systems and resources. During fiscal year 2013-2014, the STO implemented 81 of these recommendations and 9 additional recommendations are currently in progress for completion during next fiscal year. The STO is also working closely with the State's Division of Information Security to update security policies and procedures, and to upgrade software and hardware to better protect and secure the Agency's data and resources.

By statute, the STO is responsible for conducting and managing the investment and debt service functions for all state government agencies. The existing Debt and Investment Management Systems used for these purposes were developed in the 1980's. These Systems use mainframe technologies, and are nearly thirty years old. These Systems are integrated with STARS, the STO's Financial Management System, as well as several other similar systems.

During the previous fiscal year, the STO contracted with SAP to conduct 'proof of concept' demonstrations of the investment and debt functionality in the Treasury Management Module of its Enterprise Resource Planning, a software product that the State of South Carolina owns. The STO determined that that SAP investment functionality closely matches the functionality available in its legacy, mainframe Investment Management System. The STO has created a project to implement this SAP functionality to complete this project in a timely manner. The projected timeline for this project is 12 months.

During the 'proof of concept' demonstration of the SAP debt functionality, the STO identified a number of 'gaps' in this functionality when compared to the functionality available in its legacy, mainframe Debt Management System. The State Treasurer has sent information to SAP requesting its assistance in resolving these 'gaps'. SAP's response to the Treasurer has been positive and will be evaluated and a plan of action determined for implementing this functionality during next fiscal year.

Treasurer Loftis has transformed the STO into one of the most transparent and accountable agencies in the United States. Under his leadership and vision, the Office has achieved numerous successes and improvements, and he envisions building on those successes for the future. This accountability report serves as a key benchmark upon which the Office measures annual progress and success.



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Program/Title	Purpose	FY 2012-13 Expenditures			FY 2013-14 Expenditures			TOTAL	Associated Objective(s)
		General	Other	Federal	General	Other	Federal		
II. Programs and Services	Treasury Management provides statewide services to all agencies and institutions by receipt and disbursement of funds from all sources.	\$ 729,541	\$ 106,741	\$ -	\$ 836,282	\$ 744,217	\$ 107,859	\$ -	\$ 852,076 1.1.1, 1.2, 2.1.1, 3.1.1
II. Programs and Services	Investments provides statewide investment services to state agencies and institutions through investment of all state funds, management of cash liquidity, cash flow and collateral.	\$ -	\$ 1,951,627	\$ -	\$ 1,951,627	\$ -	\$ 2,940,082	\$ -	\$ 2,940,082 4.1.1, 4.1.2, 4.1.3, 5.1.1, 5.1.2, 5.1.3, 6.1.1
II. Programs and Services	Debt Management provides statewide debt management services for the State, it's agencies and institutions by management of debt issues including debt structure and payments.	\$ -	\$ 709,588	\$ -	\$ 709,588	\$ -	\$ 1,365,417	\$ -	\$ 1,365,417 7.1.1, 7.2.1, 7.3.1, 7.4.1, 8.1-5.1, 8.1-5.2
II. Programs and Services	Unclaimed Property Program provides a statewide service to the citizens of SC by returning various forms of property or money to the rightful owners.	\$ -	\$ 1,254,106	\$ -	\$ 1,254,106	\$ -	\$ 1,242,591	\$ -	\$ 1,242,591 9.1-5.1, 9.1-5.2, 10.1-4.1, 11.1-4.1, 11.1-2.2, 11.4.1
II. Programs and Services	The SC Tuition Prepayment Program (SCTPP)/SC College Investment Program (Future Scholar) are college savings plans that allow families the option of saving now at great advantage for their children's college education.	\$ -	\$ 433,064	\$ -	\$ 433,064	\$ -	\$ 492,814	\$ -	\$ 492,814 12.1-2.1, 13.1.1, 14.1-2.1
III Special Items	Student Loans-Teachers are funds received and distributed to the SC Student Loan Corporation pursuant to the Appropriations Act to fund student loans for teacher program.	\$ 1,065,125	\$ 4,000,722	\$ -	\$ 5,065,847	\$ 905,230	\$ 5,089,881	\$ -	\$ 5,995,111 n/a
All Other Items	Support Systems of the office include Administration, Information Technology, Legislative and Constituent Services.	\$ 868,795	\$ -	\$ -	\$ 868,795	\$ 869,885	\$ -	\$ -	\$ 869,885 2.1.1, 7.5.1, 5.1.1, 5.1.2, 5.1.3
		\$ 2,663,461	\$ 8,455,848	\$ -	\$ 11,119,309	\$ 2,519,332	\$ 11,238,644	\$ -	\$ 13,757,976

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Strategic Planning Template

Item #			Description
Type	Goal	Strat	Object
G	1		Treasury Management: Increase the number of payments Treasury Management processes electronically.
S	1.1		Continue to offer multiple electronic payment options to payees and vendors.
O		1.1.1	Reduce banking costs because the fees associated with checks are higher than those with electronic payments.
O		1.1.2	Increase the target percentage from 72% of electronic payments to checks to 75% over the previous fiscal year.
G	2		Treasury Management: Complete the conversion of all General Deposit accounts to SCEIS.
S	2.1		Continue to meet with SCEIS personnel and work collaboratively to convert the final related accounts from the legacy FMS STARS system to SCEIS.
O		2.1.1	Ensure the STO stays current and advances technologically with the ongoing changes in State accounting system and continue to develop SCEIS reports that can assist the STO in its day-to-day operations.
G	3		Treasury Management: Cross-training and expansion of knowledge between and among the internal sections of Treasury Management.
S	3.1		Cross-train employees to learn the duties and key job functions of the respective internal sections of Treasury Management to prepare for absences, succession planning and educational opportunities.
O		3.1.1	To ensure that the day-to-day and long-term functions in Treasury Management are carried-out accurately and competently in the event of an absence of key employee(s).
G	4		Investments: Manage all investment programs in accordance with State law as applicable, in an effective manner while preserving capital, maintaining liquidity and obtaining the best return within the appropriate risk parameters.
S	4.1		Utilize the capital markets and existing relationships with the broker/dealers to facilitate the proper management of all investment funds for the State and its agencies, as well as the Local Government Investment Pool.
O		4.1.1	Obtain the best return possible within the prescribed parameters on a portfolio basis, while maintaining liquidity and meeting or exceeding the applicable benchmarks, all while preserving capital.
O		4.1.2	Provide professional investment services for all funds under management through efficient utilization of available services.
O		4.1.3	Meet or exceed the General Fund budget projection for investment earnings each year.
G	5		Investments: Transition from the legacy Investment Management System to a SCEIS compatible system.
S	5.1		Evaluate multiple Enterprise Resource Planning systems to determine the best one for the STO Investment Management needs and begin implementation.
O		5.1.1	Upon selection of the SAP Enterprise Resource Planning system by the Treasurer, the goal is to be off the nearly three decade old legacy system and fully implemented on the SAP system by July 1, 2015.
O		5.1.2	Complete blueprinting sessions by October 1, 2014.



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Type	Goal	Item # Strat	Object	Description
O		5.1.3		Work with internal STO staff, SCEIS personnel and SAP consultants to convert, integrate and improve all functionality and processes of the Investment Management Division.
G	6			Investments: Reduce the roughly \$15 million liability to the Bank of New York Mellon which resulted from the Lehman Brothers bankruptcy in securities lending.
S	6.1			Continually monitor and work with the custodian, Bank of New York Mellon, to resolve the realized losses from securities lending.
O		6.1.1		Reduce the outstanding liability.
G	7			Debt: Manage the debt for the State, its agencies, institutions and authorities, optimizing the debt structure and ensuring timely repayment of debt when it is due.
S	7.1			Provide guidance to the State, its institutions, agencies and authorities for the management and structure of their debt issuances and programs.
O		7.1.1		Ensure the State and its agencies, institutions and authorities receive proper guidance for the management and structure of debt issuances and programs.
S	7.2			Analyze the capital markets to ensure the lowest borrowing cost is achieved under circumstances prevailing at the time the funds are needed.
O		7.2.1		Ensure the lowest borrowing cost is achieved with each debt issuance.
S	7.3			Maximize, to the greatest extent possible, market exposure of debt offerings.
O		7.3.1		Maximize market exposure of debt offerings.
S	7.4			Ensure timely repayment of debt when due.
O		7.4.1		Maintain and enhance technical systems to ensure timely and accurate calculation and execution of debt payments.
G	8			Debt: Coordinate the relationship with the credit rating services so that the State's credit rating is maximized.
S	8.1			Maintain regular contact and communication with the rating services through monthly reporting of revenue collections.
S	8.2			Periodic reporting of budgetary results and legislative developments that will potentially affect fiscal policy.
S	8.3			Conduct an annual State review that contains State-specific information and peer group comparisons.
S	8.4			Provide timely responses to requests for additional information.
S	8.5			Provide advice and guidance to policymakers and perform impact analysis and special studies as requested or warranted by circumstances or developments having potential consequence on the State's rating.
O		8.1-5.1		Maintain the State's AAA credit rating.
O		8.1-5.2		Maintain the STO's professional relationship with the three major credit rating agencies.

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Type	Goal	Item # Strat	Object	Description
G	9			UPP: Increase holder companies' compliance with reporting by providing them with more informational and educational opportunities.
S		9.1		Provide holder reporting training to various State associations.
S		9.2		Develop a holder reporting webinar for the Unclaimed Property webpage.
S		9.3		Modify reporting instructions on the webpage to make them simpler and easier to understand.
S		9.4		Implement software to give holder companies the ability to report and pay electronically.
S		9.5		Mail outreach letters to holder companies explaining the legal reporting requirements and how to file reports, as well as make onsite visits to provide hands-on assistance with reporting.
O		9.1-5.1		To increase the number of companies that comply with the South Carolina Uniformed Unclaimed Property Act.
O		9.1-5.2		To increase the number of unclaimed property reports filed.
G	10			UPP: Increase citizens' awareness of the Unclaimed Property Program through promotion in various media outlets.
S		10.1		Man phone banks on television stations throughout the State.
S		10.2		Partner with AARP to provide computerized name searches during Senior Day at the State Fair.
S		10.3		Work with media outlets to air stories featuring the Program to encourage citizens to search for accounts in their names.
S		10.4		Devote staff time to searching for unclaimed property owners, particularly those who are owed large sums.
O		10.1-4.1		Increase the number of rightful owners paid each fiscal year.
G	11			UPP: Increase Program efficiency through the use of technology by developing or acquiring various hardware and software systems.
S		11.1		Improve workflow by revising procedures for importing reports.
S		11.2		Install new versions of the Wagers UPS2000 when available to improve system efficiency.
S		11.3		Install a state-of-the-art scanning system to more efficiently handle document scanning.
S		11.4		Implement UPEXpress allowing companies to file reports and remit funds electronically.
O		11.1-4.1		Take advantage of new technological developments that assure operational efficiency.
O		11.1-2.2		Streamline operations in order to be more responsive to holder companies and claimants.
O		11.4.1		Complete implementation of a paperless claim approval and payment process by June 2016.
G	12			Future Scholar: Promote the importance of saving for college with the Future Scholar 529 Plan to South Carolina residents.
S		12.1		Review the grassroots marketing plan for the year and make changes as necessary.
S		12.2		Add value to in-state marketing efforts based on a market research study performed on the previous fiscal year's efforts.

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Description
O		12.1-2.1		Increase overall new accounts in the Future Scholar 529 Plan by 6% over the previous fiscal year.
G	13			Future Scholar: Increase utilization of web-based marketing to promote the Future Scholar 529 Plan.
S	13.1			Implement a social media and web-based marketing plan to target existing participants as well as potential participants.
O		13.1.1		Increase overall accounts opened online by 5% over the previous fiscal year.
G	14			Future Scholar: Implement a web-based and systemic tool for capturing in-state tuition caps for the Tuition Prepayment Program.
S	14.1			Work with existing service providers to create an online portal through which data can be captured.
S	14.2			Conduct outreach to other State agencies to capture similar data.
O		14.1-2.1		Streamline the process of capturing in-state school tuition data and capped tuition increases so that the data is captured more quickly and the process is more cross-trainable.



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Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Performance Measurement Template	
								Calculation Method	Associated Objective(s)
1	Paper Checks	1,253,551 (31%)	1,172,342 (28%)	25%	July 1 - June 30	Internal FMS System/Daily	Annual	Total physical paper checks printed	1.1.1, 1.1.2, 3.1.1
2	Electronic Checks	2,841,270 (69%)	2,975,524 (72%)	75%	July 1 - June 30	Internal FMS System/Daily	Annual	Total electronic checks sent	1.1.1, 1.1.2, 2.1.1, 3.1.1
3	Total deposits	184,536	not available at this time	n/a	July 1 - June 30	Internal FMS System/Annual	Annual	Total deposits made during the fiscal year	2.1.1, 3.1.1
4	Total disbursements	4,102,565	4,147,866	n/a	July 1 - June 30	Internal FMS System/Daily	Annual	Total disbursements made during the fiscal year	2.1.1, 3.1.1
5	Net accrued income	\$173,052,572	\$138,457,711	n/a	July 1 - June 30	Internal IMS System/Daily	Monthly/FYTD	Total accrued income generated from all portfolios	4.1.1, 4.1.2, 4.1.3
6	Cash Income	\$183,638,681	\$138,283,311	n/a	July 1 - June 30	Internal IMS System/Daily	Monthly/FYTD	Total cash income in all portfolios	4.1.1, 4.1.2, 4.1.3
7	Average daily balance	\$12,020,506,705	\$13,077,351,194	n/a	July 1 - June 30	Internal IMS System/Monthly	Monthly/FYTD	Average balance of portfolios under STO management	4.1.1, 4.1.2, 4.1.3
8	Number of trades	3,755	4,516	n/a	July 1 - June 30	Internally maintained/Daily	Monthly/Annual	Total investment trades made per year	4.1.2, 5.1.3
9	Securities lending income	\$64,158	\$186,963	n/a	July 1 - June 30	Bank of New York Mellon/Monthly	Monthly/YTD	Income generated through the securities lending program	6.1.1
10	Net Market Value of SCRS Portfolio	\$27,169,894,541	\$29,586,503,966	n/a	July 1 - June 30	Bank of New York Mellon/Monthly	Monthly	Market value of the State pension funds for which the STO is custodian	n/a
11	LGP Accounts	585	608	n/a	July 1 - June 30	Internally maintained/Daily	Monthly/YTD	Number of Local Government Investment Pool participants	4.1.2
12	Investment Balances	\$8,518,986,622	\$9,173,678,235	n/a	July 1 - June 30	Internal IMS System & Bank of New York Mellon/Daily	Quarterly	Total Bank Balance plus CD Balance	4.1.1, 4.1.2, 4.1.3
13	STO investment services costs	0.014%	0.0247%	Below industry average of 0.1%	July 1 - June 30	Internal IMS System/Daily	Annual	Costs assessed to provide investment services	4.1.2
14	Total Debt Issuance	\$1.029 billion	\$363 million	n/a	July 1 - June 30	Internally maintained/as issued	Annual	Amount of debt issued in a fiscal year	7.1.1
15	Cost of debt issuance	1.25%	1.57%	At or below market rates for equivalently rated debt	July 1 - June 30	Municipal Market Data /as issued	Annual	Municipal Market Data/interest rate on debt payments	7.1.1, 7.2.1, 7.3.1
16	Debt issuance & refinancing savings	\$164 million	\$9 million	Maximize savings generated by timing the market	July 1 - June 30	Municipal Market Data /as issued and refinanced	Annual	Municipal Market Data	7.1.1, 7.2.1, 7.3.1
17	State's credit rating	AAA/Aaa/AA+	AAA/Aaa/AA+	AAA/Aaa/AAA	July 1 - June 30	Fitch, Moody's and S&P credit rating agencies	Annual	Credit rating agencies determination after analyzing multiple criteria and financial data	7.1.1, 7.4.1, 8.1-5.1, 8.1-5.2
18	Total annual debt service requirement	\$188,401,488	\$182,135,964	As required by the Constitution and statute	July 1 - June 30	Internally maintained as debt is issued and retired	Annual	Required annual debt payments to bondholders/STO Debt Management	7.4.1
19	UPP Funds paid through staff outreach	\$2,320,818	\$3,375,017	Increase by 5%	July 1 - June 30	Wagers/Monthly	Monthly	"Outreach" means staff identifying and locating claimants with unclaimed funds	10.1-4.1, 11.1-2.2
20	UPP Phone calls received	24,500	19,947	n/a	July 1 - June 30	Spirit Telecom/Daily	Monthly	Volume of calls placed and connected to the Unclaimed Property Division	10.1-4.1
21	UPP Claims generated	20,085	28,627	Increase by 5%	July 1 - June 30	Wagers/Daily	Monthly	Total claim forms requested by and sent to potential claimants	11.1-4.1, 14.1
22	UPP Claims received	13,189	10,933	n/a	July 1 - June 30	Wagers/Daily	Monthly	Total claim forms sent to the Unclaimed Property Division	10.1-4.1, 11.1-4.1, 11.4.1
23	UPP Number of accounts paid	32,943	26,768	Increase by 5%	July 1 - June 30	Wagers/Daily	Monthly	Total number of accounts paid to claimants	10.1-4.1, 11.1-4.1, 11.1-2.1
24	UPP Amount of accounts paid	\$15,514,809	\$15,955,543	Increase by 5%	July 1 - June 30	Wagers/Daily	Monthly	Total funds returned to claimants	10.1-4.1, 11.1-4.1, 11.1-2.1



Agency Name: **Office of the State Treasurer**
Agency Code: **E16** Section: **097**

Item	Performance Measure	Last Value	Current Value	Target Value	Time Applicable	Data Source and Availability	Reporting Freq.	Calculation Method	Performance Measure Template Associated Objective(s)
25	UPP Shares paid	185,234	149,776	n/a	July 1 - June 30	Wagers/Daily	Monthly	Total shares sold for and paid to claimants	10.1-4.1
26	UPP Additional evidence requested	1,151	2,164	n/a	July 1 - June 30	Wagers/Daily	Monthly	Total letters sent to claimants requesting additional evidence to verify ownership	10.1-4.1
27	UPP Claims denied	2,433	946	n/a	July 1 - June 30	Wagers/Daily	Monthly	Total claims denied	10.1-4.1
28	Unclaimed property receipts	\$57,462,106	\$50,643,694	n/a	July 1 - June 30	TD Bank & Wells Fargo/Monthly	Monthly	Total funds received from holder companies	10.1-4.1
29	UPP Number of accounts reported	403,598	464,431	Increase by 5%	July 1 - June 30	Wagers/Weekly	Monthly	Total number of accounts received from holder companies	9.1-5.1, 9.1-5.2, 11.1-4.1
30	Future Scholar 529 Plan Assets	\$1,707,091,074	\$2,143,699,062	Maximize growth based on market value and incoming contributions	July 1 - June 30	Columbia Management/Weekly	Quarterly	Total assets in the Future Scholar Plan	12.1-2.1, 13.1.1
31	Future Scholar 529 Accounts	98,155	108,464	Increase by 6%	July 1 - June 30	Columbia Management/Weekly	Monthly	Total number of Future Scholar accounts	12.1-2.1, 13.1.1
32	Future Scholar 529 Average Account Size	\$17,392	\$19,764	At or above industry average	July 1 - June 30	Columbia Management/Weekly	Monthly	Total assets divided by total number of accounts	12.1-2.1
33	Future Scholar 529 Sales	\$134,136,059	\$154,696,578	Increase by 8%	July 1 - June 30	Columbia Management/Monthly	Monthly	Total funds deposited into Future Scholar accounts	12.1-2.1
34	Future Scholar 529 accounts opened online	3,598	4,832	Increase by 5%	July 1 - June 30	Columbia Management	Monthly	Total accounts opened on the Future Scholar website	13.1.1
35	TPP total unique ben/pur combinations	7,322	7,321	n/a	July 1 - May 31	Columbia Management	Annual	Actual number	n/a
36	TPP beneficiaries with paid invoices	3,235	3,554	n/a	July 1 - May 31	Columbia Management	Annual	Actual number	n/a
37	TPP total amount paid out	\$82,872,385	\$99,512,053	n/a	July 1 - May 31	Columbia Management	Annual	Actual number	n/a
38	TPP market value gross of fees	\$116,525,792	\$104,475,456	n/a	July 1 - June 30	Columbia Management	Annual	Actual number	n/a