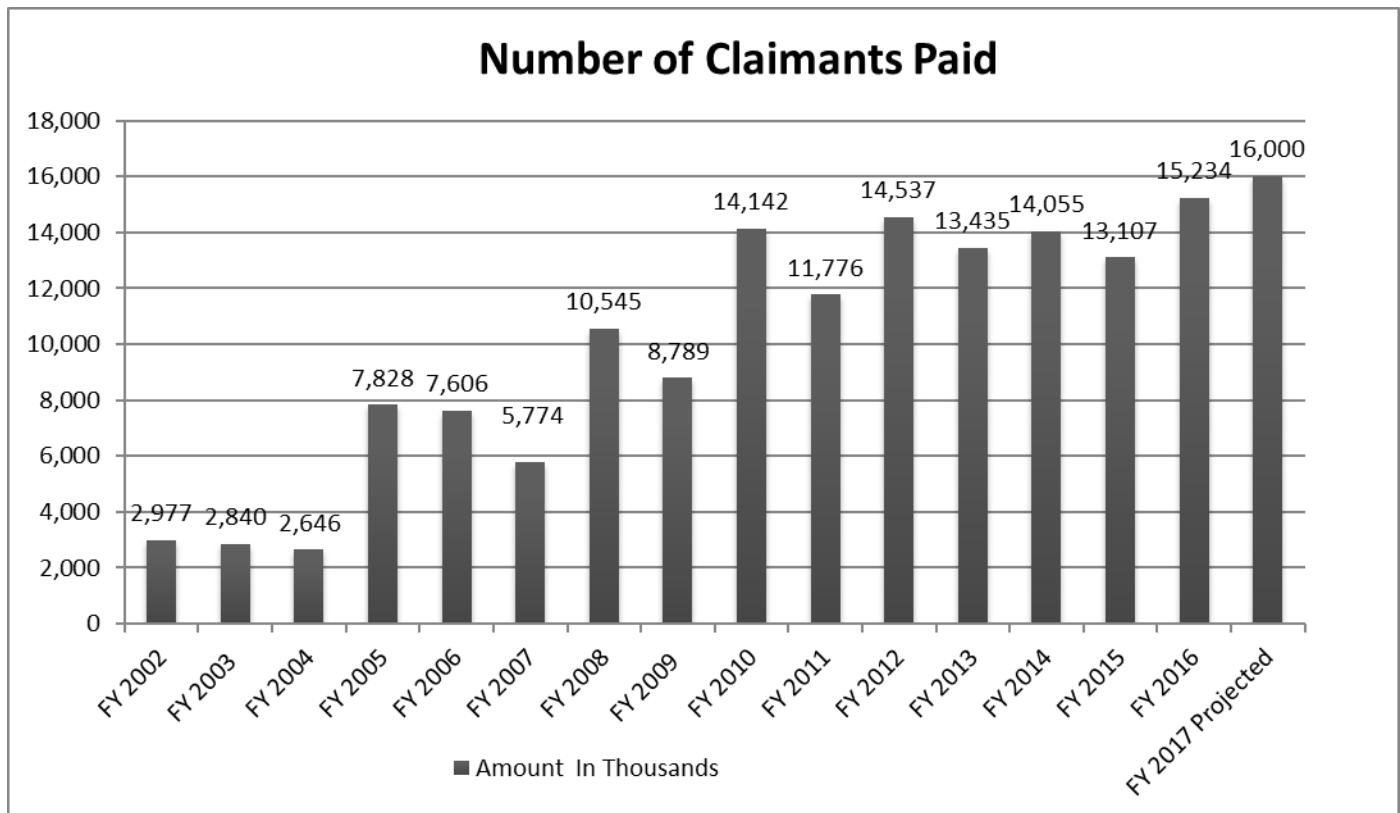


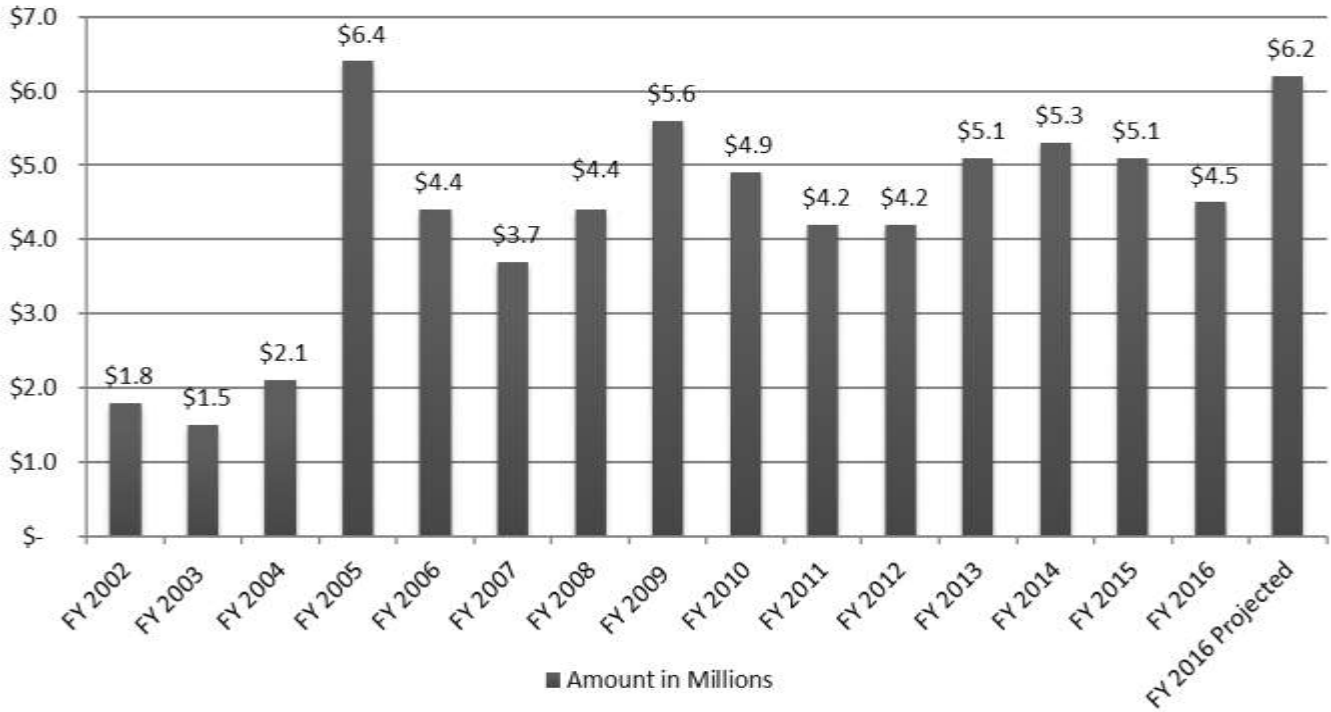
The primary function of the Unclaimed Property Division is to locate and return various forms of unclaimed financial property to the rightful owners or their heirs. Unclaimed property refers to accounts in financial institutions and companies that have had no activity generated or contact with the owner for a certain period of time. Common forms of unclaimed property include savings or checking accounts, stocks, uncashed dividends or payroll checks, refunds, traveler's checks, trust distributions, unredeemed money orders, insurance payments or refunds and life insurance policies, annuities, certificates of deposit, customer overpayments, utility security deposits, mineral royalty payments, and contents of safe deposit boxes. The Vermont State Treasurer's Office acts as custodian to safeguard the assets until they can be claimed by the rightful owners or heirs.

The office is also charged with keeping reliable records of payment and maintenance of all property remitted to the State. The State of Vermont, State Treasurer's Office acts as custodian to safeguard the assets until they can be claimed by the rightful owners or heirs.

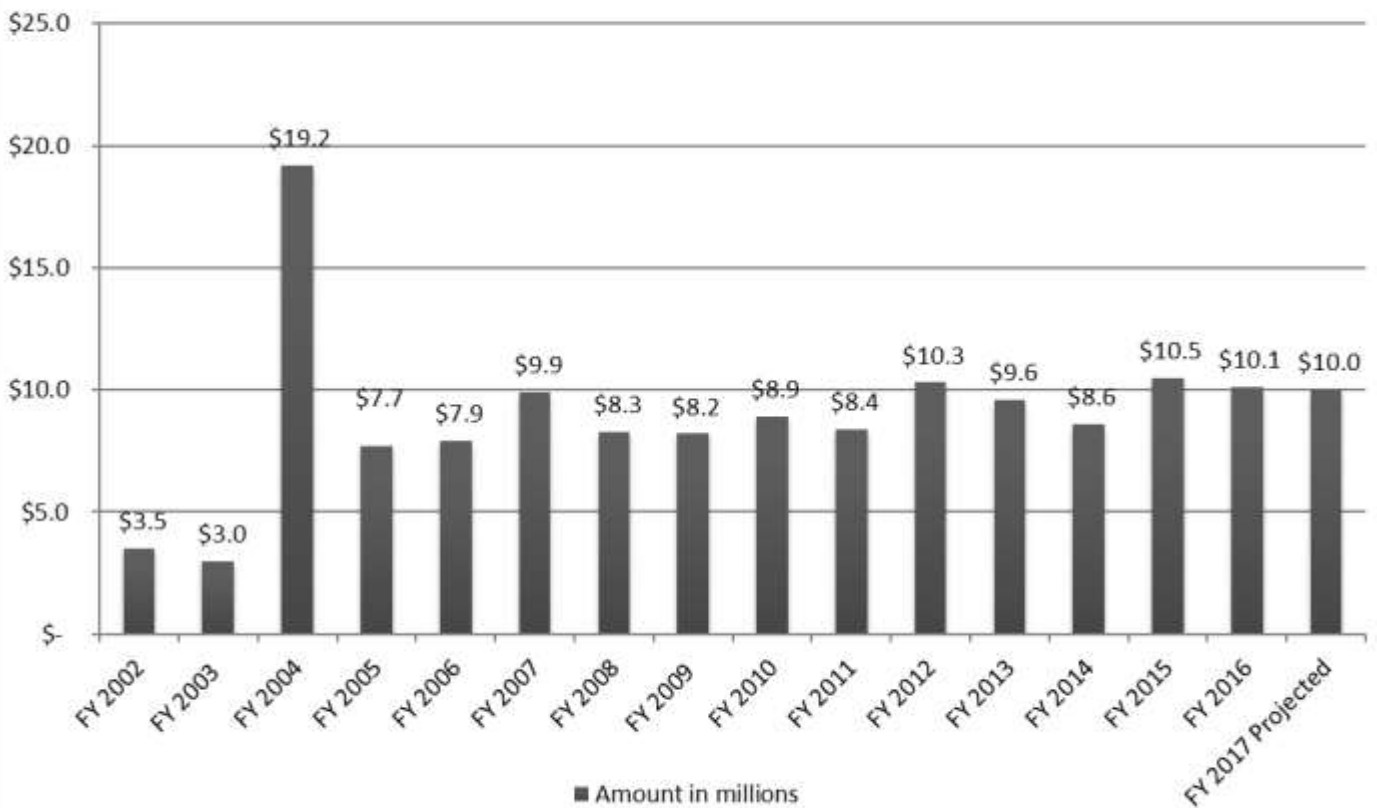
Key Indicators:



Unclaimed Property Amount Returned to Vermonters



Unclaimed Property Turned Over to the State Treasurer



Performance Based Budgeting

The Unclaimed Property Division was tasked to provide three performance based budgeting goals, they are:

1. What percentage of property is being returned to owner on a FY basis?
 - a. Money in vs. money out reported as a percentage. For example, if we receive \$10,000,000 and pay out \$6,000,000 in a FY, then that would be reported as 60%. **Goal: 55% on a long-term average.** The rolling average using data from the last 13 years is **53.88%**. Typically, when the percentage is lower in one year, the percentage will climb the next year and when the percentage is higher one year, it will be lower the next.
2. The cost of compliance. We report this as a percentage.
 - a. Example: In FY 2013 we received from holders \$9,629,413. Using our FY2013 actuals we determined the cost of compliance would include the compliance officer's salary & benefits, a portion of the director's salary & benefits, third party support, a portion of UPS2000 costs, one half of the office and admin support budget and one half agency support budget. Using those figures, we determined the cost of compliance at \$528,725 for FY 2013. For FY 2013 the cost of compliance was 5.49% of funds reported. ($\$528,725/\$9,629,413 = 5.49\%$) **Goal: Less than 9%**
3. The cost of returning property (claims administration) to the owners. We report this as a percentage.
 - a. Example: in FY2013 we returned \$5,277,837 to owner/heirs/businesses. We determined the cost of claims administration to include the claim processor's salary and benefits, a portion of the director's salary and benefits, a portion of the UPS2000 costs, one half of the office and admin support budget and one half agency support budget. Using those figures, the cost of claims administration was \$258,574 for FY 2013. In FY 2013 the cost of claims administration was 4.89% of funds returned. ($\$258,574/\$5,277,837 = 4.89\%$) **Goal: Less than 5%**

Results:

1. What percentage of property is being returned to owner on a FY basis? In FY 2016, we paid out **44.73%**, with a long-term average of **53.88%**, while the division paid out a record number of claims, the average dollar amounts were smaller than years past. As stated above there are considerable variations from year to year, but we believe a 55% long-term rate is attainable.
2. The cost of compliance was **3.70%**, meeting our goal.
3. The cost of returning property (claims administration) to the owners was **4.9%**, meeting our goal.