



State of North Dakota  
**OFFICE OF STATE TREASURER**  
Kelly L. Schmidt, State Treasurer

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**Report on Outstanding State Checks/Warrants**

**BUDGET SECTION**  
**September 29, 2016**

**Kelly L. Schmidt**  
**State Treasurer**

Chairman Lee and members of the committee:

In front of you is the FY 2016 annual report for outstanding checks/warrants. Our goal in bringing this to your attention is:

1. Reduce the total number of stale dated checks the state had on its books;
2. Reduce the amount of money the state had tied up in outstanding checks;
3. Get the money to the rightful recipient (or properly returned to the issuing agency) before it must be transferred to Unclaimed Property; and
4. Encourage state agencies to pursue resolution to checks they have outstanding.

When comparing the FY 2016 data found in this report to FY 2015, we see a 12.1% increase in the total number of outstanding checks. Ideally we'd like to see this number decreasing year-over-year and this is a step back from the 5% increase we reported last year, however, significantly less than the 18% increase reported in FY 2014.

Although we are reporting a significant increase in the number of outstanding checks, that has only correlated into a 1.75% increase in the total dollar amount of outstanding checks. This small increase comes after reported decreases in total dollar value on each of our last two reports.

Enclosed you will find two reports that show summarizations of current outstanding checks by agency. The first report is sorted by dollar amount while the second is sorted by number of warrants outstanding. We have also enclosed a current summarized listing of the amounts that will be transferred to Unclaimed Property in October of 2016.

We continue our efforts to inform agencies of the balance and other pertinent information regarding their outstanding checks. This information is helpful to them as they can then research the check and attempt to get the amounts to the rightful recipient. Or, if it is determined that the amounts are no longer due the payee, the funds can be returned to the issuing agency rather than being transferred to Unclaimed Property.

Why is this important?

1. Efficiency – The longer a check goes uncashed the more staff time it takes to research the validity of the payment, find current contact information for the payee, and determine whether the original check must be voided and a replacement check issued;
2. Ensure the money is put to proper use – Either the payee, or the state (in the event a check is issued improperly) can use the funds for a beneficial purpose in a shorter time frame when the checks are cashed more quickly; and
3. Saves the state money in processing costs – A faster resolution of outstanding checks means it is more likely that the payee still has the check in his or her possession and can cash the check without the state having to reissue a new check.

We will continue to encourage agencies to work their outstanding checks toward the ultimate goal of having no outstanding checks over one year old and no checks transferred to unclaimed property.

Outstanding Checks By Number of Records  
 Kelly L. Schmidt, State Treasurer  
 Office of State Treasurer

Budget Section  
 September 2016

Agency/Department	Records	FY 2014	FY 2015	FY 2016	Total
Tax Department - 1270	10,287	635,307.37	673,238.96	2,272,182.06	3,580,728.39
Department of Human Services - 3250	2,418	26,605.28	114,998.03	135,738.75	277,342.06
Secretary of State - 1080	1,708	19,699.00	23,629.25	33,058.50	76,386.75
Game and Fish Department - 7200	634	9,395.42	8,463.13	14,124.99	31,983.54
Supreme Court - 1800	609	5,509.38	9,278.32	12,744.70	27,532.40
Department of Transportation - 8010	314	10,265.21	14,933.84	6,264.78	31,463.83
Job Service North Dakota - 3800	165	23,369.82	29,416.33	99,482.23	152,268.38
Land Department - 2260	106	37,771.89	10,396.96	520,134.80	568,303.65
Department of Health - 3010	92	146.00	8,307.60	21,365.56	29,819.16
Attorney General - 1250	80	1,880.66	2,378.67	23,471.76	27,731.09
Adjutant General - 5400	76	22,557.70	20,502.30	57,337.62	100,397.62
Department of Corrections & Rehabilitation - 5300	49	302.37	4,124.01	11,691.40	16,117.78
Information Technology Department - 1120	20	74.00	840.00	571.86	1,485.86
Workforce Safety & Insurance - 4850	17		6,209.75	20,779.00	26,988.75
State Fair - 6650	14	27.00	911.75	1,006.10	1,944.85
Parks and Recreation - 7500	14	455.67	113.00	544.83	1,113.50
Career and Technical Education - 2700	13	31,357.00	1,572.99	2,105.00	35,034.99
ND Department of Agriculture - 6020	12	409.00		2,582.00	2,991.00
Wheat Commission - 6250	12		297.75	1,961.80	2,259.55
OMB - Fiscal Management & Administration - 1100	12	1,659.94	135.46	435.50	2,230.90
Department of Public Instruction - 2010	9	94.50		2,588.08	2,682.58
Insurance Department - 4010	8		11,884.06	33,667.44	45,551.50
Department of Labor - 4060	8	123.50	225.00	25.00	373.50
Commission on Legal Counsel for Indigents - 1880	8	50.00	97.49	195.68	343.17
ND Corn Utilization Council - 6140	7	2,611.30	328.00	765.23	3,704.53
Beef Commission - 6240	7		581.40	1,061.00	1,642.40
ND Soybean Council - 6110	6	248.40	6,587.20	115.00	6,950.60
Seed Department - 6160	6			4,437.71	4,437.71
Council on the Arts - 7090	6	155.00	2,285.48	682.20	3,122.68
North Dakota Legislative Assembly - 1500	5		3,488.58	927.99	4,416.57
North Dakota State Library - 2500	5	11.75	19.95	202.00	233.70
School for the Deaf - 2520	4	16.00		53,031.97	53,047.97
Dry Bean Council - 6060	4		518.50	2,187.98	2,706.48
Water Commission - 7700	4	814.96	400.00	781.98	1,996.94
Veterans Home - 3130	4			503.38	503.38
State Historical Society ND - 7010	3		567.24	280.00	847.24
ND Racing Commission - 6700	3		15.00	321.51	336.51
ND Barley Council - 6260	2	356.83		2,000.00	2,356.83
Protection and Advocacy - 3600	2		38.50	700.00	738.50
Grafton Developmental Center - 3100	2		10.50	426.00	436.50
Veterinary Exam Board - 6180	2	132.50	135.50		268.00
Oilseed Council - 6080	2			238.34	238.34
Industrial Commission - 4050	2		129.98		129.98
ND Department of Commerce - 6010	1			2,703.75	2,703.75
North Dakota Department of Veterans Affairs - 3210	1		800.00		800.00
School for the Deaf - 2520	1			688.00	688.00
Dry Pea and Lentil Council - 6130	1		498.69		498.69
ND Vision Services/School for the Blind - 2530	1	455.57			455.57
North Dakota Legislative Council - 1600	1			366.71	366.71
Department of Financial Institutions - 4130	1	300.00			300.00
Tobacco Prevention & Control Advisory Committee - 3050	1			200.00	200.00
State Auditors Office - 1170	1			56.00	56.00
Indian Affairs Commission - 3160	1			50.00	50.00
<b>Totals</b>	<b>16,771</b>	<b>832,163.02</b>	<b>958,359.17</b>	<b>3,346,786.19</b>	<b>5,137,308.38</b>

(as of September 23, 2016)

Outstanding Checks By Dollar Amount  
 Kelly L. Schmidt, State Treasurer  
 Office of State Treasurer

Budget Section  
 September 2016

Agency/Department	Records	FY 2014	FY 2015	FY 2016	Total
Tax Department - 1270	10,287	635,307.37	673,238.96	2,272,182.06	3,580,728.39
Land Department - 2260	106	37,771.89	10,396.96	520,134.80	568,303.65
Department of Human Services - 3250	2,418	26,605.28	114,998.03	135,738.75	277,342.06
Job Service North Dakota - 3800	165	23,369.82	29,416.33	99,482.23	152,268.38
Adjutant General - 5400	76	22,557.70	20,502.30	57,337.62	100,397.62
Secretary of State - 1080	1,708	19,699.00	23,629.25	33,058.50	76,386.75
School for the Deaf - 2520	4	16.00		53,031.97	53,047.97
Insurance Department - 4010	8		11,884.06	33,667.44	45,551.50
Career and Technical Education - 2700	13	31,357.00	1,572.99	2,105.00	35,034.99
Game and Fish Department - 7200	634	9,395.42	8,463.13	14,124.99	31,983.54
Department of Transportation - 8010	314	10,265.21	14,933.84	6,264.78	31,463.83
Department of Health - 3010	92	146.00	8,307.60	21,365.56	29,819.16
Attorney General - 1250	80	1,880.66	2,378.67	23,471.76	27,731.09
Supreme Court - 1800	609	5,509.38	9,278.32	12,744.70	27,532.40
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Department of Corrections & Rehabilitation - 5300	49	302.37	4,124.01	11,691.40	16,117.78
ND Soybean Council - 6110	6	248.40	6,587.20	115.00	6,950.60
Seed Department - 6160	6			4,437.71	4,437.71
North Dakota Legislative Assembly - 1500	5		3,488.58	927.99	4,416.57
ND Corn Utilization Council - 6140	7	2,611.30	328.00	765.23	3,704.53
Council on the Arts - 7090	6	155.00	2,285.48	682.20	3,122.68
ND Department of Agriculture - 6020	12	409.00		2,582.00	2,991.00
Dry Bean Council - 6060	4		518.50	2,187.98	2,706.48
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Department of Public Instruction - 2010	9	94.50		2,588.08	2,682.58
ND Barley Council - 6260	2	356.83		2,000.00	2,356.83
Wheat Commission - 6250	12		297.75	1,961.80	2,259.55
OMB - Fiscal Management & Administration - 1100	12	1,659.94	135.46	435.50	2,230.90
Water Commission - 7700	4	814.96	400.00	781.98	1,996.94
State Fair - 6650	14	27.00	911.75	1,006.10	1,944.85
Beef Commission - 6240	7		581.40	1,061.00	1,642.40
Information Technology Department - 1120	20	74.00	840.00	571.86	1,485.86
Parks and Recreation - 7500	14	455.67	113.00	544.83	1,113.50
State Historical Society ND - 7010	3		567.24	280.00	847.24
North Dakota Department of Veterans Affairs - 3210	1		800.00		800.00
Protection and Advocacy - 3600	2		38.50	700.00	738.50
School for the Deaf - 2520	1			688.00	688.00
Veterans Home - 3130	4			503.38	503.38
Dry Pea and Lentil Council - 6130	1		498.69		498.69
ND Vision Services/School for the Blind - 2530	1	455.57			455.57
Grafton Developmental Center - 3100	2		10.50	426.00	436.50
Department of Labor - 4060	8	123.50	225.00	25.00	373.50
North Dakota Legislative Council - 1600	1			366.71	366.71
Commission on Legal Counsel for Indigents - 1880	8	50.00	97.49	195.68	343.17
ND Racing Commission - 6700	3		15.00	321.51	336.51
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Veterinary Exam Board - 6180	2	132.50	135.50		268.00
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<b>Totals</b>	<b>16,771</b>	<b>832,163.02</b>	<b>958,359.17</b>	<b>3,346,786.19</b>	<b>5,137,308.38</b>

(as of September 23, 2016)

Outstanding Checks to be Transferred to Unclaimed Property October 2016\* by Dollar Amount and Record  
 Kelly L. Schmidt, State Treasurer  
 Office of State Treasurer

Records	Agency/Department	Amount
2,254	Tax Department - 1270	\$ 417,122.19
610	Secretary of State - 1080	\$ 28,442.75
242	Department of Human Services - 3250	\$ 20,933.31
164	Game and Fish Department - 7200	\$ 4,626.31
112	Supreme Court - 1800	\$ 5,095.49
92	Department of Transportation - 8010	\$ 19,528.76
22	Job Service North Dakota - 3800	\$ 5,887.56
18	Land Department - 2260	\$ 50,496.88
17	Attorney General - 1250	\$ 1,459.67
16	Department of Health - 3010	\$ 129.50
8	Information Technology Department - 1120	\$ 320.00
3	Commission on Legal Counsel for Indigents - 1880	\$ 237.37
3	Potato Council - 6100	\$ 237.00
3	OMB - Fiscal Management & Administration - 1100	\$ 233.59
3	ND Department of Agriculture - 6020	\$ 28.98
2	Dry Bean Council - 6060	\$ 994.41
2	ND Barley Council - 6260	\$ 843.14
2	North Dakota Legislative Assembly - 1500	\$ 50.00
1	Department of Financial Institutions - 4130	\$ 700.00
1	State Fair - 6650	\$ 100.00
1	Department of Public Instruction - 2010	\$ 10.00
1	Career and Technical Education - 2700	\$ 9.00
<b>3,577</b>	<b>TOTALS</b>	<b>\$ 557,485.91</b>

(as of September 23, 2016)

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17	Attorney General - 1250	\$ 1,459.67
2	Dry Bean Council - 6060	\$ 994.41
2	ND Barley Council - 6260	\$ 843.14
1	Department of Financial Institutions - 4130	\$ 700.00
8	Information Technology Department - 1120	\$ 320.00
3	Commission on Legal Counsel for Indigents - 1880	\$ 237.37
3	Potato Council - 6100	\$ 237.00
3	OMB - Fiscal Management & Administration - 1100	\$ 233.59
16	Department of Health - 3010	\$ 129.50
1	State Fair - 6650	\$ 100.00
2	North Dakota Legislative Assembly - 1500	\$ 50.00
3	ND Department of Agriculture - 6020	\$ 28.98
1	Department of Public Instruction - 2010	\$ 10.00
1	Career and Technical Education - 2700	\$ 9.00
<b>3,577</b>	<b>TOTALS</b>	<b>\$ 557,485.91</b>

(as of September 23, 2016)

\*Outstanding Checks issued during FY 2013 will be transferred to Unclaimed Property in October 2016.