

STATE TREASURER

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY09 Adjusted Base	FY10 Recommended	% Change Over FY09	FY11 Recommended	% Change Over FY10
PR-O	5,399,800	5,235,700	-3.0	5,135,700	-1.9
SEG-O	889,700	839,200	-5.7	839,200	0.0
TOTAL	6,289,500	6,074,900	-3.4	5,974,900	-1.6

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY09 Adjusted Base	FY10 Recommended	FTE Change From FY09	FY11 Recommended	FTE Change From FY10
PR-O	11.55	7.55	-4.00	7.55	0.00
SEG-O	3.15	3.15	0.00	3.15	0.00
TOTAL	14.70	10.70	-4.00	10.70	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 acts as administrator of the Local Government Investment Pool. The State Treasurer is also the administrator of Wisconsin's Section 529 College Savings Program, known as EdVest and Tomorrow's Scholar. The office 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 of the Wisconsin State Treasurer 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.

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 \$300 million on behalf of approximately 500,000 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.

Goal: Assist local governments in the investment of funds through the State of Wisconsin Investment Board. The current investment pool totals approximately \$3.6 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

Goal: Combine the EdVest Tuition Trust and College Savings Program into one administrative unit and increase the number of accounts and dollars invested into the program each year. There are approximately 230,000 accounts in the program with assets of over \$2.1 billion.

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

PERFORMANCE MEASURES

2007 AND 2008 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2007	Actual 2007	Goal 2008	Actual 2008
1.	Unclaimed property received through audits and holder reporting.	\$25 million	\$39.2 million	\$50 million	\$36.7 million
1.	Unclaimed property claims and amount returned to rightful owner.	23,000 \$20 million	23,700 \$21.98 million	30,000 \$25 million	27,000 \$29.79 million
1.	Average daily balance of Local Government Investment Pool.	\$3 billion	\$3.3 billion	\$3 billion	\$3.9 billion
1.	Number of Local Government Investment Pool participants.	1,260	1,263	1,270	1,275
2.	EdVest total accounts. ¹	230,000	229,179	245,000	241,134
2.	EdVest total participant investment for future higher education costs.	\$2 billion	\$2.12 billion	\$2.25 billion	\$2.13 billion

Note: Based on fiscal year.

¹Wells Fargo Funds Management, LLC, is the party primarily responsible for the marketing of the EdVest program under its contract with the state. New accounts and total investments, therefore, are dependent on Wells Fargo's marketing strategy, which is not a direct State Treasurer responsibility. Wells Fargo's base contract as custodian for the EdVest program runs through April 30, 2011.

2009, 2010, AND 2011 GOALS

Prog. No.	Performance Measure	Goal 2009	Goal 2010	Goal 2011
1.	Unclaimed property received through audits and holder reporting.	\$35 million	\$37 million	\$37.5 million
1.	Unclaimed property claims and amount returned to rightful owner.	30,000 \$25 million	\$30 million	\$31 million
1.	Average daily balance of Local Government Investment Pool.	\$3 billion	\$4 billion	\$4 billion
1.	Number of Local Government Investment Pool participants.	1,280	1,290	1,290
2.	EdVest total accounts. ¹	260,000	270,000	280,000
2.	EdVest total participant investment for future higher education costs.	\$2.5 billion	\$2.6 billion	\$2.7 billion

Note: Based on fiscal year.

¹Wells Fargo Funds Management, LLC, is the party primarily responsible for the marketing of the EdVest program under its contract with the state. New accounts and total investments, therefore, are dependent on Wells Fargo's marketing strategy, which is not a direct State Treasurer responsibility. Wells Fargo's base contract as custodian for the EdVest program runs through April 30, 2011.

STATE TREASURER

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Across-the-Board 1 Percent Reductions
2. Local Government Investment Pool Programming
3. Standard Budget Adjustments

ITEMS NOT APPROVED

4. Unclaimed Property Project Employees
5. Restore Permanent Part-Time Position to Permanent

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

	ACTUAL FY08	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY10	FY11	FY10	FY11
PROGRAM REVENUE (2)	\$2,858.0	\$5,399.8	\$5,498.5	\$5,402.6	\$5,235.7	\$5,135.7
State Operations	2,858.0	5,399.8	5,498.5	5,402.6	5,235.7	5,135.7
SEGREGATED REVENUE (3)	622.3	889.7	855.9	856.0	839.2	839.2
State Operations	622.3	889.7	855.9	856.0	839.2	839.2
TOTALS-ANNUAL	3,480.3	6,289.5	6,354.4	6,258.6	6,074.9	5,974.9
State Operations	3,480.3	6,289.5	6,354.4	6,258.6	6,074.9	5,974.9

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

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

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

	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY10	FY11	FY10	FY11
PROGRAM REVENUE (2)	11.55	11.97	11.97	7.55	7.55
SEGREGATED REVENUE (3)	3.15	3.23	3.23	3.15	3.15
TOTALS-ANNUAL	14.70	15.20	15.20	10.70	10.70

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

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

(4) All positions are State Operations unless otherwise specified

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

	ACTUAL FY08	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY10	FY11	FY10	FY11
1. Custodian of state funds	\$2,858.0	\$5,399.8	\$5,498.5	\$5,402.6	\$5,235.7	\$5,135.7
2. College tuition prepayment program	622.3	889.7	855.9	856.0	839.2	839.2
TOTALS	3,480.3	6,289.5	6,354.4	6,258.6	6,074.9	5,974.9

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

	ADJUSTED BASE FY09	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY10	FY11	FY10	FY11
1. Custodian of state funds	11.55	11.97	11.97	7.55	7.55
2. College tuition prepayment program	3.15	3.23	3.23	3.15	3.15
TOTALS	14.70	15.20	15.20	10.70	10.70

(4) All positions are State Operations unless otherwise specified

1. Across-the-Board 1 Percent Reductions

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	-54,000	0.00	-54,000	0.00
SEG-O	0	0.00	0	0.00	-8,900	0.00	-8,900	0.00
TOTAL	0	0.00	0	0.00	-62,900	0.00	-62,900	0.00

The Governor recommends reducing most nonfederal appropriations by 1 percent to create additional efficiencies and balance the budget.

2. Local Government Investment Pool Programming

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	100,000	0.00	0	0.00	100,000	0.00	0	0.00
TOTAL	100,000	0.00	0	0.00	100,000	0.00	0	0.00

The Governor recommends providing funding for the conversion of the Local Government Investment Pool information technology system to a fully supported platform.

3. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendation			
	FY10		FY11		FY10		FY11	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	-210,100	-4.00	-210,100	-4.00	-210,100	-4.00	-210,100	-4.00
SEG-O	-41,600	0.00	-41,600	0.00	-41,600	0.00	-41,600	0.00
TOTAL	-251,700	-4.00	-251,700	-4.00	-251,700	-4.00	-251,700	-4.00

The Governor recommends adjusting the office's base budget for: (a) removal of noncontinuing elements from the base (-\$168,800 and -4.0 FTE positions in each year); (b) full funding of continuing position salaries and fringe benefits (-\$59,100 in each year); and (c) full funding of lease and directed moves costs (-\$23,800 in each year).

ITEMS NOT APPROVED

The following requests are not included in the Governor's budget recommendations for the State Treasurer.

Decision Item	Source of Funds	FY10		FY11	
		Dollars	Positions	Dollars	Positions
4. Unclaimed Property Project Employees	PR-O	180,400	4.00	184,000	4.00
5. Restore Permanent Part-Time Position to Permanent	PR-O	28,400	0.42	28,900	0.42
	SEG-O	7,800	0.08	7,900	0.08
TOTAL OF ITEMS NOT APPROVED	PR-O	208,800	4.42	212,900	4.42
	SEG-O	7,800	0.08	7,900	0.08

