



MEMORANDUM

TO: Members, Select Committee on Capital Financing & Investments
Members, Joint Appropriations Committee

FROM: Dawn Williams, Deputy State Treasurer

DATE: May 16, 2023

SUBJECT: Workflow Automation Report, May 2023
LSO Report ID 1481

Pursuant to 2022 Wyoming Session Laws, Chapter 51, Section 2, Section 004, Footnote 9, I provide the following information:

- (i) *The status of and any expenditure regarding project plan milestones and deliverables achieved or missed for accounting workflow automation.*

For the last two years, the State Treasurer's Office (STO) has been aggressively pursuing modernization and upgrade of its investment accounting software. In December 2021 we contracted with Broadridge to begin the process. We aligned our transition to the new system to coincide with the beginning of the new fiscal year and biennium, July 1, 2022. The upgrade is occurring in three phases. In Phase 1 we established a new chart of accounts, manager and custodial data feeds and generally laid the groundwork for the new system. During Phase 2 we are fine-tuning data aggregation and reconciliation processes, creating the directives module and refining the distributions process. We anticipate the third phase to include upgrades and services that we become aware of during implementation of Phases 1 and 2 that will bring value to the overall success of the project.

The business process improvements from Phase 1 that require revisions are close to being completed. STO has completed User Acceptance Testing (UAT) and reported findings back to Broadridge. STO anticipates this to be the last round of changes before moving the reports into production.

Phase 2 of the Broadridge/QED Workflow Initiative project has progressed more slowly over the past month than anticipated. STO will take more of a role in getting the managers to comply with our requests by doing the following:

- STO will contact all non-responsive managers. The managers are labeled on the project plan as non-responsive.
- STO will be available for all meetings with managers and Broadridge.
- STO will aid in getting the manager's data loaded into the Broadridge Investment Accounting system.

The implementation of the new procedures above has gotten positive results in the past week. STO has gotten five managers to commit to sending or at least checking on how files can be created and sent to Broadridge. These managers were at one point considered out of scope by Broadridge. We have also made good progress on a couple of managers by aiding Broadridge



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on how Private Equities should be booked into the accounting system. This has paved the way going forward by creating templates that can be used in uploading other Private Equity managers. The detailed task plan for Phase 2 of the Workflow Initiative is attached (Attachment A).

Expenditures to date: \$530,974

- (ii) *The status of and any expenditure regarding project plan milestones and deliverables achieved or missed for the order management system (OMS).*

On February 1, 2022 the State Treasurer's Office entered into a contract with Bloomberg Finance to provide an order management system (OMS). An OMS is a software system that facilitates and manages the execution of trade orders. This system will interface with the accounting software. The OMS implementation project is complete.

Expenditures to date: \$468,405.86

- (iii) *The status of and any expenditure regarding project plan milestones and deliverables achieved or missed for contractual accounting assistance.*

At the end of January 2022, the Office retained KPMG to assist with reconciling investment accounts and to provide observations and recommendations for improving our processes and procedures related to investment accounting. KPMG completed the requirements of that contract. We have retained KPMG through June 30, 2023 to assist us any other issues we encounter that will require additional support. Currently, there are no projects in process, we do not anticipate renewing the contract.

Expenditures to date: \$312,335.25

Cc: Treasurer Meier
Investment Funds Committee