

Case Study:

# Arkansas Treasurer of State

## INCREASING EFFICIENCY THROUGH POWERFUL AUTOMATION

The Arkansas Treasurer of State was established in 1836 and now has over \$9 billion in assets under management.

As part of its daily processes, the office accepts over \$70 million in deposits from various local, state, and federal sources, processes about 3,000 checks, and reports on over 3,000 accounts representing the funds of almost 200 state agencies, boards, and commissions.

The Arkansas Treasurer of State needed a solution that could aggregate, reconcile, and report on their investment portfolio data according to the specific standards set forth by the state. This includes a required monthly distribution, meaning Arkansas needs to close and lock their books on business day one.

The treasury team at Arkansas needed a system that supported complex assets and the ability to account for mortgage-backed securities. They also wanted to automate repetitive processes and reduce time spent on manual work for daily accounting and reporting tasks, especially around floating rate instruments.

### How Clearwater Helps

The Arkansas Treasurer of State found what they needed with Clearwater, including an automated solution for reconciled portfolio data, an accounting book-of-record capable of handling over 100 asset classes, and reporting across compliance, performance, and risk modules every single day.

### Elimination of manual entry of transactions and data

Arkansas' portfolio is comprised of money market funds and agency trust funds. The Treasurer of State's office also oversees Arkansas' 529 and ABL programs. Prior to Clearwater, transaction, position, and security master information was entered manually. This created an audit risk due to the number of error-prone touchpoints involved per security.

### Support for 100+ asset class types

**"Clearwater worked closely with us to provide a solution for our needs. They solved our pain points around our monthly distribution and provide a solution that handles our alternative assets. We now have a partner that not only understands our processes and outcomes, but also provides a scalable platform for growth. This is critical for us to perform the job we're elected to do. Clearwater understands the investments we're in, how they behave, and ultimately how to help meet our business objectives."**

**Grant Wallace, Deputy Treasurer**

Auditors prefer Clearwater for the 15,000+ daily validations that ensure daily accuracy, our biannual SOC1 Type II, and our auditor-friendly reporting such as the Position Reconciliation and Roll-Forward reports. On average, clients see an average reduction of 42% less billable audit hours with Clearwater.



\$9+

Billion in AUM



- Mortgage-Backed Securities
- Collateralized Mortgage Obligations
- Money Market Funds



Books closed on day one



Audits made easy

The need to eliminate manual entries and automate operational processes is growing among government organizations. States continue to try to manage billions of dollars in AUM via legacy technology and reporting in spreadsheets which rely on manual processes prone to human error. Treasurers are faced with two choices: adopt modern solutions that improve their reporting ability, accuracy, and frequency, or meet scrutiny from constituents.

Removing manual work from daily operations has allowed Arkansas' treasury team to be more efficient in their daily work and reduced time spent closing their books at period-end. Audits are facilitated via pre-configured, audit-ready Clearwater reports, reducing the overall time spent investigating items. With these automated processes, Arkansas also decreased key-person risk, a significant win for a lean team of six.

## Ability to scale investments with a lean team and no increase to headcount

Arkansas manages over \$9 billion in assets with a team of six. Four people manage investments and two manage accounting. With Clearwater, state governments like Arkansas are empowered to repurpose mundane tasks with more meaningful, bottom-line impacting positions. The automation Clearwater provides means investment teams are able to grow their AUM without increasing headcount. Skilled employees that previously had to use their time reconciling and manually entering transactions every day, gain the freedom to use their expertise for more meaningful tasks and analysis, which increases team morale.

**With Clearwater's automated, integrated platform, the State of Arkansas can accomplish more in less time, with greater control and visibility over their portfolio data than ever before.**

**Speak to an Expert** →

**CLEARWATER**  
ANALYTICS.



[clearwateranalytics.com](https://clearwateranalytics.com)



### Worldwide Offices

Boise • Edinburgh • Frankfurt • London • New Delhi • New York • Paris • Seattle • Singapore



### Inquiries

+1 208 433 1200 • [salesinquiry@clearwateranalytics.com](mailto:salesinquiry@clearwateranalytics.com) • [info@clearwateranalytics.com](mailto:info@clearwateranalytics.com) • [clearwateranalytics.com](https://clearwateranalytics.com)

Clearwater Analytics is a global industry-leading SaaS solution for automated investment data aggregation, reconciliation, accounting, and reporting. Each day, the Clearwater solution reports on more than \$5.9 trillion in assets for clients that include leading insurers, asset managers, corporations, pension plans, governments, and nonprofit organizations – helping them make the most of their investment portfolio data with a world-class product and client-centric servicing. Investment professionals in 50 countries trust Clearwater to deliver timely, validated investment data and in-depth reporting.

©2021 Clearwater Analytics. All rights reserved. This material is for information purposes only. Clearwater makes no warranties, express or implied, in this summary. All technologies described herein are registered trademarks of their respective owners in the United States and/or other countries. 04/26/22 IM US