



SOUTH DAKOTA
Treasurer

— JOSH HAEDER —

FY27 Budget Overview

FY27 Budget Overview

FY27 Proposed Budget \$60,012,528

3201	3202 (informational)	3203
\$764,651	\$57,600,105	\$1,647,772

\$764,651

Treasury
(General fund)

\$57,600,105

Unclaimed Property
(Other - Informational)

\$1,647,772

Unclaimed Property
(Operations – Requires Legislative Approval)

5.1 FTE

Treasury Staff

7.9 FTE *(Proposed)*

Unclaimed Property Staff

Partnerships



SD Banking Partner



Merchant Processing



Treasury Services Group



Office Staff

Mitch Krebs
Deputy Treasurer

Treasury Staff

- ➔ **Melissa Hull**
Treasury Manager
- ➔ **Penni Almond**
Assistant Treasury Manager
- ➔ **Nicole Stasch**
Finance Manager
- ➔ **Kimberly Myers**
Cashier Manager

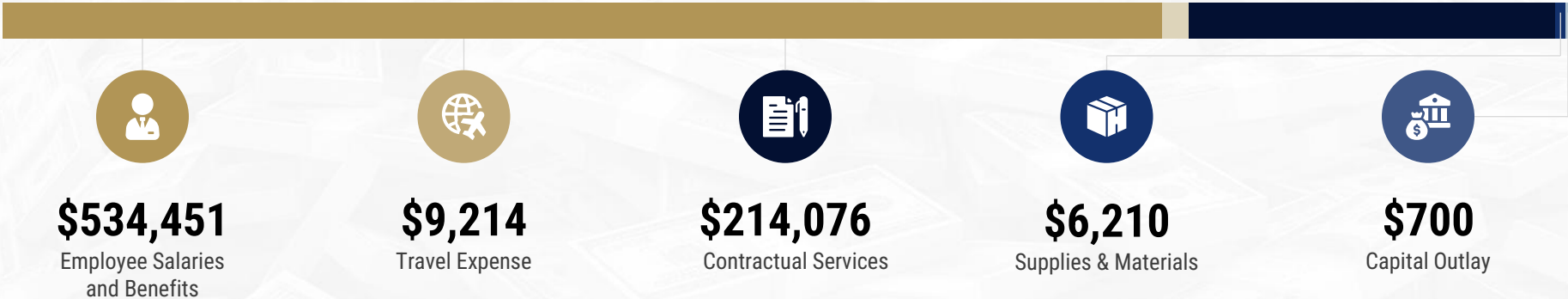
Unclaimed Property Staff

- ➔ **OPEN**
Unclaimed Property Administrator
- ➔ **Anissa Grambihler**
Deputy Unclaimed Property Administrator
- ➔ **Amy Ullmann**
Claims Manager
- ➔ **Marne Dooley**
Claims Processor
- ➔ **Ashley VanDenOever**
Outreach Manager

The State Treasurer is the state's chief banking official.

The state treasurer serves as the receiver and safekeeper of all public funds paid into the state treasury. The office manages the state's banking relationships and state fund transfers. Its primary responsibility is the depositor of all state public funds.

FY27 BREAKDOWN



Treasury Services Metrics Deep Dive (FY25)

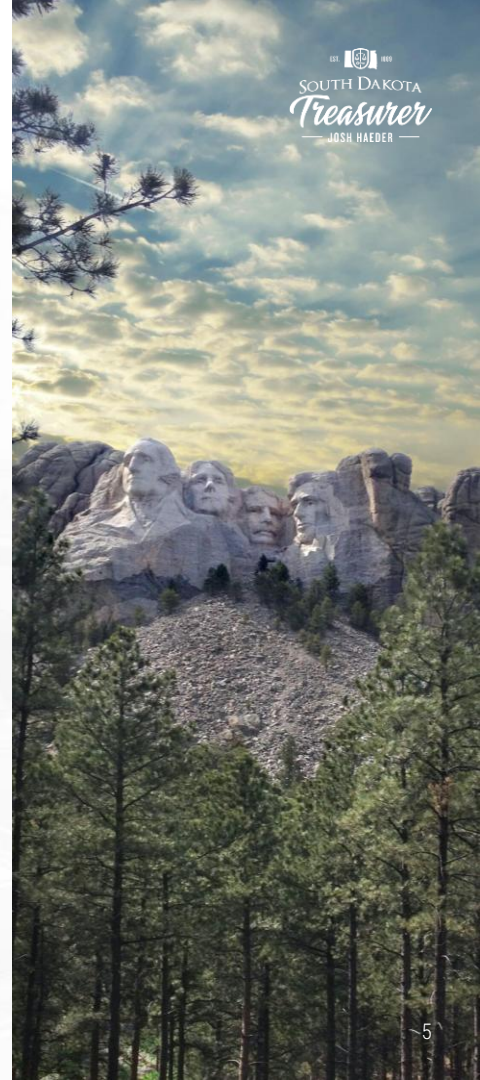
Total cash receipts processed
\$8,321,182,492

- ➔ **6.27%** increase from previous fiscal year.
Cash receipt vouchers processed 31,285,
checks received from state agencies 297,789.

Total cash disbursements
\$9,244,652,975

- ➔ Majority sent via ACH, \$8,026,956,057 in
FY25. Checks paid from state agencies 199,092.

- ➔ Veterinary student grants managed
\$335,686
- ➔ Public deposits managed
\$3,346,116,161
- ➔ Total number of public depositories
68
- ➔ Public Defender funds distribution to counties
\$700,323
- ➔ Abused and Neglected Child Fund
\$93,919
- ➔ Interest earned on checking account
\$123,631



**In Loving
Memory of Lee
DeJabet
Unclaimed
Property
Administrator**

10/07/1963 – 09/29/2025



Unclaimed Property FY27 Breakdown

Operations (Requires Legislative Approval)- \$1,647,772 Informational - \$57,600,105



The State Treasurer is holding hundreds of millions dollars in unclaimed funds.

The State holds these lost funds until they are claimed by either the original owner or their heirs.



\$751,234

Employee Salary and Benefits



\$27,248

Travel



\$3,038,760

Contractual Services



\$40,180

Supplies & Materials



\$5,000

Capital Outlay



\$55,385,455

Estimated Unclaimed Property Payments

Unclaimed Property Numbers Breakdown

Total Unclaimed Properties Remitted to South Dakota: **2,980,689** - Dollar Value: **\$1,417,940,729.31**

Global Numbers

Minus South Dakota

Global Claimable Properties: **1,870,642**

Dollar Value of Claimable Properties **\$1,255,310,555**

Total Claimable Properties less than 10yrs old: **1,788,027**

Total Claimable Properties less than 10yrs old
value: **\$831,896,461.09**

78.3% of claimable property is less
than 10 years old

Approx **21%** of total claimable property currently
has no name or is listed as unknown

South Dakota Numbers

Claimable Properties: 1,110,047

Dollar Value of Claimable Properties: **\$162,630,174**

Properties Received before 12/16/2013: **234,277**

Value of Properties received before 12/16/2013:
\$21,371,379

SD Properties less than 10 years old: **940,110**

SD Properties less than 10 years old value: **\$152,201,455**

76.6% of claimable property is less than 10 years old

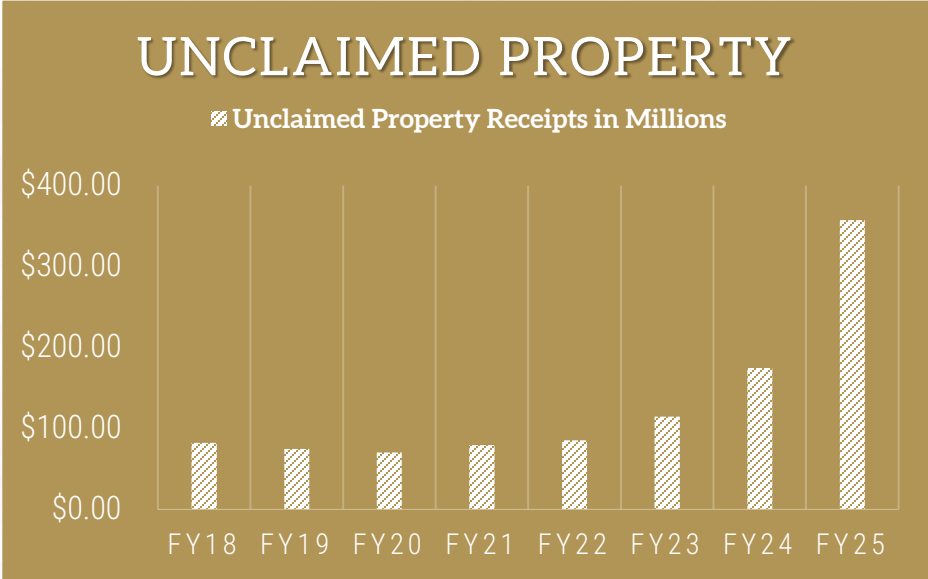
UCP Historical Numbers

Total number of dollars returned through 12/31/2025

\$21,468,181.45



FY26 UCP Receipts (collected) July-December 2025



➔ **\$242 million with another \$5-7 million expected** from life insurance report, stock sales and audits.

➔ FY25 total receipts were **\$357.1 million**. To date in FY26 we receipted in roughly **\$242.3 million** and **381,053.983** shares. Total properties **384,797**.

We attribute this to large foreign accounts, audits and increased large holder reporting.

Future Request – Slide Presented Last Session

UCP has **5 (allocated)** staff members. 4 focused on the claims process. UCP can process about **8,000** claims per year based upon staffing. Since 2010 look at the massive increase in both property and remitted cash. We need additional help if we want to return these funds. Unclaimed Property expenses, including staff are funded directly from unclaimed property dollars not taxpayer dollars.

A	B	C	D	E
ReportYear	PropertyCount	RemainingRemittedCash	RemainingSecuritiesCash	RemainingTangibleProceeds
2008	21,051	\$ 7,509,467.02	\$ 144,884.37	\$ 941.18
2009	23,816	\$ 6,590,905.06	\$ 173,860.01	\$ 1,277.42
2010	42,585	\$ 10,987,110.36	\$ 390,921.32	\$ 537.52
2011	70,995	\$ 20,683,734.70	\$ 734,720.03	\$ 3,657.45
2012	97,978	\$ 29,411,315.58	\$ 2,147,186.76	\$ 141.89
2013	222,207	\$ 97,484,592.85	\$ 3,586,634.79	\$ 3,850.44
2014	126,692	\$ 48,980,281.01	\$ 2,376,411.62	\$ 11,609.75
2015	103,779	\$ 46,627,248.07	\$ 1,113,426.35	\$ 5,970.52
2016	117,105	\$ 46,905,417.43	\$ 1,626,779.73	\$ 12,859.01
2017	149,269	\$ 50,143,880.71	\$ 931,132.87	\$ 45,690.85
2018	116,165	\$ 53,148,385.30	\$ 822,420.63	\$ 5,986.93
2019	146,084	\$ 55,925,881.49	\$ 1,020,347.74	\$ -
2020	136,154	\$ 57,189,425.93	\$ 2,881,956.23	\$ -
2021	198,453	\$ 61,701,866.70	\$ 2,088,449.56	\$ 5,706.60
2022	191,201	\$ 89,466,507.69	\$ 1,951,477.63	\$ -
2023	290,659	\$ 154,533,704.75	\$ 1,683,145.57	\$ -
2024	404,089	\$ 301,181,886.04	\$ 7,571.32	\$ -
2025	413,774	\$ 313,831,827.07	\$ 2,343,860.80	\$ -
	2,961,744	\$ 1,479,594,814.37	\$ 27,159,649.37	\$ 115,962.69
			Total Claimable Cash	\$ 1,506,870,426.43

Staff size for funds similar in size to South Dakota

State	Total FTE:
• Alabama	9
• Louisiana	14
• Minnesota	10
• Missouri	14
• North Carolina	27
• Tennessee	14

1. Expenditures, require legislative approval, are NOT generally funded (comes from Unclaimed Property Receipts, not taxpayer dollars) and do not impact the amount of unclaimed property dollars sent to the general fund see **43-41B-24.5** and **43-41B-24.3**
2. While it's a tight budget year, unclaimed property is booming. 2022 receipted \$89m, 2023 -\$154m, 2024 - \$301m & 2025 -\$313m. This sn't just about dollars, look at the jump in properties coming in.

Unclaimed Property FTE Request (2 FTE)

* Unclaimed Property Expenditures are **NOT** Generally funded and come directly from Unclaimed Property receipts. Expenses do require legislative approval but don't impact the General Fund Budget. *Expenditures for claims and costs incurred in examining records of holders of property and in collecting the property from those holders must be paid upon warrants drawn by the state auditor pursuant to vouchers authorized by the state treasurer. All moneys paid out by the state treasurer for claims and costs incurred in examining records of holders of property and in collecting the property from those holders under chapter 43-41B must be set forth in an informational budget as described in § 4-7-7.2 and be annually reviewed by the Legislature.*

Reminder: Approval of FTE's or other expenses has no impact on the General Fund budget. See [43-41B-24.3](#)

For purposes of § [43-41B-24](#), "general fund contribution limit" means an amount equal to the cost of operational expenses for the Unclaimed Property Division in each of the following fiscal years plus:

- (1) For fiscal year 2026, \$61,384,827;
- (2) For fiscal year 2027, \$58,000,000;
- (3) For fiscal year 2028, \$54,000,000;
- (4) For fiscal year 2029, \$50,000,000;
- (5) For fiscal year 2030, \$46,000,000;
- (6) For fiscal year 2031, \$42,000,000;
- (7) For fiscal year 2032, \$38,000,000;
- (8) For fiscal year 2033, \$34,000,000;
- (9) For fiscal year 2034, \$30,000,000; and
- (10) For fiscal year 2035 and each fiscal year thereafter, \$25,000,000.

SB 155

Passes Senate 35-0
Passes House 70-0
Signed by Governor: 3/12/2025

*The dollars outlined in SB155, along with expenses in bill are to be paid from receipts, all other funds go the Unclaimed Property Trust Fund

Unclaimed Property FTE Request (2 FTE)

Total Request: \$120,000 for two FTE of \$60,00 each (Salary)

Administrative Clerk, (preferably bilingual) process all incoming mail, phones, first answer, answer what they can, distribute calls to proper team to individual who is working on the claim, respond to emails or forward to proper team member. Upload documents to OnBase received, Create and mail 60-day notice claim reminders, scan all claims in OnBase, verify images of paper claims in OnBase, and scan receipt batches, Take deposits to Treasury Management. Claim payment vouchers to State Auditor, pick up checks and Audit and sort, fold and mail checks or deliver to Central Mail for processing. Miscellaneous duties as assigned.

Claims Analyst/Specialist, (preferably bilingual) The Claims Analyst performs claim analysis and serves as a subject-matter resource for unclaimed property claims. This position is responsible for reviewing complex and high-dollar claims, which may include estates, trusts, businesses, power of attorney, and foreign claims, which could include any scenario. These positions also must be able to articulate in writing the required documentation and assist non-English-speaking claimants, ensure equitable access to unclaimed property, and maintain public trust in the program. Foreign claim documentation must include an English translation and be authenticated through an Apostille or Embassy Authentication. These claims require enhanced due diligence and multi-level review to ensure compliance with statutory requirements and to accurately determine rightful ownership. The position exercises independent judgment in evaluating legal and financial documentation and mitigating fraud risk associated with higher-dollar and complex claims.

The claims process has changed substantially in recent years and has become significantly more complex. Claims now involve higher dollar amounts and an increased volume of fraud, with it no longer uncommon for claim values to exceed six figures. As a result, the Division must have qualified candidates who can effectively review high-value claims and demonstrate strong attention to detail. Additionally, the volume of phone calls and email correspondence has increased significantly.

Email volume increased from 7,551 in FY24 to 11,705 in FY25, reflecting substantial growth, alongside a rise in incoming phone calls.

A salary of **\$60,000** would help attract more experienced individuals who are familiar with legal documentation processes and, ideally, possess Spanish-language skills to assist foreign claimants.

Custody Business Move to Kelmar Associates

\$110,000 Ongoing Expenditure Request

The new brokerage firm, Wells Fargo Advisors, operating under the Kelmar software system, will provide full-service brokerage capabilities. All non-priority accounts will be consolidated into a single account, eliminating the need for multiple mutual fund brokerage accounts.

Dividends and corporate actions will be applied automatically, and all transactions will be routed through the system for staff approval.

The complexity of manual reconciliations, sales, and transfer requests will be significantly reduced, as these processes will now be completed electronically within the Kelmar unclaimed property software. This transition will reduce paperwork and minimize the number of required signatures for sale and transfer requests.

All incoming positions will be monitored through Kelmar and if the holder cannot transfer the shares to Wells Fargo Advisors, they will be sold prior to escheatment and required to remit the proceeds of the sale.

In addition, the dollar value threshold for medallion signature guarantees has been extended to more than \$500,000.

Inflationary Increases

Funded through Unclaimed Property Receipts

Printing Request: \$3000

We are asking for an increase of \$3,000 in general funds for existing printing. This request is due to inflationary increases costs of toner and paper supplies along with the increased volume of claims approved for payment. The current budget for printing is \$3,300.

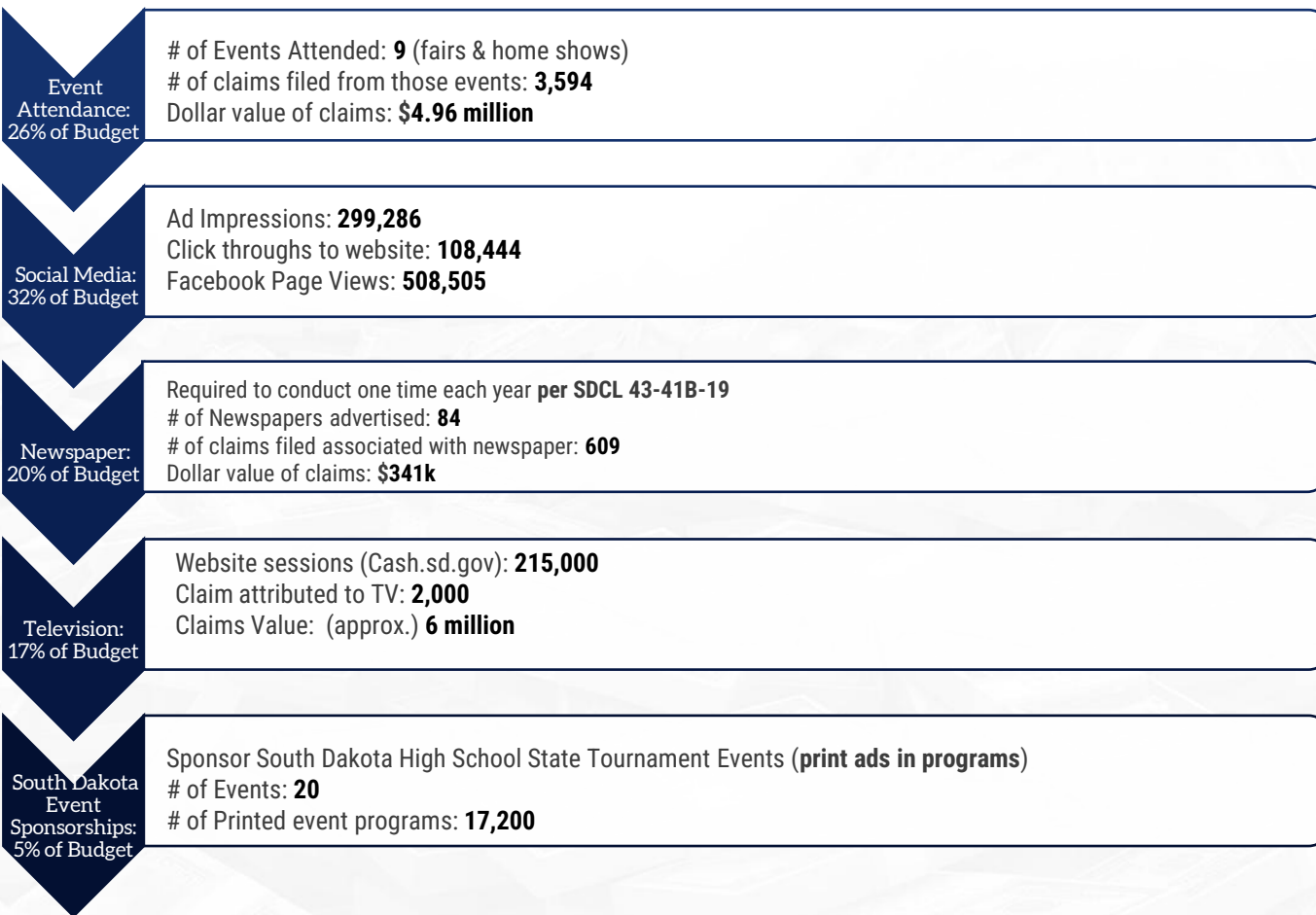
KAPS Database Management: \$11,790

The agency requests an increase of **\$11,790** in expenditure authority for existing KAPS database management. Kelmar Associates Unclaimed Property Management System (KAPS) is used to manage unclaimed property in 39 states and D.C.

It is the premier service for managing all things unclaimed property. KAPS provides complete on-screen capabilities to manage the entire unclaimed property process, from the initial loading of reports and receipts to the ultimate payment of successful claims. KAPS also offers integrations for the state's public UCP lookup website, integrated document management, identification verification, and fraud prevention solutions.

This request is an annual service fee increase provided for in the contract with KAPS.

South Dakota Consumer/Holder Education



Risk Mitigation



Total number of rejected fraudulent claims 2025

205 for a grand total \$2,574,460.55



The largest risk incurred by the South Dakota Treasurer's Office; Division of Unclaimed Property continues to be foreign (international) estate claims. These claims represent some of the highest dollar amount per claim often exceeding \$100k from combined accounts.



795

Claims tagged as high risk of fraud by KAPS Software System



The skill and sophistication of fraud attempts have substantially increased. Software allowing fabrication and falsification of photo images (smart phones) has made fraudulent documents better and more readily available. Recent fraud attempts are more professional and exhibit a thorough understanding of the escheatment and claim process.



\$6,073,908.23

Total dollar value on claims marked high risk fraudulent

Foreign Risk Factors

1. An increasing number of claims originate from mainland China as well as Taiwan. The claimants have previously been students or have been employed in the United States. They have maintained their accounts in the United States. Due to political unrest between the United States and China these individuals are now filing claims.
2. An increasing number of claims are being filed by foreign nationals. These claims are heavily weighted to South American countries (Ex. Venezuela, Colombia, Chile, and Argentina). It is not uncommon for individual claims to exceed \$50k with claims over \$250k occurring. Foreign Nationals from these locations have historically engaged in regular travel to the United States. They have opened bank accounts in the United States to protect their wealth from domestic political and economic instability. Due to Covid restrictions these individuals found themselves unable to travel to the U.S., their bank accounts became dormant/unclaimed and were subsequently escheated. After resumption of travel, they are now discovering their U.S. accounts have been closed and balances transferred to South Dakota UCP.

Questions?

Stop or call any time!



Josh Haeder, *South Dakota State Treasurer*

General Inquiries & Treasury Management

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