

# Kentucky State Treasurer Allison Ball

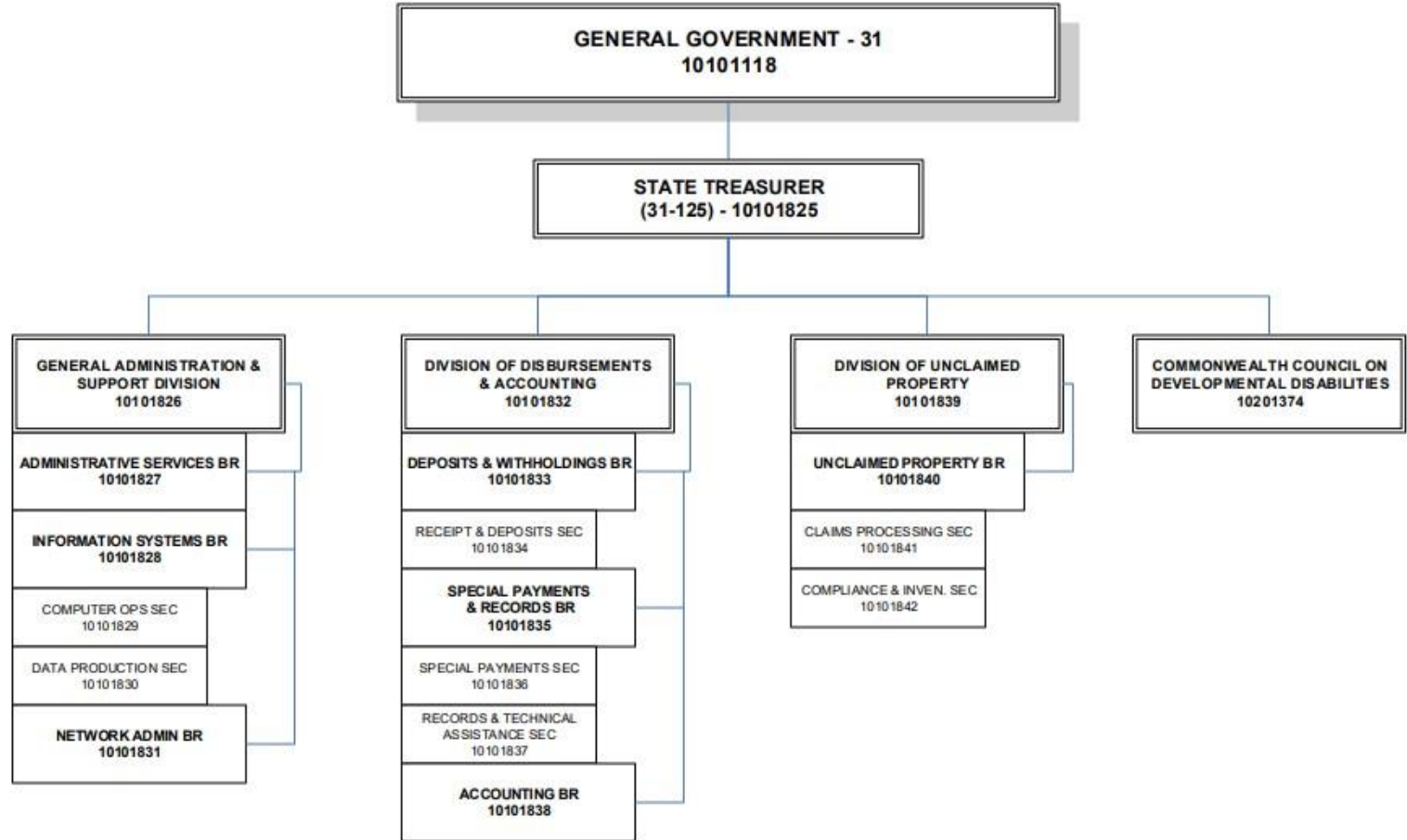
2020-2022 Budget Request



# Overview of the Treasury

- Watchdog for tax-dollar spending
- Receive, review, and approve issuance of state bonds
- Point of contact for IRS and depository bank
- Record, verify, and pay all federal, state and local withholding taxes for state employees
- Make timely deposits of incoming revenues from state agencies
- Record, monitor, and reconcile all transactions in state's depository and checking accounts
- Unclaimed Property
- Leader in Cyber Security

# Organizational Chart of the Treasury



## Boards and Commissions

- Deferred Compensation Authority (added in 2019)
- Kentucky Financial Empowerment Commission (added in 2019)
- Kentucky Teachers' Retirement System
- Kentucky Lottery Board
- State Investment Commission
- Kentucky Asset/Liability Commission
- Kentucky Higher Education Assistance Authority and Kentucky Higher Education Student Loan Corporation



# Unclaimed Property:

## Kentucky's Lost and Found

- Administer Kentucky's Unclaimed Property Fund
- Unclaimed Property consists of financial property, including, but not limited to:
  - Payroll checks
  - Unclaimed safety deposit boxes
  - Old life insurance policies
  - Vendor checks
  - Stocks, bonds, and dividends
- Unclaimed Property contains assets with a total value of nearly half a billion dollars!

# Unclaimed Property:

## Kentucky's Lost and Found

- Receive, process, file and return claims to Kentuckians, organizations, and local government agencies
- Worked to pass RUUPA to modernize unclaimed property laws that hadn't been updated in decades
- Launched an online holder reporting tool, making it easier for businesses to report unclaimed property
- Eliminated negative reporting for businesses

## Unclaimed Property: Kentucky's Lost and Found

- Proactively seek out schools, non-profits, and local governments that have unclaimed property and encourage them to claim their property
- Returned more Unclaimed Property in a single term than any prior Treasurer (currently at \$92M)



# New Initiatives and Responsibilities

- [Transparency.ky.gov](https://transparency.ky.gov) (utilizing existing contracts)
- STABLE Kentucky Accounts (in partnership with Ohio)
- Kentucky Financial Empowerment Commission (funded by private sector)
- Kentucky Financial Empowerment Coalition and Database
- Commonwealth Council on Developmental Disabilities (CCDD)



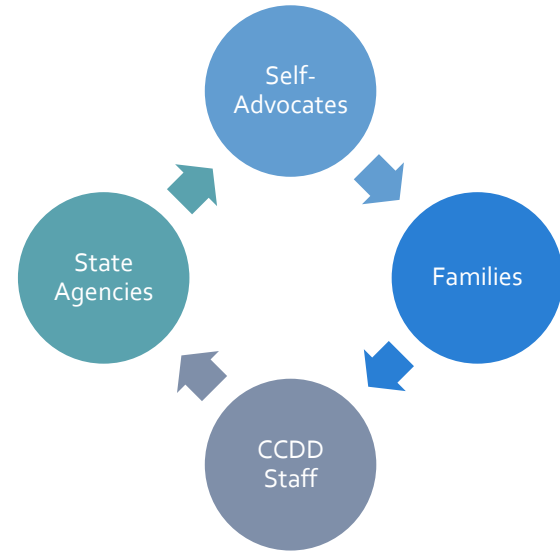


COMMONWEALTH COUNCIL ON  
DEVELOPMENTAL  
**dis(abilities)**



# The Developmental Disabilities Assistance and Bill of Rights Act (the DD Act)

Councils are mandated to engage in **advocacy, capacity building,** and **systemic change** activities that support people with DD to live in homes and communities in which they can exercise their full rights and responsibilities as citizens while pursuing meaningful and productive lives.



# Council Members

Appointed by Governor

Terms are 3 years and service limited to 2 terms



16 Individuals & Family Members

- 1/3 Individuals with a DD
- 1/3 Parents/Guardians
- 1/3 Mixture of both
- At least 1 representative of a person who lives or has lived in an institution

1 non-profit representative

9 state agency representatives

# CCDD Partners and Projects



**Kentucky Partners in  
Policymaking**



**YES!**  
Youth Empowered  
Self Advocates



Transportation  
Initiative- HDI



Environmental Education  
Resource Center

# Council Funding

- Each fiscal year a State DD Council receives federal grant funds from the US Dept. of Health & Human Services
  - population of the State
  - need for services for individuals with developmental disabilities
  - financial need of the State
- Council has 3 years to expend funds
- At least 70% of allotment must be used to implement the State Plan
- No more than 30% of a Council's allotment may be used for administrative costs



## Funding Concerns

- Retirement contribution issue: only 30% of CCDD's federal grant may be used for administrative purposes

# Budget At A Glance: HB 352, Governor's Proposed Budget

## 21. TREASURY

	2020-21	2021-22
General Fund	2,543,000	2,582,100
Restricted Funds	1,851,200	1,854,400
Federal Funds	1,257,400	1,256,500
Road Fund	250,600	250,600
TOTAL	5,902,200	5,943,600

**(1) Unclaimed Property Fund:** Included in the above Restricted Funds appropriation is \$1,851,200 in fiscal year 2020-2021 and \$1,854,400 in fiscal year 2021-2022 from the Unclaimed Property Fund to provide funding for services performed by the Unclaimed Property Division of the Department of the Treasury.

# Clarifications

- Funding for CCDD added to Treasury General Fund
- All Federal Funds belong to CCDD



## Clarifications (cont.)

- Voluntarily reduced General Fund expenditures 3x
- Reduced by **4.5% (\$81,800)**, **3.375% (\$61,400)**, and **1% (\$19,400)** in FY 16 & FY 17
- 9% reduction

# For Consideration

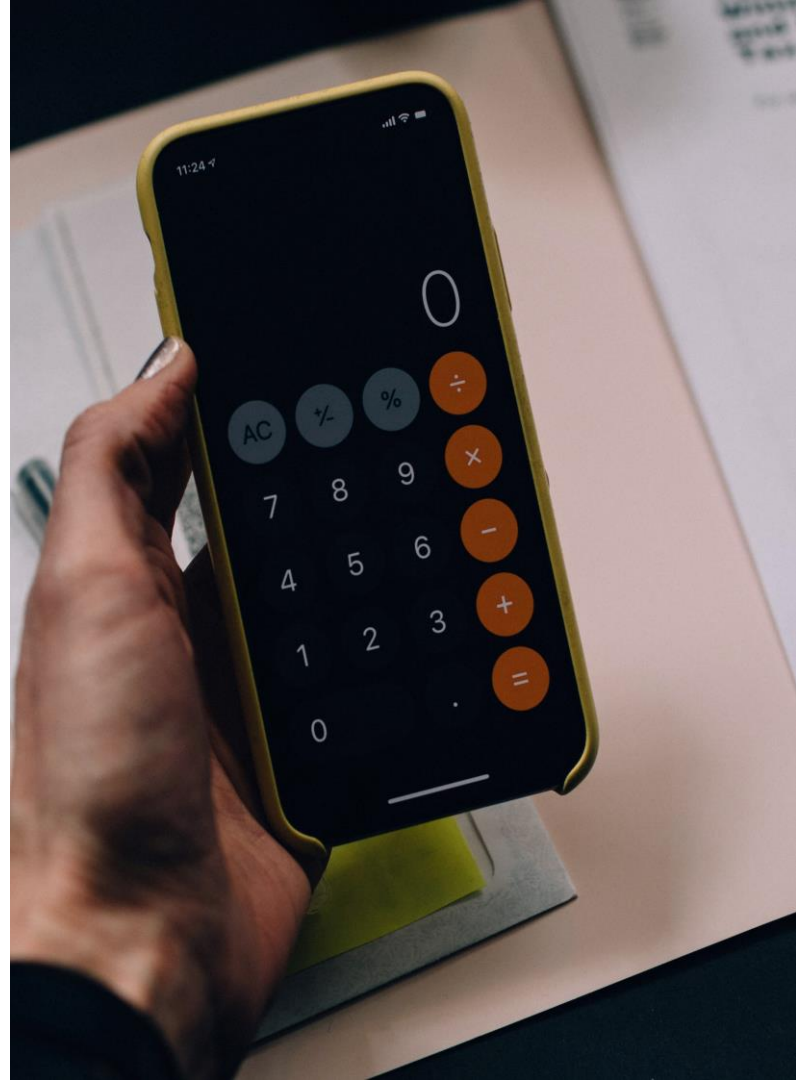
- HB 352 did not include requested funds for Capital Project
  - Printers 10+ years old used in check printing process
  - 1.5M checks & 37,000 W-2s produced
  - Increased maintenance and lack of replacement parts

## Request: 3 Positions (within cap)

1. IT Position (funding for increase from Grade 14 to Grade 17)
2. Special Assistant (research and evaluate payment processes for state agencies, enhance reporting capabilities, improve banking efficiencies and oversight)
3. Administrative Specialist III (reconciliation of state's 26 central bank accounts, identify and research all ACH and FedWire payments for state agencies, and enable cross-training and contingency planning for division)

## Request (cont.)

- Simplify use of UCP Restricted Funds for accounting purposes and remove arbitrary funding categorization
- Include “Notwithstanding” provision:  
*“Notwithstanding KRS 393.250, Restricted Funds may be expended in support of the services performed by the Department of the Treasury.”*



# Looking Ahead

- Continue being watchdog for taxpayer dollars
- Modernize processes and return more unclaimed property
- Further strengthen financial literacy, STABLE Kentucky, Transparency
- Modernize and improve efficiency of the Treasury



**Thank you.**