



OFFICE OF THE
Arizona State Treasurer



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TREASURER RECAPS ACCOMPLISHMENTS FROM A STELLAR 2018

PHOENIX, AZ – As the Arizona Treasury transitions to new leadership, out-going Treasurer Eileen I. Klein today released a list of Treasury accomplishments from her tenure in 2018.

“I had only a short time in Office from April to December, but we started with a goal to raise the bar for Treasury performance and operations, and I believe we succeeded,” Treasurer Klein said.

2018 was defined by rising interest rates, economic growth, low unemployment, high consumer and small business confidence, and market volatility. The list of Treasury accomplishments is below.

PERFORMANCE

- Endowment hit the highest market value in its 106-year history of \$6.17 Billion.
- Endowment schools distributions increased by \$2.1 Million/mo. over 2017 to \$26.8 Million/mo.
- State agency pools increased earnings by double digits over 2017 while local government Pools 5 and 7 more than doubled earnings over 2017.
- Prudently sold older, underperforming investments; purchased higher-yielding replacements.
- Set new performance benchmarks and updated Investment Policy Statement to provide enhanced Board of Investment oversight of investment decisions.

OPERATIONS

- Conducted first-ever Treasury ‘stress tests’ concluding that monthly Prop 123 payments can withstand a repeat of 2007-2009 economic downturn but state’s operating cash balance cannot.
- Modernized banking operations from time-consuming, manual deposit and payment processing to automated processing reducing error rates, improving efficiency, and saving the Treasury approximately 400 processing hours (more than 18% of total work hours) per year.
- Facilitated upgraded online security training for more than 100 state agencies who accept credit cards to enhance protections for card users from personal data compromises.
- Improved transparency with public via social media, a revamped website (with new easy-to-find investment performance results), and new publications to schools and local governments.

“From the record earnings on investment, to the record payments to schools, to minimizing bureaucracy through automation, it’s been an enormous honor and privilege for me to do this important work on behalf of all Arizonans,” Treasurer Klein said. “I’m proud that under my watch the Treasury delivered on reducing taxpayer costs and protecting school dollars,” Klein added.

Treasurer Klein is available to meet with the media to discuss this list. Contact information is above.