



**OREGON  
STATE  
TREASURY**



# Inside the Vault

**State Agency Edition**

## "KeyHolders" to Success

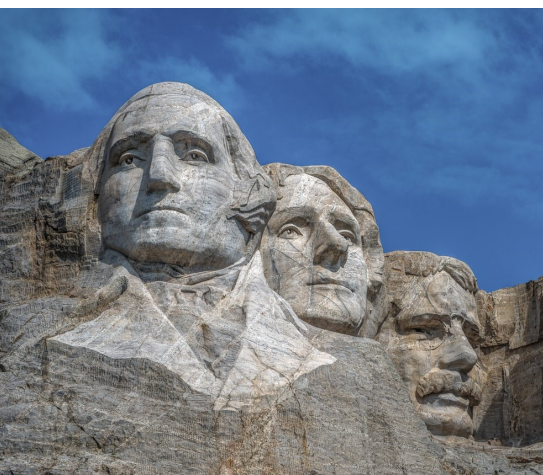
To support the Electronic Funds Transfer (EFT) Business Systems Renewal (BSR), Treasury is establishing a network of change agents across impacted customer agencies. These "KeyHolders" will serve as critical conduits to ensure effective two-way communication and project success. Treasury is seeking representatives from executive leadership, program staff, central services staff, and IT staff, and we will reach out formally by e-mail later this month to identify these contacts.

The EFT BSR will transform both how we internally operate ACH, wire transfer, and book transfer services and how we deliver those services to our customers. It is



one of the ways

the Finance Division is working to transform how we do business while modernizing our operations and technology. Once implemented, the new service delivery model will streamline processing while reducing risk and enhancing service. The effort also will strengthen Treasury's organizational resiliency, allowing us to manage and leverage opportunities that benefit our organization, our customers, and Oregon as a whole. Contact us at [EFT.BSR@ost.state.or.us](mailto:EFT.BSR@ost.state.or.us) with any questions about the project and look for more information in future issues.



## Upcoming Holiday

Due to the Presidents Day, Treasury, Federal Reserve, and Oregon banks will be closed on Monday, February 18. Customer statements and files will not be produced for February 18 due to the closures. In addition, ACH files sent after the deadline on Friday, February 15, will be sent to the bank on Tuesday, February 19, and must have an effective date of February 20 or later.

## Interest Rates

Average Annualized Yield	
January	2.75%
Interest Rates	
January 1–31	2.75%

## Service Spotlight

Prepaid cards are a cost-effective alternative to issuing checks—especially for customers who do not have access to traditional banking services. When disbursing funds to a customer, the funds are deposited to a reloadable debit card that the customer can then use to withdraw cash or make purchases.

Treasury has contracted with U.S. Bank to provide prepaid card solutions that offer customers several features and benefits:

- ▶ Convenience - Withdraw cash at ATMs 24 hours a day and make purchases anywhere debit cards are accepted, including retail stores, grocery stores, restaurants, and pharmacies. The card may also be used to pay bills via bill pay, and for online, phone, and mail order purchases.
- ▶ Reliability - Payments are automatically deposited to the card, which means no more lost or stolen checks and no more check cashing fees. The card provides quick access to funds without waiting in line to cash or deposit a check.
- ▶ Security - No need to carry large amounts of cash. Funds are protected by the VISA Zero Liability Policy and are FDIC insured.

If you are interested in evaluating your business needs and available options, or have questions regarding prepaid cards generally, contact Customer Solutions at [customersolutions@ost.state.or.us](mailto:customersolutions@ost.state.or.us).

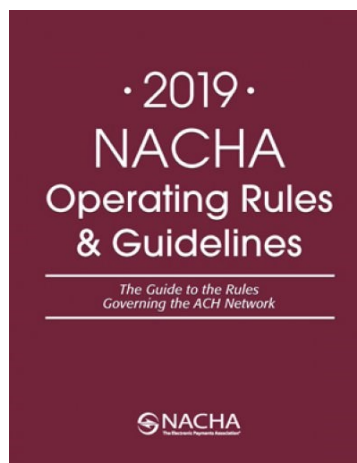
## Check Stock Change

The Oregon Department of Administrative Services will soon be using new check stock. While the appearance and security features of the check stock will remain the same, there will be a change to the watermark. The new check stock will have a “linked-diamond” watermark instead of the “chain-linked shapes” watermark that has been in use. The new check stock will be in use by the end of this month, though it may take time for agencies to exhaust current check stock inventory. If you have questions about this change, contact Brady Coy, Banking Operations Manager, at 503.378.2457 or [brady.coy@ost.state.or.us](mailto:brady.coy@ost.state.or.us).

## NACHA Rule Books

The *NACHA Operating Rules & Guidelines* (Rules or Rule Book) is an annual publication produced by NACHA—The Electronic Payments Association. The Rule Book serves as the definitive source of information governing the exchange and settlement of electronic funds transfers through the Automated Clearing House (ACH) Network and provides users with the legal framework for the ACH Network. While Treasury staff is available to assist agencies with

resolution of ACH file issues and answer questions regarding the ACH Network and Rules compliance, Treasury has purchased copies of the Rule Book as an additional resource for agencies originating ACH transactions. Treasury will forward Rule Books to current agency ACH contacts. Recipients also can access the Rule Book online by following the access instructions included with the Rule Book. If you have any questions, contact Customer Solutions at [customersolutions@ost.state.or.us](mailto:customersolutions@ost.state.or.us).



## Treasury as Your Banker

According to state law, the State Treasurer is the sole banking and cash management officer of the state. As part of that role, Treasury provides a variety of banking services—including deposits, electronic funds transfers, merchant card acceptance, prepaid card issuance, check and warrant issuance, and more—to state agencies and certain public universities.

While Treasury partners with various financial institutions to provide many of those services, Treasury internally manages a commercial banking system to maintain all agency accounts. In fact, with very few exceptions, state law prohibits agencies from opening or maintaining their own bank accounts. Instead, an agency's accounts are maintained at Treasury.

Treasury currently partners with 13 financial institutions across the state to accept deposits from agencies. When an agency deposits funds at one of those institutions, the funds are actually deposited in an account owned by Treasury. The financial institution reports the transaction to Treasury which then credits the agency's account. Similarly, when an agency issues a payment, the funds are drawn against an account owned by Treasury. The financial institution reports the transaction to Treasury which then debits the agency's account. Each day, Treasury then provides account statements and other reporting to agencies detailing the activity in their accounts.

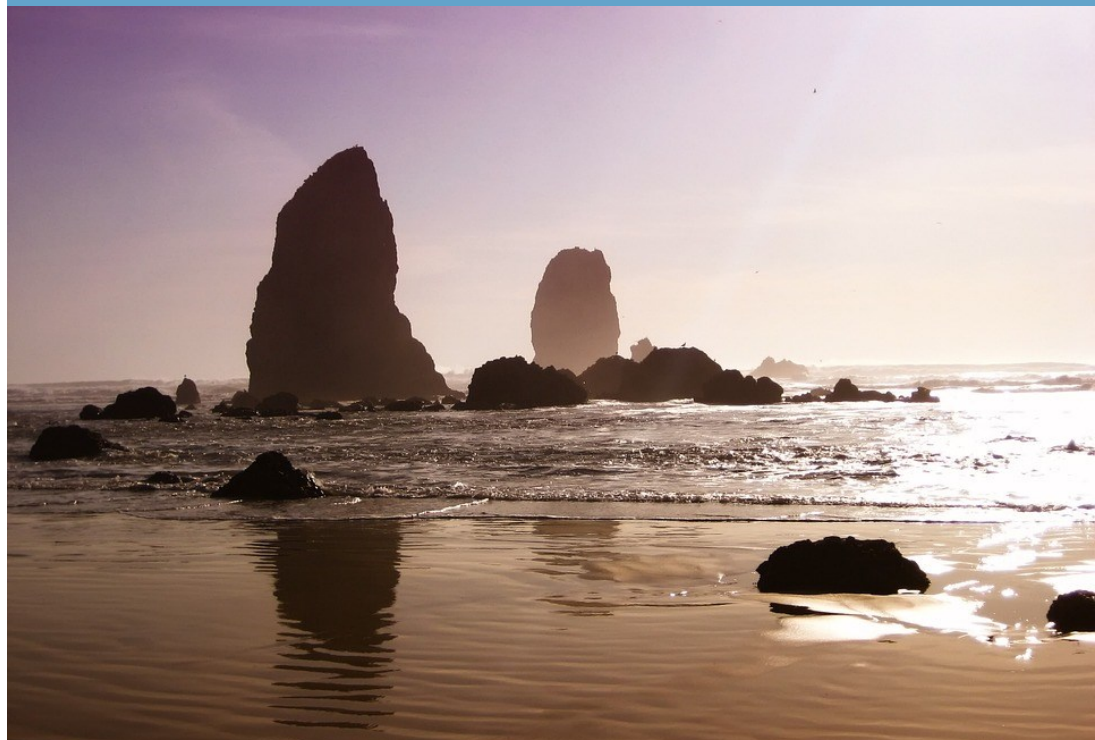
This model for account maintenance provides several benefits to the state. Because Treasury negotiates banking contracts on a statewide basis, all agencies benefit from significant price savings. And, agencies do not have to individually seek out and negotiate banking services. Agencies also do not have to reconcile accounts or manage funds across multiple financial institutions. And because funds are centrally pooled at Treasury, Treasury is able to rapidly invest the funds and increase interest earnings for the state.

If you have questions regarding account maintenance or cash management generally, contact Customer Solutions at [customersolutions@ost.state.or.us](mailto:customersolutions@ost.state.or.us).

## Staff Changes

At the beginning of this month, Roseanne Ward left the Banking Operations team for a new opportunity at the Oregon Housing and Community Services Department. We miss her but wish her well in her new role.

While we work on hiring a replacement, we are happy to welcome back Kim Buckout, who retired as the Banking Operations Team Coordinator in February 2017. Kim has returned a number of times to support various needs, and we appreciate her willingness to return now to support Banking Operations generally.



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**Administrative Specialist**

Kari McCaw  
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**Banking Operations Coordinator**

Kim Buckout  
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**ACH File Issues**

ach.exception.notify@ost.state.or.us

**Check Fraud/Stop Payments**

**Check Image Requests**

**Check Stock Testing**

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**Fed Wires/ACH Origination**

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**Local Government Investment Pool**

Brady Coy  
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**Merchant Card/U.S. Bank**

Nikki Main  
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**Online User**

**Password Resets**

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**Safekeeping/Debt Service**

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