



Louisiana Senate Finance Committee



FY23 Executive Budget

04-147 Department of the Treasury

March 2022

*Senator Patrick Page Cortez, President
Senator Bodi White, Chairman*



04-147 — Department of the Treasury

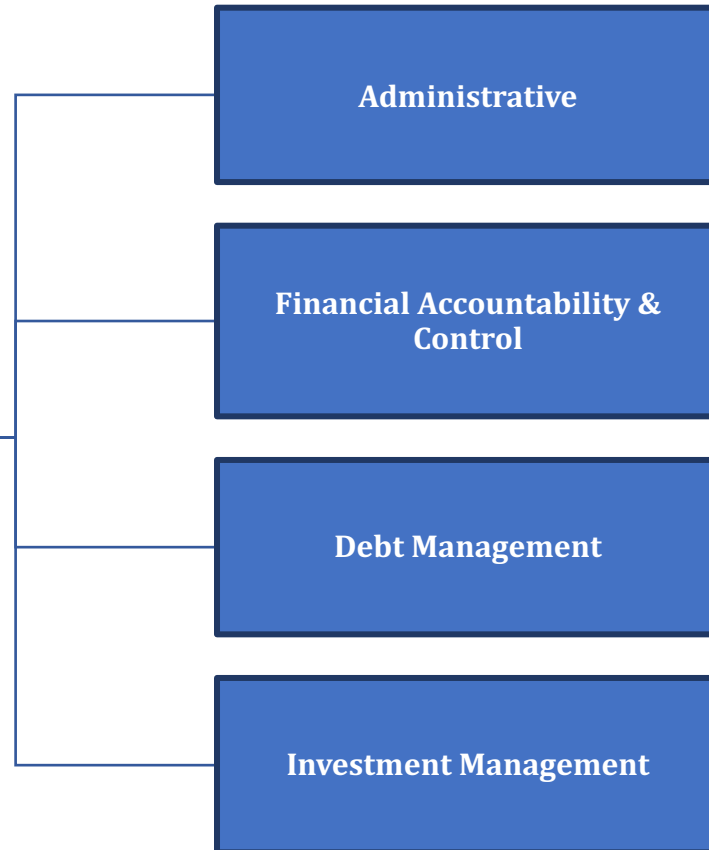
Schedule 04D

The Department of the Treasury acts as the financial authority of the state by managing state funds through cash management, investment strategies, monitoring, regulating, coordinating state and local debt obligations and providing banking services to state agencies.

04-147 Department of the Treasury



Honorable John M. Schroder
State Treasurer





Department of the Treasury

Divisions and Functions

Administration

Office functions including scheduling, communications, human resources, outreach, IT, and legislative affairs

Unclaimed Property Program - returns unclaimed cash, stocks, bonds, securities, and insurance proceeds back to citizens

Financial Accountability and Control

Provides and manages centralized banking services for state agencies

Provides an accounting of all state receipts and controls fund disbursements out of the state treasury
(FY22 = 382 CEAs for line-item appropriations)

Oversees the cash management function of the state

Administers Social Security and Medicare coverage program for public employers throughout the state

Debt Management

Provides the staff for the State Bond Commission

Receives and reviews applications to incur debt or levy taxes from parishes, municipalities, special taxing districts, and other political subdivisions of the state

Incurs and manages state debt

Reports the state debt capacity and provides advice to the Commission on various debt strategies and issues

Investment Management

Invests deposits into the State Treasury to maximize returns while navigating the state's cash flow needs

Manages over \$13 billion in about 25 portfolios

The state funds include the state's general fund and various trust funds for healthcare, education, and transportation

Manages investments in the START college savings program

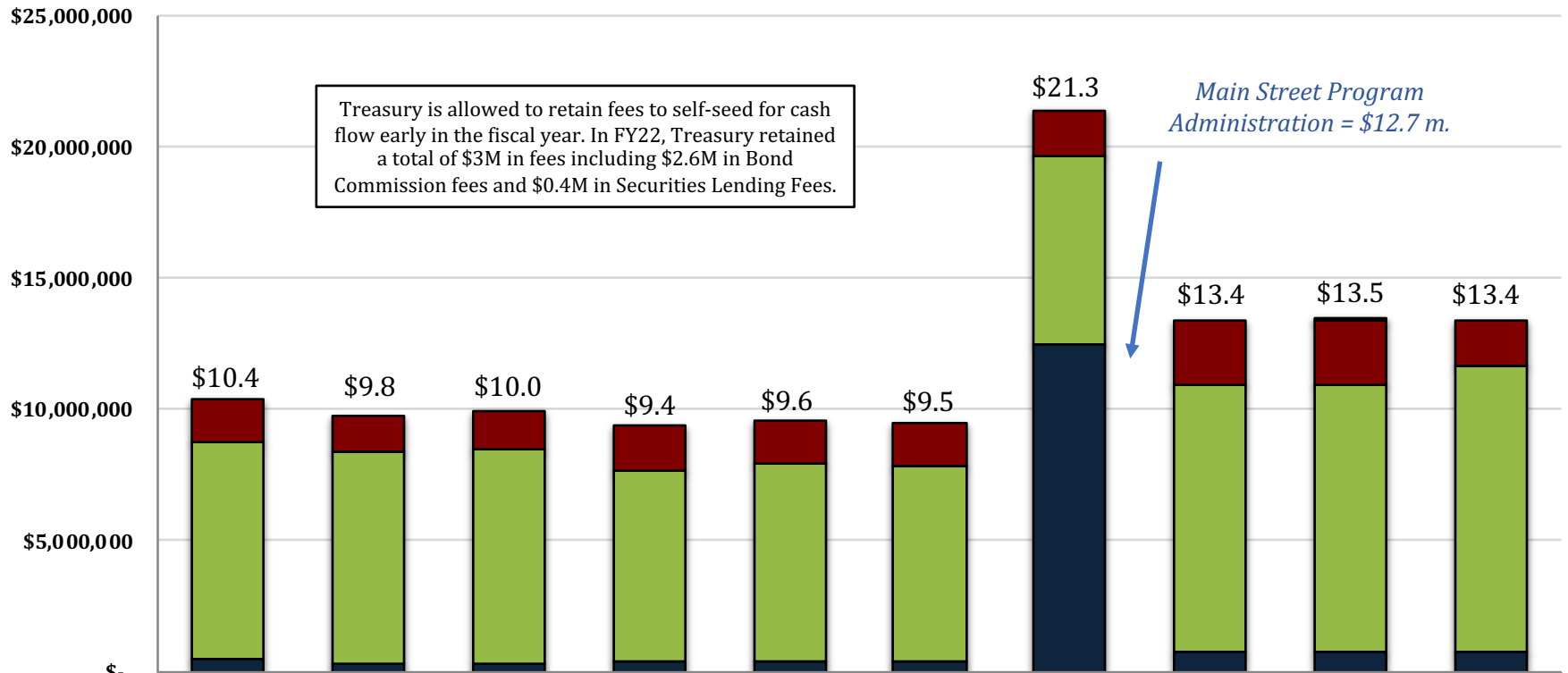


Department of the Treasury

Changes in Funding since FY15

Total Budget by Fiscal Year and Means of Finance

Change from FY15 to FY23 is 29.0%
 Change from FY15 to FY21 is 105.7%



Treasury is allowed to retain fees to self-seed for cash flow early in the fiscal year. In FY22, Treasury retained a total of \$3M in fees including \$2.6M in Bond Commission fees and \$0.4M in Securities Lending Fees.

Main Street Program Administration = \$12.7 m.

	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Enacted	FY22 as of 12/1/21	FY23 Recommended
■ SGF	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$90,000	\$-
■ IAT	\$1,588,495	\$1,421,123	\$1,488,676	\$1,686,944	\$1,686,944	\$1,686,944	\$1,686,944	\$2,411,944	\$2,411,944	\$1,718,452
■ FSGR	\$8,319,502	\$8,029,294	\$8,134,796	\$7,302,148	\$7,505,298	\$7,377,515	\$7,169,472	\$10,142,092	\$10,142,092	\$10,853,653
■ STAT DED	\$464,741	\$356,029	\$353,768	\$383,805	\$411,821	\$434,455	\$12,477,947	\$811,455	\$811,455	\$811,455
■ FED	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-



Department of the Treasury

Statewide Adjustments for FY23

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$90,000	\$2,411,944	\$10,142,092	\$811,455	\$0	\$13,455,491	62	FY22 Existing Operating Budget as of 12-1-21
\$0	\$0	\$108,718	\$0	\$0	\$108,718	0	Market Rate Classified
\$0	\$0	\$13,621	\$0	\$0	\$13,621	0	Civil Service Training Series
\$0	\$0	\$122,096	\$0	\$0	\$122,096	0	Related Benefits Base Adjustment
\$0	\$0	\$34,475	\$0	\$0	\$34,475	0	Retirement Rate Adjustment
\$0	\$0	\$10,429	\$0	\$0	\$10,429	0	Group Insurance Rate Adjustment for Active Employees
\$0	\$0	\$6,775	\$0	\$0	\$6,775	0	Group Insurance Rate Adjustment for Retirees
\$0	\$0	\$223,967	\$0	\$0	\$223,967	0	Salary Base Adjustment
\$0	\$0	(\$72,781)	\$0	\$0	(\$72,781)	0	Attrition Adjustment
\$0	\$0	(\$92,815)	\$0	\$0	(\$92,815)	0	Non-recurring Acquisitions & Major Repairs
(\$90,000)	\$0	\$0	\$0	\$0	(\$90,000)	0	Non-recurring Carryforwards
\$0	\$0	(\$3,735)	\$0	\$0	(\$3,735)	0	Risk Management
\$0	\$0	\$1,577	\$0	\$0	\$1,577	0	Legislative Auditor Fees
\$0	\$0	\$3,036	\$0	\$0	\$3,036	0	Maintenance in State-owned Buildings
\$0	\$0	\$47	\$0	\$0	\$47	0	Capitol Park Security
\$0	\$0	\$220	\$0	\$0	\$220	0	USPS Fees
\$0	\$0	\$3,171	\$0	\$0	\$3,171	0	Civil Service Fees
\$0	\$0	(\$2,588)	\$0	\$0	(\$2,588)	0	Office of Technology Services (OTS)
\$0	\$0	\$261,102	\$0	\$0	\$261,102	0	27th Pay Period
\$0	\$0	\$1,431	\$0	\$0	\$1,431	0	Office of State Procurement
(\$90,000)	\$0	\$618,746	\$0	\$0	\$528,746	0	Total Statewide Adjustments
\$0	(\$693,492)	\$92,815	\$0	\$0	(\$600,677)	0	Total Other Adjustments
\$0	\$1,718,452	\$10,853,653	\$811,455	\$0	\$13,383,560	62	Total FY23 Recommended Budget
(\$90,000)	(\$693,492)	\$711,561	\$0	\$0	(\$71,931)	0	Total Adjustments (Statewide and Agency-specific)



Department of the Treasury

Agency-Specific Adjustments for FY23

Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	(\$725,000)	\$0	\$0	\$0	(\$725,000)	0	Admin - Non-recurs the administrative costs of the LA Mainstreet Recovery Loggers Relief and Save Our Screens programs which was IAT from 2-945 State Aid to Local Government Entities. These programs were funded with ARPA funds.
\$0	\$0	\$79,841	\$0	\$0	\$79,841	0	Admin - Replacement of computer equipment and software, including 2 host servers and 15 desktop computers.
\$0	\$0	\$333	\$0	\$0	\$333	0	Financial Accounting - Update computer hardware and software for general ledgers and supporting workpapers.
\$0	\$0	\$12,309	\$0	\$0	\$12,309	0	Debt Management - Update computer hardware and software for processes involved in State Bond Commission.
\$0	\$31,508	\$0	\$0	\$0	\$31,508	0	Investment Management - Increased funding to maintain the Central Depository Account
\$0	\$0	\$332	\$0	\$0	\$332	0	Investment Management - Update computer hardware and software for investment portfolio management and supporting workpapers.
\$0	(\$693,492)	\$92,815	\$0	\$0	(\$600,677)	0	Total Other Adjustments

Other Technical Adjustments

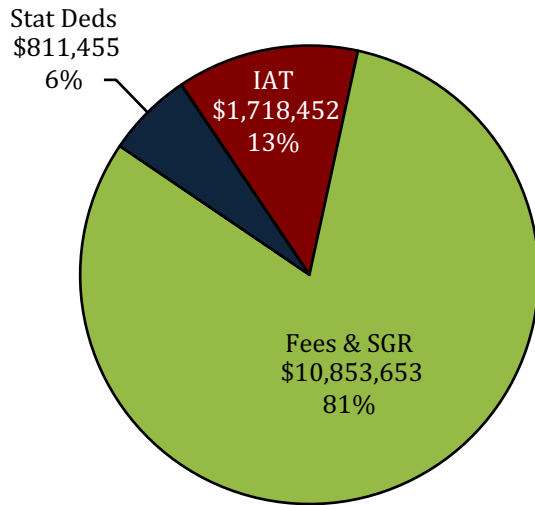
State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$59,689	\$0	\$0	\$59,689	0	Financial Accounting - Transfers appropriation between programs to more closely align with anticipated duties related to investment and accounting of trust funds.
\$0	\$0	(\$59,689)	\$0	\$0	(\$59,689)	0	Investment Management - Transfers appropriation between programs to more closely align with anticipated duties related to investment and accounting of trust funds.
\$0	\$0	\$0	\$0	\$0	\$0	0	Total Other Technical Adjustments



Department of the Treasury

FY23 Recommended Means of Finance

FY23 Recommended Means of Finance (In Millions)



Total \$13.4 million

Interagency Transfers = Fees from most agencies in the state for central depository banking services provided by the Treasury

Fees and Self-generated Revenue =

- **\$2.1M** - State Bond Commission (SBC) fees are an application fee and a percentage of debt at closing paid by public entities and by private companies issuing debt requiring SBC approval
- **\$5.4M** - Securities Lending Program fees received from protected short-term lending of securities held by Treasury
- **\$3.4M** - Unclaimed property fees as a percentage of collections as determined by program needs up to 7%

Statutory Dedications = fees for investment services for the Millennium Trust Fund, the Medicaid Trust Fund for the Elderly and the Louisiana Education Quality Support Fund

Total Funding	FY21 Actual	FY22 EOB as of 12-1-21	FY23 Recommended	Difference FY22 EOB to FY23 Recommended
State General Fund	\$0	\$90,000	\$0	(\$90,000)
Interagency Transfers	\$1,686,944	\$2,411,944	\$1,718,452	(\$693,492)
Fees and Self-generated Revenue	\$7,169,472	\$10,142,092	\$10,853,653	\$711,561
Statutory Dedications:				
<i>Main Street Recovery Fund</i>	\$11,902,570	\$0	\$0	\$0
<i>Education Excellence Fund</i>	\$81,088	\$114,240	\$114,240	\$0
<i>Health Excellence Fund</i>	\$81,088	\$114,242	\$114,242	\$0
<i>TOPS Fund</i>	\$81,122	\$114,240	\$114,240	\$0
<i>Louisiana Education Quality Support Fund</i>	\$312,586	\$449,093	\$449,093	\$0
<i>Medicaid Trust Fund for the Elderly</i>	\$19,494	\$19,640	\$19,640	\$0
TREASURY TOTAL	\$21,334,364	\$13,455,491	\$13,383,560	(\$71,931)
Total Positions	61	62	62	0



Department of the Treasury

FY22 Enacted vs. FY23 Recommended Comparison by Agency

FY22 Enacted Total MOF by Agency	SGF	IAT	FSGR	Stat Deds	Federal	Total	T.O.
Administrative	\$0	\$725,000	\$5,775,829	\$0	\$0	\$6,500,829	32
Financial Accountability and Control	\$0	\$1,686,944	\$2,099,049	\$0	\$0	\$3,785,993	16
Debt Management	\$0	\$0	\$1,476,924	\$0	\$0	\$1,476,924	10
Investment Management	\$0	\$0	\$790,290	\$811,455	\$0	\$1,601,745	4
TOTALS	\$0	\$2,411,944	\$10,142,092	\$811,455	\$0	\$13,365,491	62

FY23 Recommended Total MOF by Agency	SGF	IAT	FSGR	Stat Deds	Federal	Total	T.O.
Administrative	\$0	\$0	\$6,211,415	\$0	\$0	\$6,211,415	32
Financial Accountability and Control	\$0	\$1,686,944	\$2,281,887	\$59,689	\$0	\$4,028,520	16
Debt Management	\$0	\$0	\$1,543,300	\$0	\$0	\$1,543,300	10
Investment Management	\$0	\$31,508	\$817,051	\$751,766	\$0	\$1,600,325	4
TOTALS	\$0	\$1,718,452	\$10,853,653	\$811,455	\$0	\$13,383,560	62
<i>Difference FY22 Enacted to FY23 Recommended</i>	<i>\$0</i>	<i>(\$693,492)</i>	<i>\$711,561</i>	<i>\$0</i>	<i>\$0</i>	<i>\$18,069</i>	<i>-</i>

Compared to the FY22 Enacted Budget, Treasury's FY23 Recommended Budget increased by \$18,069 due to offsetting adjustments, including non-recurring administrative expenses for the Mainstreet Programs and increased mandatory personal services, particularly the 27th pay period.

In terms of Means of Finance, Interagency Transfers decreased by (\$693,492) while Fees and Self-generated Revenues increased by \$711,561.

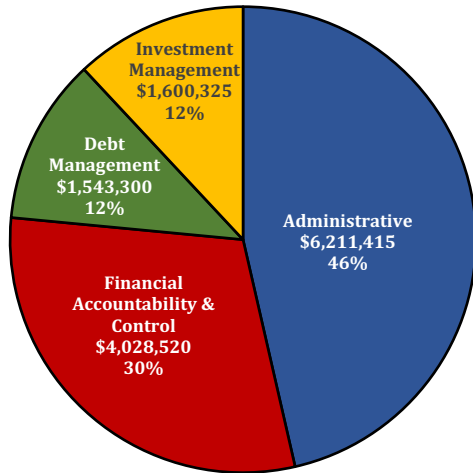
Authorized T.O. remain unchanged at 62.



Department of the Treasury

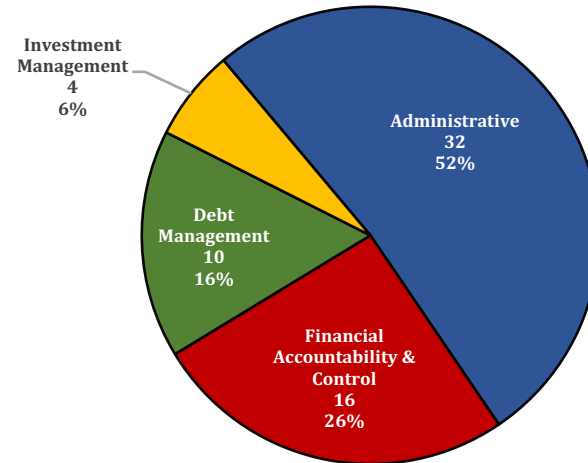
FY21, FY22, and FY23 Funding and Positions by Program

FY23 Recommended Budget



**Total
\$13.4M**

FY23 Recommended Authorized Positions



Total: 62

Funding and Positions by Program	FY21 Actual	FY22 Enacted	FY22 EOB as of 12-1-21	FY23 Recommended
Administrative	\$16,090,934	\$6,500,829	\$6,500,829	\$6,211,415
Financial Accountability & Control	\$3,105,940	\$3,785,993	\$3,875,993	\$4,028,520
Debt Management	\$1,099,328	\$1,476,924	\$1,476,924	\$1,543,300
Investment Management	\$1,038,161	\$1,601,745	\$1,601,745	\$1,600,325
TOTAL FUNDING	\$21,334,363	\$13,365,491	\$13,455,491	\$13,383,560
Administrative	32	32	32	32
Financial Accountability & Control	16	16	16	16
Debt Management	9	10	10	10
Investment Management	4	4	4	4
TOTAL AUTHORIZED POSITIONS	61	62	62	62



Categorical Expenditures

Examples of Categories

Departments expend funding in the five major categories listed below.

Personal Services

- Salaries – Regular, overtime, and termination pay for Classified and Unclassified personnel.
- Other Compensation – Wages, student labor, compensation for board members and/or board of trustees, evening instruction, university instructors, etc.
- Related Benefits – Retirement contributions, post-retirement contributions/benefits, FICA tax, Medicare tax, group insurance contributions, compensated absences, other related benefits, taxable fringe benefits, etc.

Total Operating Expenses

- Travel – In-state and Out-of-state, including meal reimbursement.
- Operating Services – Advertising, printing, insurance, maintenance, rentals, data processing, internet costs, dues and subscriptions, mail delivery, telephones, data lines, vehicle tracking and telematics, utilities, depreciation, amortization, banking services, credit card fees, etc.
- Supplies – office supplies and equipment, computers, clothing and uniforms, medical, pharmaceutical, food, automotive, repair and maintenance, software, etc.

Professional Services – Accounting, auditing, management consulting, engineering, architectural, legal, medical and dental, veterinary, information technology, etc.

Total Other Charges

- Other Charges – Aid to school boards, local government, etc.; public assistance; miscellaneous charges; judgments, fines, and penalties; interest on judgments; punitive/compensatory damages; OC personal services, operating expenses, professional services; contract attorney expenses; recoupments; furlough; contractual services; interest expense; claim payments; commercial group insurance; reinsurance; loans issued; disbursements; etc.
- Debt Service – Principal, interest, related charges, reserve requirement, amortization, and bond premiums.
- Interagency Transfer Line-Item Expenditure – Any expenses paid for with Interagency Transfers – from commodities and services to equipment.

Acquisitions and Major Repairs

- Acquisitions – Land; buildings; automobiles; aircraft; accessories; equipment; software; hardware; farm and heavy equipment; boats; capital outlay expenditures; construction; etc.
- Major Repairs – Land improvement; buildings; automotive; grounds; boats; aircraft; movable equipment; farm equipment; medical; office; library; education; recreation; communication; other equipment; pollution remediation; etc.

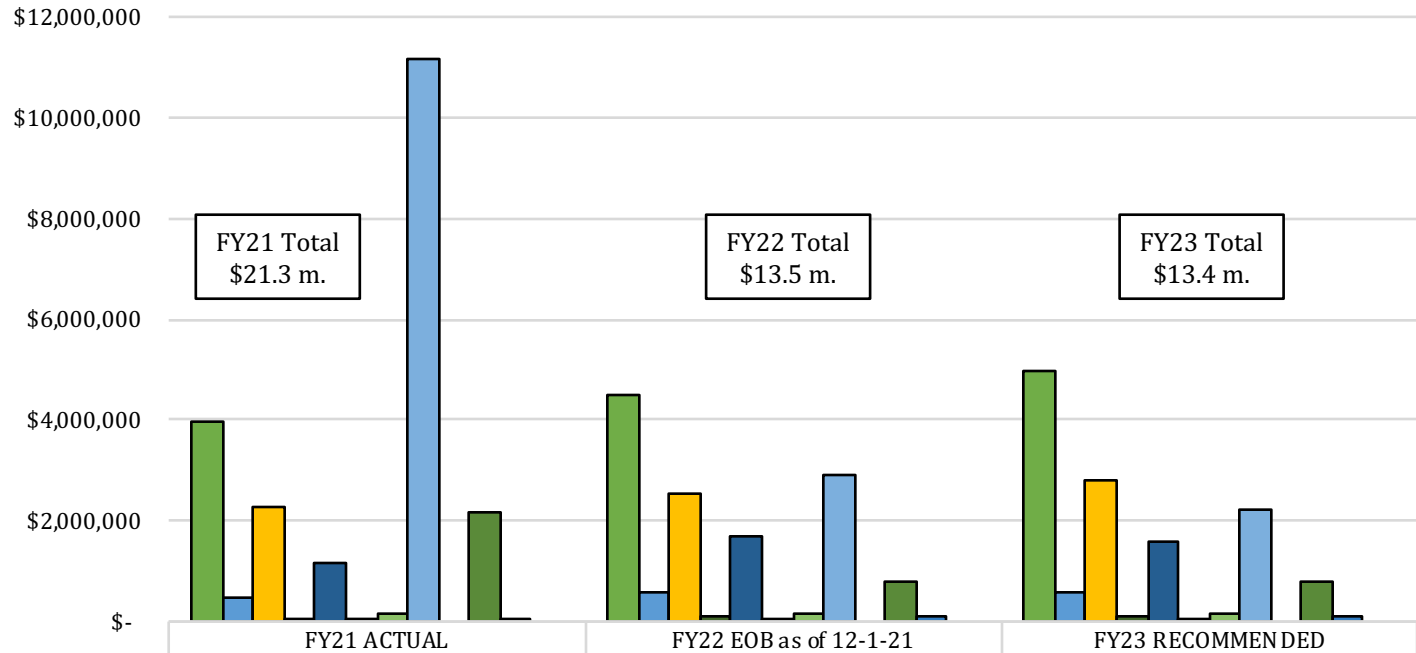


Department of the Treasury Categorical Expenditures FY21, FY22, and FY23

For FY23 Recommended, the largest Expenditure Category is Personal Services, which makes up over 60 percent of Total Expenditures.

Adjustments to Personal Services include mandatory salary increases with related benefits and the 27th pay period.

Other Charges contributes roughly 23 percent and include Main Street Program administrative expenses (FY21 and FY22), trust fund hosting costs, central banking fees, population estimates, and other data services.



	FY21 ACTUAL	FY22 EOB as of 12-1-21	FY23 RECOMMENDED
Personal Services			
Salaries	\$3,958,743	\$4,521,981	\$4,969,951
Other Compensation	\$449,254	\$562,917	\$562,917
Related Benefits	\$2,254,025	\$2,565,304	\$2,825,736
Operating Expenses			
Travel	\$8,857	\$103,389	\$103,389
Operating Services	\$1,145,183	\$1,669,759	\$1,579,759
Supplies	\$35,598	\$57,372	\$57,372
Professional Services			
Professional Services	\$161,850	\$179,147	\$179,147
Other Charges			
Other Charges	\$11,141,938	\$2,894,873	\$2,201,381
Debt Service	\$-	\$-	\$-
Acquisitions and Major Repairs			
Interagency Transfers	\$2,158,975	\$807,934	\$811,093
Acquisitions	\$19,940	\$92,815	\$92,815
Major Repairs	\$-	\$-	\$-

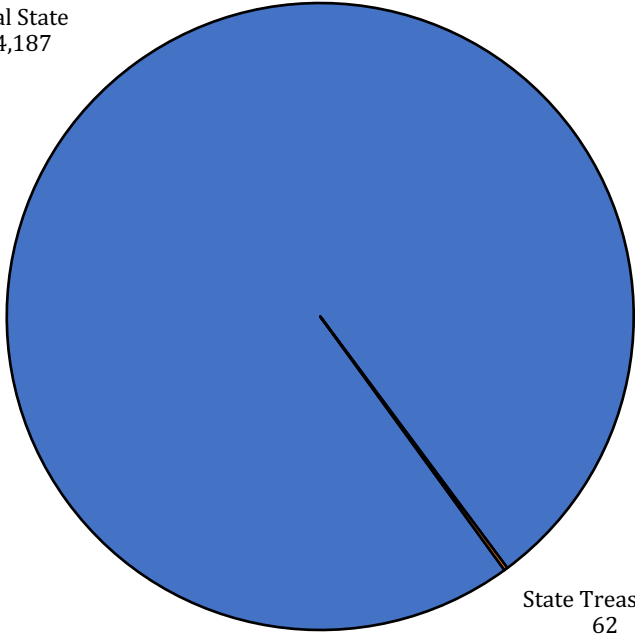


Department of the Treasury

FTEs, Authorized T.O., and Other Charges Positions

**FY23 Department Employees
as a portion of
FY23 Total State Employees**

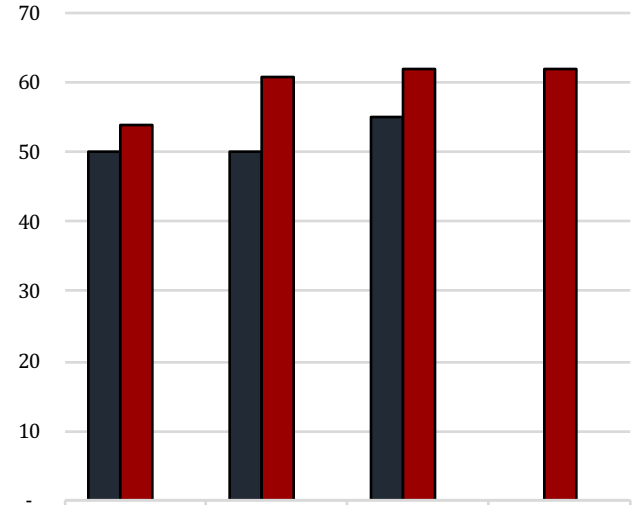
Total State
34,187



State Treasurer
62
<1%

FY23 number of funded, but not filled,
positions as of January 31 = 5

**Number
and
Types
of
Positions**



	2020	2021	2022	2023 REC
Total FTEs (1st July Report)	50	50	55	-
Authorized T.O. Positions	54	61	62	62
Other Charges Positions	-	-	-	-

The full-time equivalent or **FTE** definition refers to the number of hours considered full-time. For example, if an agency considers 40 hours full time, and there are two employees working 20 hours per week, those two employees would be 1.0 FTE.

Authorized Positions are those referred to in the Table of Organization (or T.O.) for each department. This count includes only those positions paid for from the Salaries expenditure category for the organization units and agencies include in each department's appropriation. This excludes positions paid for from other expenditure categories, such as wages or per diem.

Other Charges positions are authorized under R.S. 39:2(5)(b) ...

(5)(b) "Authorized other charges positions" means the number of positions in an appropriation bill to be funded by the other charges continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with law.

- [Act 377 of 2013 by Rep. Burrell]
- Positions coded in the Other Charges expenditure category
- These positions are usually associated with federal grants



Department of the Treasury

Related Employment Information

Salaries and Related Benefits for the 62 Authorized Positions are listed below in Chart 1.
 In Chart 2, benefits are broken out to show the portion paid for active versus retired employees.
 This is where payments for the Unfunded Accrued Liability (UAL) can be found.

1.

Personal Services	2020 Actual	2021 Actual	2022 Enacted	2023 Recommended
Salaries	\$3,765,014	\$3,958,743	\$4,521,981	\$4,969,951
Other Compensation	\$434,570	\$449,254	\$562,917	\$562,917
Related Benefits	\$2,174,848	\$2,254,025	\$2,486,304	\$2,825,736
Total Personal Services	\$6,374,432	\$6,662,022	\$7,571,202	\$8,358,604

Average T.O. Salary = \$80,161

Examples of Other Compensation include pay for WAE employees, part-time employees, student workers, etc.

2.

Related Benefits FY23 Recommended	Total Funding	%
Total Related Benefits	\$2,825,736	
UAL payments	\$1,743,993	62%
Retiree Health Benefits	\$307,889	
Remaining Benefits*	\$773,854	
Means of Finance	General Fund = 0%	Other = 100%

Department Demographics	Total	%
Gender		
Female	51	66
Male	26	34
Race/Ethnicity		
White	58	75
Black	18	23
Asian	1	1
Indian	0	0
Hawaiian/Pacific	0	0
Declined to State	0	0
Currently in DROP or Eligible to Retire	7	9

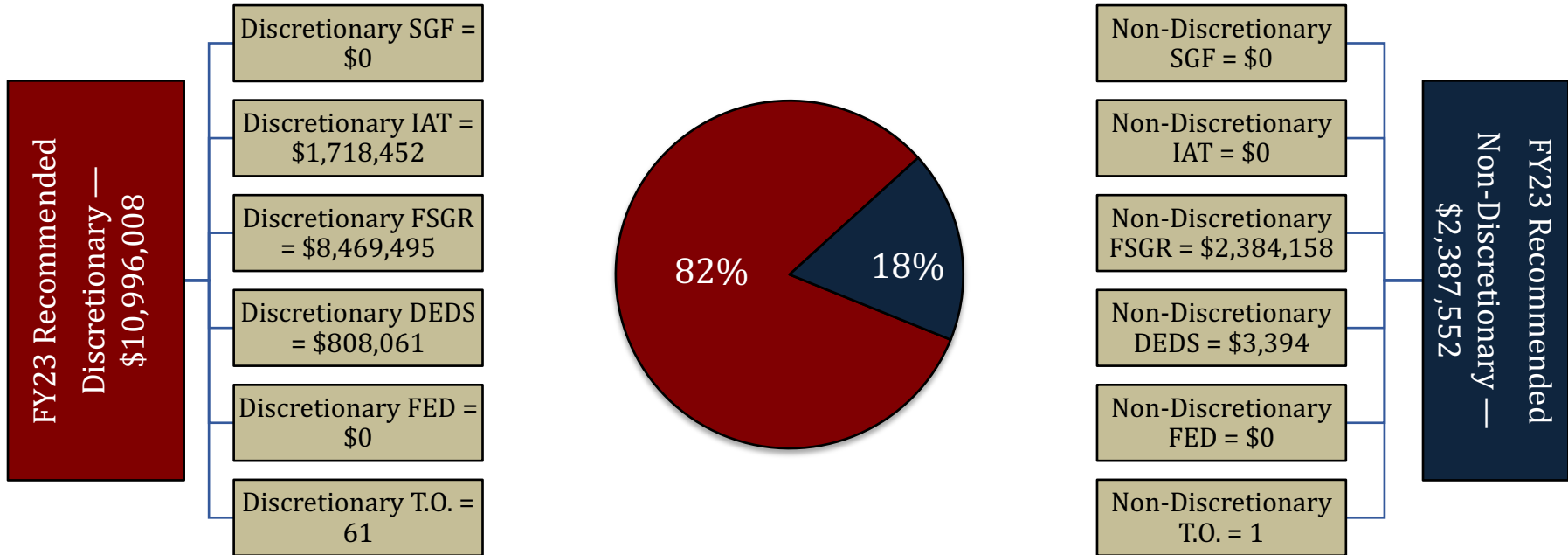
* Remaining Benefits include employer contribution to authorized positions' retirement, health, Medicare, FICA, Emoluments etc. The authorized positions include authorized T.O. positions and authorized other charges positions, both filled and vacant.

Other Charges Benefits
\$0



Department of the Treasury

FY23 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Administrative	\$ 4,924,465	45%
Financial Accountability and Control	\$ 3,417,540	31%
Debt Management	\$ 1,239,130	11%
Investment Management	\$ 1,414,873	13%
Total Discretionary	\$ 10,996,008	100%

Total Non-Discretionary Funding by Type		
Salary/Rel Benefits of Treasurer	\$ 163,150	7%
UAL Obligation	\$ 1,743,993	73%
Legislative Auditor Fees	\$ 30,955	1%
Maintenance in State-owned Buildings	\$ 141,565	6%
Retirees Group Insurance	\$ 307,889	13%
Total Non-Discretionary	\$ 2,387,552	100%



Department of the Treasury

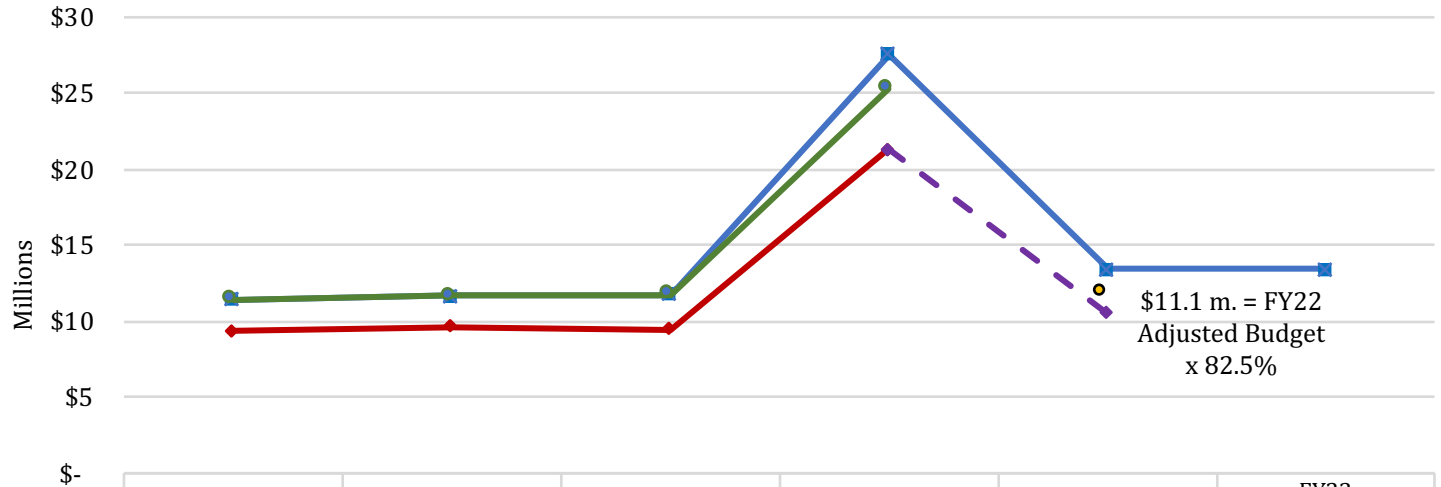
Enacted & FYE Budget vs. Actual Expenditures FY18 to FY21

FYE Budget = "Fiscal Year End" Budget includes all in-house and regular BA-7s through June 30 of the fiscal year. For FY22, it is as of January.

FY22 Known Supplemental Needs:
 \$

FY21 General Fund Reversions:
 \$3,812,397

Unclaimed Property Admin



	FY18	FY19	FY20	FY21	FY22 EOB	FY23 Recommended
Enacted Budget	\$11,395,728	\$11,639,368	\$11,730,895	\$27,519,939	\$13,455,491	\$13,383,560
FYE Budget	\$11,399,347	\$11,639,368	\$11,730,895	\$25,283,361		
Actual Expenditures	\$9,372,897	\$9,604,065	\$9,498,914	\$21,334,364		
FY22 Expenditure Trend				\$21,334,364	\$10,531,803	

Monthly Budget Activity				
	FY22 Adjusted Budget	FY22 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Jul-21	\$ 13,365,491	\$ 831,483	\$ 12,534,008	6.2%
Aug-21	\$ 13,455,491	\$ 1,513,257	\$ 11,942,234	11.2%
Sep-21	\$ 13,455,491	\$ 2,310,101	\$ 11,145,390	17.2%
Oct-21	\$ 13,455,491	\$ 3,206,026	\$ 10,249,465	23.8%
Nov-21	\$ 13,455,491	\$ 4,069,709	\$ 9,385,782	30.2%
Dec-21	\$ 13,455,491	\$ 5,296,734	\$ 8,158,758	39.4%
Jan-22	\$ 13,455,491	\$ 6,143,552	\$ 7,311,939	45.7%

Monthly Budget Activity				
	FY22 Adjusted Budget	FY22 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
<i>(Trend based on average monthly expenditures to date)</i>				
Feb-22	\$ 13,455,491	\$ 7,021,202	\$ 6,434,289	52.2%
Mar-22	\$ 13,455,491	\$ 7,898,853	\$ 5,556,638	58.7%
Apr-22	\$ 13,455,491	\$ 8,776,503	\$ 4,678,988	65.2%
May-22	\$ 13,455,491	\$ 9,654,153	\$ 3,801,338	71.7%
Jun-22	\$ 13,455,491	\$ 10,531,803	\$ 2,923,688	78.3%

Historical Year End Average

82.5%
15



Department of the Treasury

Loggers Relief and Save Our Screens Programs



ACT 410 of the 2021 Regular Session of the Legislature created the Save our Screens and Loggers Relief Programs.

The Act allocated \$14.5 million for the two programs.

The monies originated from the State's Allocation from the American Rescue Plan enacted by Congress in 2021.

<i>Through 1/31/22</i>	Loggers Relief <i>(paid per entity)</i>	Save Our Screens <i>(paid per screen)</i>	TOTAL
Initial Allocation	\$10,000,000	\$4,500,000	\$14,500,000
Allowable Admin (5%)	\$500,000	\$225,000	\$725,000
Available for Grants	\$9,500,000	\$4,275,000	\$13,775,000
Maximum Grant	\$25,000	\$10,000	
Total Grants Awarded	\$1,630,147	\$3,812,127	\$5,442,274
Number of Recipients	68	36	104
Average Grant	\$23,973	\$105,892	
Remaining Funds	\$7,869,853	\$462,873	\$8,332,726

Administrative Expenditures	Budgeted	Actual	Percent of Actual Cost
Postlethwaite and Netterville	\$500,000	\$238,655	87.7%
Treasury - Bank Charges and Temporary Program Staff	\$192,000	\$21,381	7.9%
			0.0%
Louisiana Workforce Commission	\$1,000	\$1,571	0.6%
Louisiana Department of Revenue	\$2,500	\$1,620	0.6%
Louisiana Legislative Auditor	\$25,000	\$8,910	3.3%
Contingency	\$5,000	\$0	0.0%
Total (37% of allowable budget utilized)	\$725,500	\$272,137	



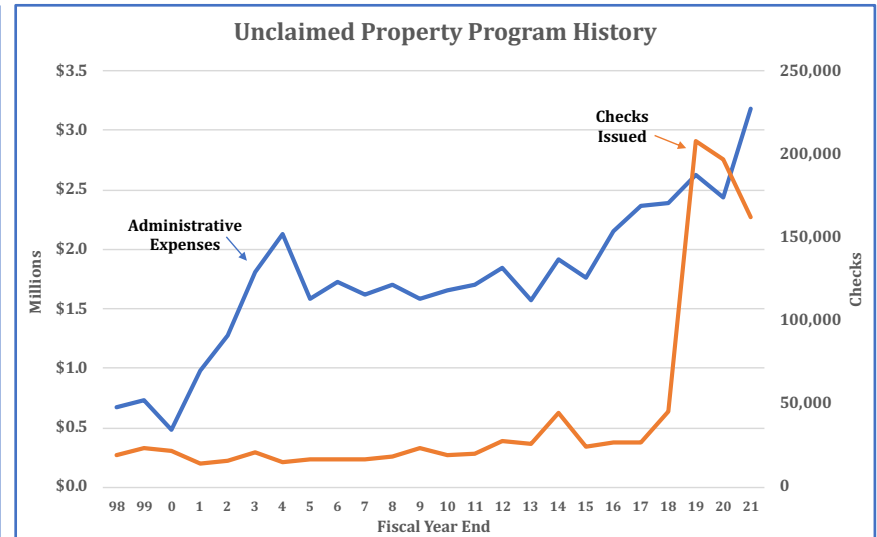
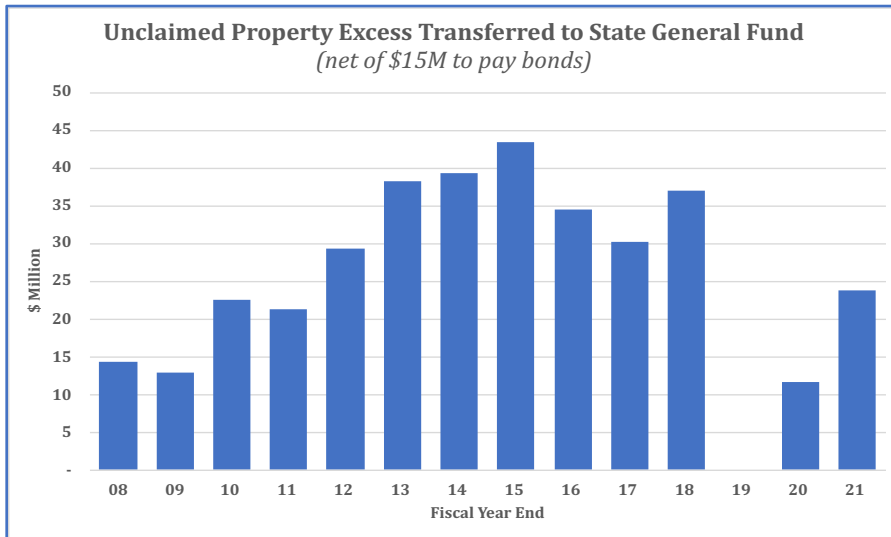
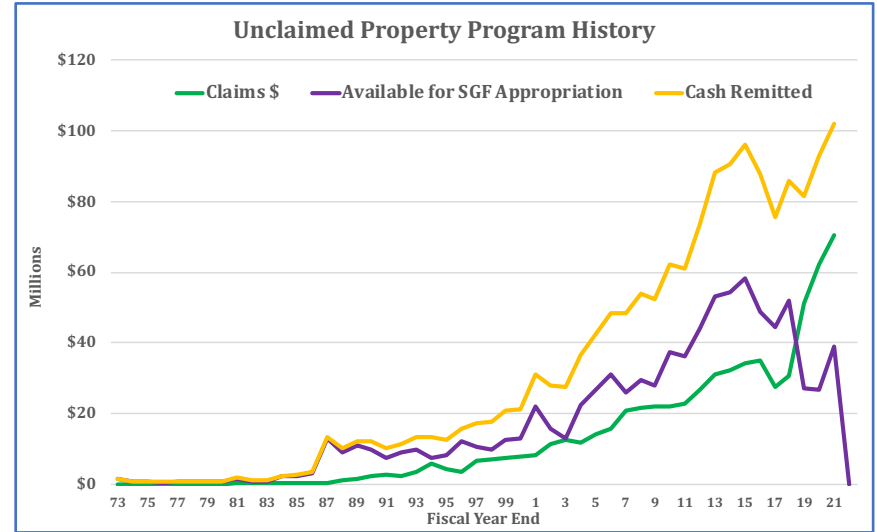
Department of the Treasury

Unclaimed Property (UCP)

(LRS 9:151 et seq.)

- The Treasury is authorized to withhold 7% of UCP proceeds as an administrative fee to fund efforts to contact property owners. In FY 21, Treasury withheld 3.1% for this purpose.
- Beginning with FY 22 actuals, all excess unclaimed property except the pledge for bonds* and administrative costs will be transferred to the UCP Permanent Trust Fund, per the Constitutional Amendment (Act 38 of 2020 ES1) approved by voters on 11/30/20. Investment earnings will be transferred to the state general fund net of investment fees (R.S. 39:100.161) and once the UCP Trust Fund balance reaches 100% of UCP liability, currently close to \$944M, the excess UCP funds will also transfer to the general fund.

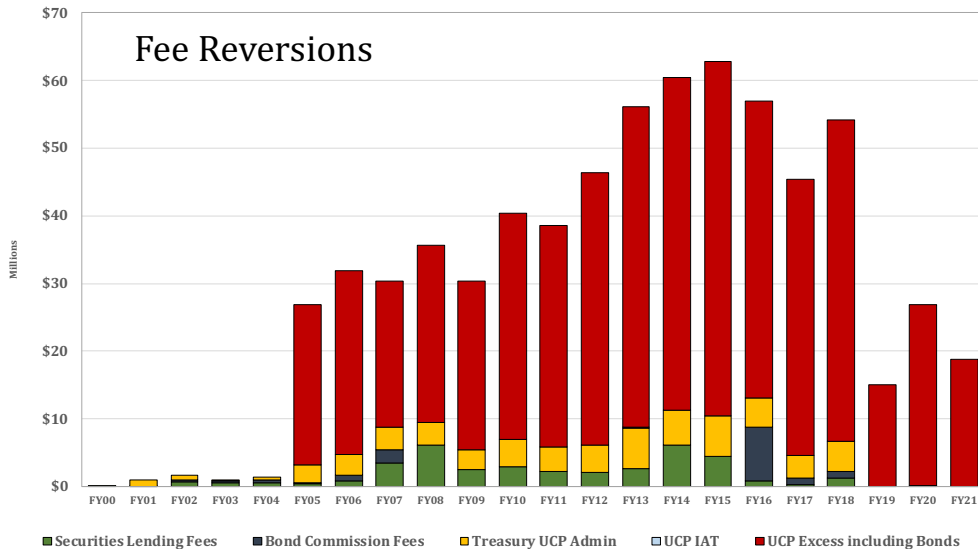
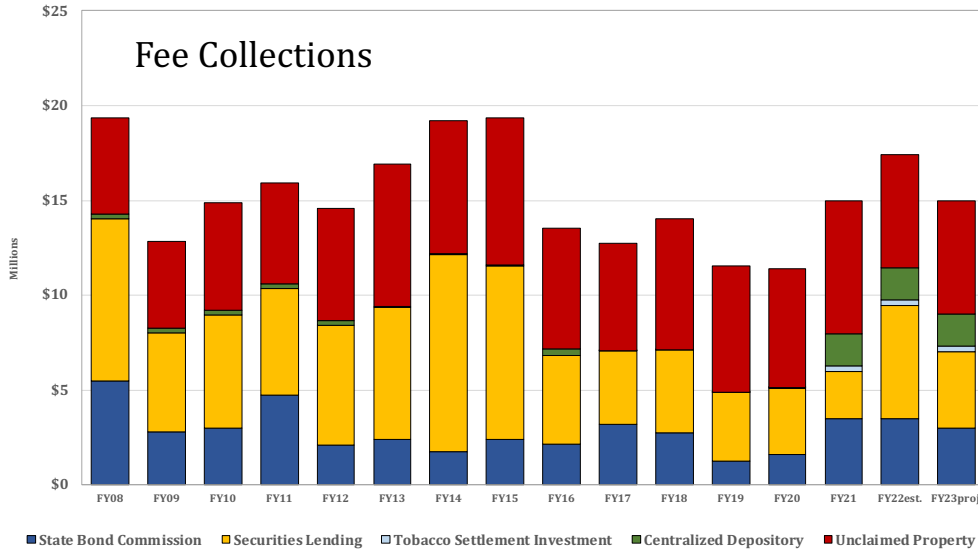
* \$15M of the excess unclaimed property is deposited to the Unclaimed Property Leverage Fund to pay debt service for bonds to expand I-49.





Department of the Treasury

Fees and Reversions



The Treasury is self-funded using fees from services that are carried over from year to year. This is allowed by the language in HB1 appropriating both prior year and current year fees. In FY22, the department retained about \$3 million in excess fees to provide liquidity in the early months of the fiscal year.

Though the Treasury has the authority to retain 7 percent of Unclaimed Property fees, only the amount necessary to fund the program is retained (usually about 3.0 percent).

In FY22, Treasury fees are atypically large with a very active bond market and a renegotiation Securities Lending contract increasing the return to the state nearly three-fold. Assuming that the excess Unclaimed Property fees are 4% and revert to the Unclaimed Property Trust Fund and the Department continues to retain about \$3 million as seed funding, significant excess fees are anticipated in FY22 (\$6.2 million) and FY 23 (\$2.2 million), which would presumably remain available to the Department.

Treasury Fee Collections			
		FY22 Updated Forecast based on YTD Jan.	FY23 Updated Forecast
Prior Year Carryover	FY21 Actual		
Beginning Balance	\$1,000,000	\$2,995,491	\$3,000,000
Current Year Collections			
SBC	\$3,476,560	\$4,461,561	\$3,000,000
Banking	\$2,206	\$2,206	\$2,206
Securities Lending	\$2,500,960	\$7,000,000	\$5,000,000
Unclaimed Property	\$6,997,594	\$5,971,678	\$5,971,678
TSFC	\$40	\$312,586	\$312,586
TOTAL Fees	\$12,977,360	\$17,748,031	\$14,286,470
UCP Reversion	(\$3,812,357)	(\$3,412,387)	(\$3,412,387)
NET Fees	\$10,165,003	\$17,331,134	\$13,874,082
Expenditures (or 85% budgeted)	(\$7,169,470)	(\$8,113,674)	(\$8,682,922)
Carryover	(\$2,995,491)	(\$3,000,000)	(\$3,000,000)
FY21 Implied Ending Balance	\$42	\$6,217,461	\$2,191,160

*As of the end of February, SBC collections total \$1.88 million.



Department of the Treasury

Audit Reports

Main Street Recovery Program (CARES Act funds for small businesses)

May 5, 2021

This audit was requested by the Department of Treasury as a safeguard to run concurrently with the program when it was initiated.

After examining nearly \$88 million in grants awarded through the program, the Legislative Auditor found \$1.2 million, or 1.32% in unresolved exceptions. Since the audit report was released, Treasury has resolved an additional \$686,538 leaving the final unresolved balance at \$472,000 or 0.8%.

Finding Type	Number of Occurrences	Exception Amount	Exceptions as a Percent of Total Analyzed (\$87,792,565)	Resolved Exceptions	Unresolved Exceptions	Unresolved Exceptions as a Percent of Total Analyzed (\$87,792,565)
Applicant Ineligible	168	\$1,899,803	2.16%	\$1,523,641	\$376,162	0.43%
Unsupported QuickRelief Expenses	268	2,110,617	2.40	1,665,757	444,860	0.51
Unsupported Itemized Expenses	150	952,110	1.09	614,536	337,574	0.38
Total	586	\$4,962,530	5.65%	\$3,803,934	\$1,158,596	1.32%