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State Treasurer
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State Treasurer announces panel to help guide travel policy revision, immediate change in per diem rules

Wheeler leading effort to strengthen rules to better serve the public and protect public assets

SALEM – Oregon State Treasurer Ted Wheeler announced today the members of an advisory panel that will help him craft new travel-related policies for the Oregon State Treasury, where travel is frequent and necessary to protect more than \$68 billion in public assets and to discover new opportunities.

The independent panel is part of a comprehensive review effort that has been convened by Wheeler, who took office in March, to examine Treasury travel policies and recommend changes. He has requested an evaluation by the Secretary of State Audit Division, and that review is under way, and a comparison of Oregon’s policies to other state investment funds, which is being prepared by the Deputy Treasurer.

Treasurer Wheeler also will ask the Oregon Government Ethics Commission to endorse the new policies, when they are finalized.

“I am committed to making the right changes to strengthen the Treasury’s travel policies, and Oregonians deserve to know that those will be well-thought-out, rational and will ensure travel is focused on business,” Wheeler said. “These are important decisions with long-term implications and I am grateful to these Oregon leaders who have offered their expertise.”

In addition, based on findings to date, Wheeler announced today an immediate change to the agency’s procedures for travel-related expense reimbursement.

Treasury employees had been allowed to receive per diem reimbursements to cover the cost of meals, tips, luggage-handling costs and other incidental expenses incurred while

traveling. Under the new limitation, investment officers will only be allowed to receive “per diem” reimbursements during periods in which they do not receive a provided meal. Meals are sometimes provided as part of the agendas for conferences and annual meetings.

The Treasurer will discuss this initial step during the first meeting of his advisory panel in early May, but said he feels an immediate change is appropriate.

Treasury investment officers logged roughly 500,000 miles during a total of about 110 trips in 2009, and that work paid dividends for Oregon. The state’s largest portfolio, the Oregon Public Employees Retirement Fund, generated investment returns of 19 percent for the year and ranked in the top 1 percent of large pension funds for the fourth quarter of the year. The Common School Fund posted returns of 30 percent for 2009.

Officers combine several due diligence visits into a single trip when possible. They do not select the locations of meetings and conferences.

Treasurer Wheeler said Treasury travel needs to be focused on business, and earlier this month barred treasury investment officers from playing hosted golf rounds or other off-site entertainment, unless the employees pay for the cost out of their own salaries. A review showed that three hosted rounds of golf were played in 2009.

In addition, Treasurer Wheeler strengthened the policy that bars first class flights on domestic trips. The Treasury does not book any first class travel. However, some travel was booked by outside travel agents and a small number of those flights were in first-class seats.

The Oregon Investment Council requires investment officers to travel frequently to protect the portfolio overseen by the State Treasury. Travel is needed to evaluate financial managers, inspect Oregon real estate holdings and to attend annual meetings and to sit on advisory boards.

The Oregon State Treasury protects public assets and saves Oregonians money through its investment, banking, and debt management functions. The office also promotes public outreach and education to help Oregonians learn strategies to save money, invest for college and make smart financial choices.

The members of Treasurer Wheeler’s advisory panel are:

Duncan Campbell, entrepreneur and education and child welfare advocate

The Hon. Betty Roberts, former Oregon Supreme Court justice

Jim Scherzinger, deputy director of finance, Oregon Department of Human Services.

Gary Blackmer chief state auditor, former auditor for Portland and Multnomah County

George Rives, retired, partner in Portland-based law firm of Stoel Rives

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