



**SCOTT MEACHAM
OKLAHOMA STATE TREASURER**

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**Treasurer Meacham and Staff Honored with
Quality Commendations by Governor Henry**

OKLAHOMA CITY – State Treasurer Scott Meacham and his staff have been honored with five Quality Commendations by Governor Brad Henry for projects conducted by the treasurer’s office during the past year. The awards were presented during Quality Oklahoma Team Day ceremonies at the State Capitol on Tuesday.

“We are honored to receive these awards,” Meacham said. “My staff has put in hundreds of man hours to bring about these positive changes for the state. With these projects completed, we’re not sitting back and resting. We’re working on more innovative ways to save taxpayer dollars and generate more investment earnings.”

The projects honored by Governor Henry include:

Bond Rescue Investment

When liquidity in the bond market dried up due to the sub-prime mortgage crisis, the Treasurer’s Office purchased \$95 million in bonds issued by the Oklahoma Capital Improvement Authority, \$41.7 million issued by the Oklahoma Municipal Power Authority and \$36.8 million in Oklahoma Turnpike Authority bonds to keep them from having to pay skyrocketing rates as high as 8 to 10 percent. These actions saved almost \$2 million for the issuing authorities while maintaining the average return on the Treasurer’s portfolio.

Commercial Paper Investment

As the severe downturn in the financial markets cut yields on typical investments in the Treasurer’s investment portfolio to rates ranging from 0.25 percent to zero, the office sought ways to increase earnings while maintaining investment in only the most secure vehicles. Earnings from the more than \$5 billion portfolio are used to fund government services without reliance on tax dollars. After careful and thorough research, the office invested \$720 million between October 2007 and March 2008 in FDIC-guaranteed Commercial Paper, debt instruments issued by companies to meet short-term financial needs. The obligations are fully guaranteed by the FDIC under a new program. As a result, investment earnings of more than \$1.5 million were realized over what would have been earned on investment in 90-day Treasury bills.

(more)

Banking Services Check 21 Processing

The Treasurer's Office cut the cost of processing of state warrants by more than 50 percent and is saving more than \$115,000 per year by implementing Check 21, a federal law allowing the use of electronic imaging instead of physically hauling paper warrants from location to location for processing. The Treasurer's Office processes some 19,000 warrants per day representing the expenditure of approximately \$36 million by the state. The Federal Reserve conducts daily processing of state warrants under a contract with the Treasurer's Office. Check 21 implementation cut the processing cost by the Federal Reserve from more than 2¢ per item to less than 1¢ per item. Savings are also realized by greatly reducing the number of warrants that must be manually examined before authorizing payment.

Unclaimed Property Imaging

Each year, the State Treasurer's Unclaimed Property Program reunites some 14,500 people with approximately \$14 million. The process generates massive amounts of paper. To reduce waste, be environmentally friendly and increase security and operational efficiency, the program converted to a paperless system that allows all records to be stored and retrieved electronically. Electronic imaging has eliminated 330 boxes of papers and freed up 15 large file cabinets. Files can now be instantly accessed on the computer, instead of searching through file cabinets. The conversion is bringing almost \$100,000 in annual savings to the agency through a combination of saved staff time and storage space and elimination of the need to create microfilm of documents.

OklahomaDream 529

In an effort to increase the number of Oklahomans attending college, in March the Oklahoma College Savings Plan added a new savings option offered through financial advisors in the state. OklahomaDream 529 offers the same unique and generous tax advantages of the Oklahoma College Savings Plan including a state income tax deduction of up to \$20,000 per year for Oklahoma families. Spearheaded by State Treasurer Scott Meacham, the advisor-sold option was added to help reach more people with the savings option. Up to two-thirds of the potential college savings market uses financial advisors. OklahomaDream 529 is offered by Allianz Global Investors through a subcontract with TIAA-CREF, the administrator of the Oklahoma College Savings Plan.

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