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# TREASURY DEPARTMENT

The Treasury Department is responsible for receiving all commonwealth monies and for depositing such monies in state depositories approved by the Board of Finance and Revenue, for managing all securities in its custody to the best advantage of the commonwealth, for pre-auditing all requisitions for the expenditures of funds and for disbursement of all state monies upon proper authorization to those entitled to receive payment.

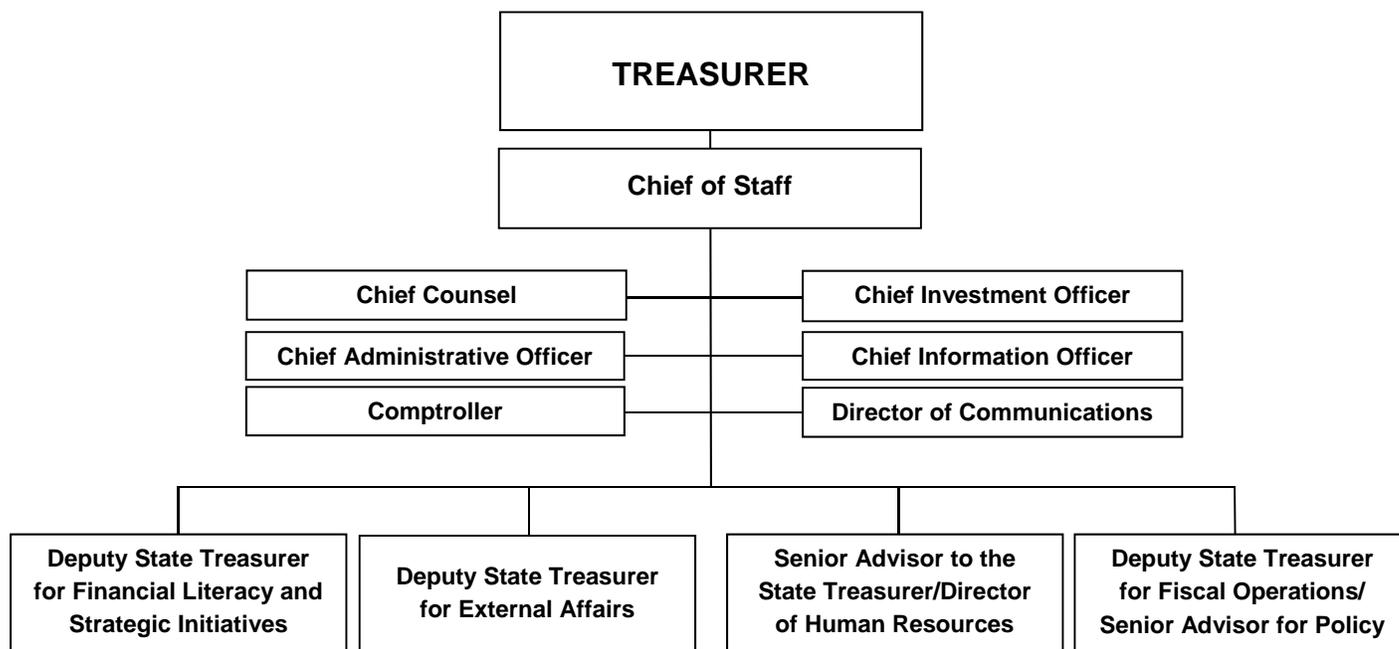
## Programs and Goals

**Disbursement:** *To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.*

**Interstate Relations:** *To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.*

**Debt Service:** *To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.*

## Organization Overview



- **Deputy State Treasurer for Financial Literacy and Strategic Initiatives** engages the public and community organizations through innovative efforts that are designed to promote financial literacy and increase the economic security of Pennsylvanians.
- **Deputy State Treasurer for External Affairs** acts as a liaison to outside entities, such as the legislature, constituency groups, and other state agencies. The deputy also sets policies and goals for public-facing bureaus managing the PA 529 and unclaimed property programs.
- **Senior Advisor to the State Treasurer/Director of Human Resources** manages the Bureau of Human Resources, advises the Treasurer on personnel matters, and acts as a liaison to labor unions.
- **Deputy State Treasurer for Fiscal Operations/Senior Advisor for Policy** oversees the bureaus of Fiscal Review and Unemployment Compensation Disbursements, and advises the Treasurer on specific strategic policy matters.

### Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual
419	419	419	419	389

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2013-14 ACTUAL	2014-15 AVAILABLE	2015-16 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
General Government Operations.....	\$ 32,228	\$ 36,028	\$ 34,792
(A)Unemployment Compensation Service Reimbursements.....	4,866	6,081	6,045
(A)Administrative Service Fees.....	1,617	1,451	1,180
(A)Unclaimed Property Service Fees.....	5,565	1,055	1,000
Subtotal.....	<u>\$ 44,276</u>	<u>\$ 44,615</u>	<u>\$ 43,017</u>
Board of Finance and Revenue.....	2,505	2,505	2,715
Divestiture Reimbursement.....	1,698	229	68
Publishing Monthly Statements.....	15	15	15
Intergovernmental Organizations.....	1,187	1,036	1,025
Information Technology Modernization.....	9,000	4,000	4,000
Subtotal - State Funds.....	\$ 46,633	\$ 43,813	\$ 42,615
Subtotal - Augmentations.....	12,048	8,587	8,225
Total - General Government.....	<u>\$ 58,681</u>	<u>\$ 52,400</u>	<u>\$ 50,840</u>
<i>Grants and Subsidies:</i>			
Law Enforcement & Emergency Response Personnel Death Benefit.....	\$ 2,163	\$ 2,163	\$ 2,163
<i>Debt Service:</i>			
Loan and Transfer Agents.....	\$ 60	\$ 60	\$ 50
Tax Note Expenses (EA).....	0	0	400
Interest on Tax Anticipation Notes (EA).....	0	0	16,000
Cash Management Loan Interest (EA).....	1,000	3,000 <sup>a</sup>	0
General Obligation Debt Service.....	1,066,991	1,096,500	1,157,000
Total - Debt Service.....	<u>\$ 1,068,051</u>	<u>\$ 1,099,560</u>	<u>\$ 1,173,450</u>
STATE FUNDS.....	\$ 1,116,847	\$ 1,145,536	\$ 1,218,228
AUGMENTATIONS.....	12,048	8,587	8,225
<b>GENERAL FUND TOTAL.....</b>	<u><b>\$ 1,128,895</b></u>	<u><b>\$ 1,154,123</b></u>	<u><b>\$ 1,226,453</b></u>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
Administration Refunding Liquid Fuels Tax.....	\$ 557	\$ 533	\$ 533
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes - State Share (EA).....	\$ 2,492	\$ 1,700	\$ 1,900
Refunding Liquid Fuels Taxes - Agriculture (EA).....	2,629	4,100	4,600
Refunding Liquid Fuels Taxes - Political Subdivisions (EA).....	2,053	3,400	3,800
Refunding Liquid Fuels Taxes - Volunteer Services (EA).....	327	500	600
Refunding Liquid Fuels Taxes - Snowmobiles & ATV's (EA).....	1,000	1,000	1,000
Refunding Liquid Fuels Taxes - Boat Fund (EA).....	3,200	6,100	10,470
Total - Refunds.....	<u>\$ 11,701</u>	<u>\$ 16,800</u>	<u>\$ 22,370</u>

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2013-14 ACTUAL	2014-15 AVAILABLE	2015-16 BUDGET
<b>Debt Service:</b>			
Capital Debt Transportation Projects.....	\$ 748	\$ 2,376	\$ 11,635
General Obligation Debt Service.....	17,001	16,936	16,968
(R)Capital Bridge Debt Service (EA).....	46,160	46,550	45,571
Loan and Transfer Agent.....	50	50	50
Subtotal - State Funds.....	\$ 17,799	\$ 19,362	\$ 28,653
Subtotal - Restricted Revenues.....	46,160	46,550	45,571
Total - Debt Service.....	\$ 63,959	\$ 65,912	\$ 74,224
STATE FUNDS.....	\$ 30,057	\$ 36,695	\$ 51,556
RESTRICTED REVENUES.....	46,160	46,550	45,571
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b>\$ 76,217</b>	<b>\$ 83,245</b>	<b>\$ 97,127</b>
<b>OTHER FUNDS:</b>			
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
Debt Service for Growing Greener (EA).....	\$ 41,329	\$ 42,136	\$ 39,964
<b>LIQUID FUELS TAX FUND:</b>			
Refunding Liquid Fuels Taxes - Boat Fund (EA).....	\$ 300	\$ 100	\$ 100
<b>TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND:</b>			
Tuition Account Program Bureau.....	\$ 3,188	\$ 3,188	\$ 3,188
(A)Application Fees.....	1,372	1,373	1,375
<b>TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL.....</b>	<b>\$ 4,560</b>	<b>\$ 4,561</b>	<b>\$ 4,563</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 1,116,847	\$ 1,145,536	\$ 1,218,228
SPECIAL FUNDS.....	30,057	36,695	51,556
AUGMENTATIONS.....	12,048	8,587	8,225
RESTRICTED.....	46,160	46,550	45,571
OTHER FUNDS.....	46,189	46,797	44,627
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 1,251,301</b>	<b>\$ 1,284,165</b>	<b>\$ 1,368,207</b>

<sup>a</sup> Includes recommended supplemental executive authorization of \$3,000,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2013-14 Actual	2014-15 Available	2015-16 Budget	2016-17 Estimated	2017-18 Estimated	2018-19 Estimated	2019-20 Estimated
<b>DISBURSEMENT</b>							
GENERAL FUND.....	\$ 47,594	\$ 44,925	\$ 43,738	\$ 43,051	\$ 42,021	\$ 43,016	\$ 44,036
SPECIAL FUNDS.....	12,258	17,333	22,903	25,052	27,365	29,680	29,694
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	16,908	13,248	12,888	12,583	12,599	12,615	12,632
SUBCATEGORY TOTAL.....	<u>\$ 76,760</u>	<u>\$ 75,506</u>	<u>\$ 79,529</u>	<u>\$ 80,686</u>	<u>\$ 81,985</u>	<u>\$ 85,311</u>	<u>\$ 86,362</u>
<b>INTERSTATE RELATIONS</b>							
GENERAL FUND.....	\$ 1,187	\$ 1,036	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
SUBCATEGORY TOTAL.....	<u>\$ 1,187</u>	<u>\$ 1,036</u>	<u>\$ 1,025</u>	<u>\$ 1,025</u>	<u>\$ 1,025</u>	<u>\$ 1,025</u>	<u>\$ 1,025</u>
<b>DEBT SERVICE</b>							
GENERAL FUND.....	\$ 1,068,066	\$ 1,099,575	\$ 1,173,465	\$ 1,248,785	\$ 1,329,283	\$ 1,413,335	\$ 1,459,218
SPECIAL FUNDS.....	17,799	19,362	28,653	46,254	57,032	57,029	56,959
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	87,489	88,686	85,535	84,666	79,618	79,250	93,302
SUBCATEGORY TOTAL.....	<u>\$ 1,173,354</u>	<u>\$ 1,207,623</u>	<u>\$ 1,287,653</u>	<u>\$ 1,379,705</u>	<u>\$ 1,465,933</u>	<u>\$ 1,549,614</u>	<u>\$ 1,609,479</u>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1,116,847	\$ 1,145,536	\$ 1,218,228	\$ 1,292,861	\$ 1,372,329	\$ 1,457,376	\$ 1,504,279
SPECIAL FUNDS.....	30,057	36,695	51,556	71,306	84,397	86,709	86,653
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	104,397	101,934	98,423	97,249	92,217	91,865	105,934
DEPARTMENT TOTAL.....	<u>\$ 1,251,301</u>	<u>\$ 1,284,165</u>	<u>\$ 1,368,207</u>	<u>\$ 1,461,416</u>	<u>\$ 1,548,943</u>	<u>\$ 1,635,950</u>	<u>\$ 1,696,866</u>

## Program: Disbursement

*Goal: To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.*

The Treasury Department is required by the Fiscal Code to receive and deposit all monies of the commonwealth; to invest any commonwealth monies that accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to pre-audit requisitions for the expenditure of funds; and to disburse all state monies upon proper authorization to those entitled to receive payment. In this capacity, the department is responsible for the receipt, custody and disbursement of billions of dollars each year.

The Treasury Department also maintains accounting controls and disburses all checks to recipients of public assistance. Thousands of disbursements are processed each working day for distribution to recipients. This processing includes pre-auditing, printing and mailing the checks to individual recipients and banks. Deposits are kept in approximately 50 financial institutions throughout Pennsylvania, including approximately 13 banks that also function as active depositories from which thousands of payments are issued daily.

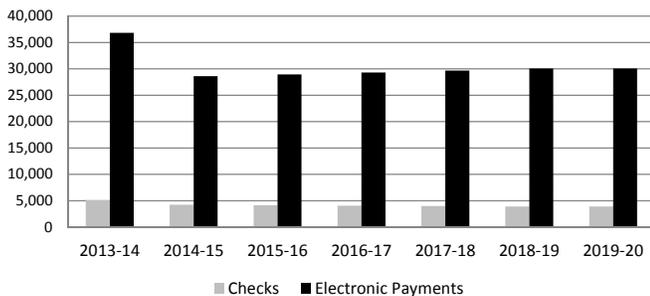
The State Treasurer is Chairman of the Board of Finance and Revenue which is charged with reviewing and deciding tax appeals concerning settlements made between the commonwealth and persons, associations and corporations. The board also administers the program for refunding liquid fuels taxes to groups exempt by legislation from these taxes.

The Treasury Department is required to pay death benefits, adjusted annually for inflation, to the surviving spouse or children of public safety workers, firefighters or law enforcement officers of the commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payments made to survivors of local firefighters or law enforcement officers.

The Treasury Department administers the Tuition Account Program, which provides two programs for postsecondary educational savings. The Tuition Account Guaranteed Savings Program Fund provides for the advance purchase of tuition credits for students who will attend institutions of higher education. Savings for higher education may also be made through the Tuition Account Investment Program Fund.

The State Treasurer is responsible for the administration and enforcement of the commonwealth's abandoned and unclaimed property laws. Tangible and intangible property that has remained unclaimed for three or more years is reported and remitted to the Treasury Department by holders in possession of the property. The commonwealth maintains perpetual custody of the property until it is claimed by the rightful owner. Revenues generated by collection of unclaimed property are deposited directly to the General Fund.

**Treasury Disbursements**  
(in thousands)



### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>GENERAL FUND</b>	
	<b>General Government Operations</b>	
\$	-3,500	—nonrecurring costs for the unclaimed property program.
	2,264	—to continue current program.
\$	-1,236	<i>Appropriation Decrease</i>
	<b>Board of Finance and Revenue</b>	
\$	210	—to continue current program.
	<b>Divestiture Reimbursement</b>	
\$	-161	—reduced program requirement.

	<b>MOTOR LICENSE FUND</b>
	<b>Refunding Liquid Fuels Taxes - State Share (EA)</b>
\$	200
	—based on most recent projection of program requirements.
	<b>Refunding Liquid Fuels Taxes - Agriculture (EA)</b>
\$	500
	—based on most recent projection of program requirements.

## Program: Disbursement (continued)

### Program Recommendations: (continued) This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Refunding Liquid Fuels Taxes - Political Subdivisions (EA)</b></p> <p>\$ 400 —based on most recent projection of program requirements.</p>	<p><b>Refunding Liquid Fuels Taxes - Boat Fund (EA)</b></p> <p>\$ 4,370 —based on most recent projection of program requirements.</p>
<p><b>Refunding Liquid Fuels Taxes - Volunteer Services (EA)</b></p> <p>\$ 100 —based on most recent projection of program requirements.</p>	

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2013-14 Actual	2014-15 Available	2015-16 Budget	2016-17 Estimated	2017-18 Estimated	2018-19 Estimated	2019-20 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 32,228	\$ 36,028	\$ 34,792	\$ 36,010	\$ 36,910	\$ 37,833	\$ 38,779
Board of Finance and Revenue.....	2,505	2,505	2,715	2,810	2,880	2,952	3,026
Divestiture Reimbursement .....	1,698	229	68	68	68	68	68
Information Technology Modernization.....	9,000	4,000	4,000	2,000	0	0	0
Law Enforcement & Emergency Response Personnel Death Benefit .....	2,163	2,163	2,163	2,163	2,163	2,163	2,163
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 47,594</b>	<b>\$ 44,925</b>	<b>\$ 43,738</b>	<b>\$ 43,051</b>	<b>\$ 42,021</b>	<b>\$ 43,016</b>	<b>\$ 44,036</b>
<b>MOTOR LICENSE FUND:</b>							
Administration Refunding Liquid Fuels Tax.....	\$ 557	\$ 533	\$ 533	\$ 552	\$ 565	\$ 580	\$ 594
Refunding Liquid Fuels Taxes - State Share (EA) .....	2,492	1,700	1,900	2,100	2,300	2,500	2,500
Refunding Liquid Fuels Taxes - Agriculture (EA).....	2,629	4,100	4,600	5,100	5,600	6,100	6,100
Refunding Liquid Fuels Taxes - Political Subdivisions (EA).....	2,053	3,400	3,800	4,200	4,600	5,000	5,000
Refunding Liquid Fuels Taxes - Volunteer Services (EA).....	327	500	600	700	800	900	900
Refunding Liquid Fuels Taxes - Snowmobiles & ATV's (EA).....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Refunding Liquid Fuels Taxes - Boat Fund (EA) .....	3,200	6,100	10,470	11,400	12,500	13,600	13,600
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 12,258</b>	<b>\$ 17,333</b>	<b>\$ 22,903</b>	<b>\$ 25,052</b>	<b>\$ 27,365</b>	<b>\$ 29,680</b>	<b>\$ 29,694</b>

## Program: Interstate Relations

*Goal: To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.*

Pennsylvania promotes interstate cooperation and progress through participation in various associations, commissions and organizations with other states and units of government. As a member of the Council of State Governments, National Conference of State Legislatures and the National Governors' Association, Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, federal-state relations, education, labor, research, governmental techniques and general information with other states, Congress and the federal Executive Branch.

The State and Local Legal Center provides for Pennsylvania's participation in a center to advance and

defend the interests of state and local governments in matters involving federal preemption, state taxing and spending powers, the Tenth Amendment to the United States Constitution and other issues.

This program also covers Pennsylvania's cost of the Great Lakes Commission and the Council of Great Lakes Governors. These organizations were established to plan and promote a unified and balanced program for the development, use and conservation of Great Lakes Basin water resources.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$ -11 **Intergovernmental Organizations**  
—reduced program requirement.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2013-14 Actual	2014-15 Available	2015-16 Budget	2016-17 Estimated	2017-18 Estimated	2018-19 Estimated	2019-20 Estimated
<b>GENERAL FUND:</b>							
Intergovernmental Organizations .....	\$ 1,187	\$ 1,036	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025

## Program: Debt Service

*Goal: To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.*

The commonwealth, through the Treasury Department, is obligated to meet principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the state to finance the cost of public improvements that represent a heavy financial burden which cannot be funded through current revenues. These bond issues provide funds for the acquisition and development of public recreation and historic sites and facilities; economic revitalization efforts; low-cost loans for water supply and sewage treatment

improvements; and a wide variety of construction and renovation projects for hospitals, higher education facilities, state parks, flood control, correctional institutions and various public buildings.

The commonwealth has saved substantial amounts of interest on debt service through the issuance of refunding bonds to retire debt incurred in prior years when interest rates were considerably higher. The commonwealth continues to monitor its debt for additional refunding opportunities.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**GENERAL FUND**  
 \$ 73,890 —the net effect on principal and interest requirements and other costs relating to General Fund debt service.

**MOTOR LICENSE FUND**  
 \$ 9,291 —the net effect on principal and interest requirements and other costs relating to Motor License Fund debt service.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2013-14 Actual	2014-15 Available	2015-16 Budget	2016-17 Estimated	2017-18 Estimated	2018-19 Estimated	2019-20 Estimated
<b>GENERAL FUND:</b>							
Publishing Monthly Statements .....	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Loan and Transfer Agents .....	60	60	50	50	50	50	50
Tax Note Expenses (EA) .....	0	0	400	400	400	400	400
Interest on Tax Anticipation Notes (EA) .....	0	0	16,000	12,000	4,000	4,000	4,000
Cash Management Loan Interest (EA) .....	1,000	3,000	0	0	0	0	0
General Obligation Debt Service .....	1,066,991	1,096,500	1,157,000	1,236,320	1,324,818	1,408,870	1,454,753
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,068,066</b>	<b>\$ 1,099,575</b>	<b>\$ 1,173,465</b>	<b>\$ 1,248,785</b>	<b>\$ 1,329,283</b>	<b>\$ 1,413,335</b>	<b>\$ 1,459,218</b>
<b>MOTOR LICENSE FUND:</b>							
Capital Debt Transportation Projects .....	\$ 748	\$ 2,376	\$ 11,635	\$ 29,283	\$ 40,061	\$ 40,058	\$ 40,055
General Obligation Debt Service .....	17,001	16,936	16,968	16,921	16,921	16,921	16,854
Loan and Transfer Agent .....	50	50	50	50	50	50	50
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 17,799</b>	<b>\$ 19,362</b>	<b>\$ 28,653</b>	<b>\$ 46,254</b>	<b>\$ 57,032</b>	<b>\$ 57,029</b>	<b>\$ 56,959</b>