CURTIS LOFTIS TRANSITION TEAM

MISSION STATEMENT

The Curtis Loftis Transition Team is composed of a diverse group of leaders from around the state. Its mission is to engage in thoughtful discussion, observation, and investigation in order to facilitate an orderly transfer of duties from one administration to another, to identify strengths and uncover weaknesses and inefficiencies in the sphere of responsibility that is the South Carolina State Treasurer, to greater promote economic development using the resources of the Treasurer's office, and to recommend solutions and opportunities for reform.

The Team will endeavor to bring about appropriate, meaningful change to the Treasurer's Office in an effort to increase efficiency and accountability while making it the most transparent Treasurer's Office in the nation.

SCOPE OF WORK

The Team will be organized into three subcommittees:

- Budget and Control Board Subcommittee
- Treasury Subcommittee
- Board of Financial Institutions Subcommittee

Budget and Control Board Subcommittee

The Budget &Control Board Subcommittee will focus on the meaningful and material aspects of the State Retirement System(s) investments, investment management, rates of return, investment policies, independent/internal auditor, periodic independent outside review of all aspects of investment program, and other significant matters approved by the Transition Team.

The Subcommittee will consider the procurement procedures and how to use this process as an economic development tool.

The Subcommittee will also consider the use of retirement investment funds and all state financial assets as an economic development tool and will examine what other states are doing in this regard.

Budget and Control Board staff contact information will be provided.

Curtis LOFTIS Transition Team
SC Treasurer's Office

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Treasury Subcommittee

The Treasury Subcommittee will focus on the meaningful and material aspects of the functions and operations of the Treasurer's Office including:

Banking and Accounting: use of State deposits and investments as an economic development tool and examination of what other states are doing in this regard, type and number of South Carolina and out-of-state depositories, competitive nature for selecting depositories, rates of return, depository management and independent review of all aspects of depositary activities and program, collateralization types, requirements, and options, and the Local Government Investment Pool.

Debt: debt policy and practices, independent review of State debt policy and practices, use of sufficient available debt capacity as economic development tool and examination of what other states are doing in this regard, review State and local government bond statutes for modernization and re-codification, identify additional measures to maintain State's AAA rating, rotational system of bond counsel and other parties engaged by State in the issuance of debt, and opportunities to strengthen local government debt policies and practices, including a review of the use of derivatives.

Technology: review and make appropriate recommendations regarding the need to upgrade/acquire/retire any stand alone IT systems in the Treasurer's office to achieve economies, efficiencies, savings and increased productivity. To ascertain the Treasurer's office progress in implementing SCEIS. To consider the benefits and merits of the State implementing modules of the State's new enterprise information system beyond the accounting, HR and payroll, and procurement modules being implemented state wide.

Programs:

Unclaimed Property: opportunities for improvements in employed processes to improve return of unclaimed property and reduce levels of outstanding unclaimed property, including a review of "Best Practices" by other states.

State Retirement: consider investments programs conducted by the Treasurer's Office, utilizing the same considerations given to the State Retirement Systems. The Subcommittee will coordinate its work in this area with the subcommittee reviewing the functions and operations of the Treasurer's Office.

Higher Education: review advertising plan of 529 college tuition program, and review tuition prepayment plan fee options.

Local Government: review opportunities to increase communication between the State Treasurer's Office and county and municipal treasurers, as well as ways to conduct training and creating availability for experts in this field.

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Initially, the work of the Subcommittee will be based on an external perspective and review of the Treasurer's Office. During this phase, the Subcommittee members will rely on their personal knowledge and experiences and that of other knowledgeable parties who are not employees of the Treasurer's Office. The internal perspective phase can begin as soon as the Team is provided access to the employees of the Treasurer's Office.

Board of Financial Institutions Subcommittee:

The Board of Financial Institutions Subcommittee will focus on the meaningful and material aspects of the functions and operations of the State's supervision and regulation of State chartered banks, trust companies, savings banks and credit unions and identify opportunities for improving its supervisory and regulatory services and function.

The Subcommittee will likewise review the licensing and regulation of consumer finance deferred presentment, check cashing and mortgage lending companies, and identify opportunities for improving its licensing and regulatory services and function.

Final Report

The final report of the Transition Team will be distributed to all interested parties and will be posted on the Internet. This report is being financed with private dollars, raised by Curtis Loftis for Treasurer, 2010.

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