

Approved

Stephen R. Cloud  
Date 1-24-85

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Representative Stephen R. Cloud at  
Chairperson

9:03 a.m./p.m. on Tuesday, January 22, 1985 in room 522-S of the Capitol.

All members were present except:

Committee staff present:

Avis Swartzman - Revisor  
Carolyn Rampey - Legislative Research Dept.  
Russ Mills - Legislative Research Dept.  
Jackie Breymeyer - Committee Secretary

Conferees appearing before the committee:

Joan Finney - State Treasurer

The meeting of the House Governmental Organization Committee was called to order at 9:03 a.m. by Representative Stephen R. Cloud, Chairman. The minutes of the January 16 meeting were approved. The chairman introduced Joan Finney, State Treasurer, who was present to give an overview of the State Treasurer's office which is scheduled for sunset July 1, 1985.

Ms. Finney began by saying that Kansas has the only treasurer's office in the nation that registers, transfers and pays municipal bonds. The Department of Revenue is the State's largest depositor. Deposits come in twice daily and are subject to immediate investment.

Ms. Finney told of the unclaimed property law of 1979 which includes generally accounts of any type in the bank; savings, salaries, wages, etc. Any business doing business in Kansas shall report any dormant funds to the state. The process by which the state tries to locate an individual or heir to whom money is due is by having the counties advertise in their papers the last known address. Only after seven years have elapsed does the money go into a pool, the state being the custodian of the money for the benefit of the people of Kansas. She mentioned that Travelers Checks have a 15 year period of abandonment.

Ms. Finney responded to a question on what multi-bank holding companies would do to the office of the State Treasurer by saying that there may be a diminishment in the number of banks contacted.

Ms. Finney told of the makeup of the Pooled Money Investment Board which consists of herself as chairperson and two others appointed by the governor. The other two board members are Jamie Swartz, Secretary, Department of Economic Development-Democrat; and Clayton McMurray, CPA, Topeka, Republican.

Ms. Finney also commented on the elective/appointive aspect of an office. The people's wishes should be respected. Sometimes the wording on a voting machine or the short time a person has to vote will mislead a voter in his or her choice on any given issue. She commented that she believes the people of Kansas should have an auditor who is accountable to them as other states do.

There have been four audits of the Treasurer's Office in the past six months. The first audit was ordered by Legislative Post Audit and contracted through Main-Hurdman; the second ordered by Post Audit and contracted to Arthur Young. This audit covered cash and securities compliance. The third audit was a computer audit done by the Division of Information Systems and Computing (DISC) and the fourth audit is the sunset audit.

The treasurer told of the different division within the Treasurer's Office and how many people are employed in each. Cashier and Securities - 5; Bond Registration - 15; Fiscal Agency - 15; Unclaimed Property - 4; Administration & Data Processing - 10; and Warrants and Accounting - 4.

The chairman thanked the State Treasurer for her report and, after reviewing the agenda for the rest of the week, adjourned the meeting at 10:23 a.m.

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