



Nicole Galloway, CPA

Missouri State Auditor

**INSURANCE, FINANCIAL INSTITUTIONS, AND
PROFESSIONAL REGISTRATION**

Insurance

Report No. 2019-104

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auditor.mo.gov



Nicole Galloway, CPA
Missouri State Auditor

CITIZENS SUMMARY

Findings in the audit of the Department of Insurance, Financial Institutions, and Professional Registration - Insurance

Insurance Dedicated Fund Expenditures	In fiscal years 2018, 2017, and 2016, costs incurred by the Department of Health and Senior Services were paid from the Insurance Dedicated Fund. State law requires appropriations from the Fund to be used solely for the payment of expenditures incurred by the Department of Insurance, Financial Institutions, and Professional Registration - Insurance.
Examination Fee and Other Fee Tax Credit	The Department makes no attempt to determine the cost-benefit of the Examination Fee and Other Fee Tax Credit on the annual Tax Credit Analysis Form provided to the General Assembly. As a result, a significant portion of examination costs are borne by the state instead of insurance companies without any evidence of the effectiveness of the incentive being paid.

In the areas audited, the overall performance of this entity was **Good**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

Department of Insurance, Financial Institutions, and Professional Registration - Insurance

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NICOLE GALLOWAY, CPA

Missouri State Auditor

Honorable Mike Parson, Governor
and
Chlora Lindley-Myers, Director
Department of Commerce and Insurance
Jefferson City, Missouri

We have audited certain operations of the Department of Insurance, Financial Institutions, and Professional Registration - Insurance, in fulfillment of our duties under Chapter 29 and 374, RSMo. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2018, 2017, and 2016. The objectives of our audit were to:

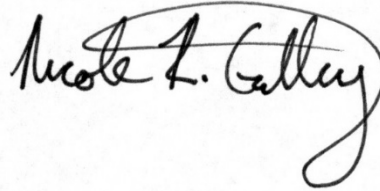
1. Evaluate the department's internal controls over significant management and financial functions.
2. Evaluate the department's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and procedures, including certain financial transactions.

Our methodology included reviewing written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in our audit of the department.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) noncompliance with a legal provision, and (3) no significant deficiencies in management practices and procedures. The accompanying Management Advisory Report presents our finding arising from our audit of the Department of Insurance, Financial Institutions, and Professional Registration - Insurance.

A handwritten signature in black ink that reads "Nicole R. Galloway". The signature is written in a cursive style with a large, looping flourish at the end of the name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

Director of Audits:	Robert E. Showers, CPA, CGAP
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Department of Insurance, Financial Institutions, and Professional Registration - Insurance Management Advisory Report - State Auditor's Findings

1. Insurance Dedicated Fund Expenditures

In fiscal years 2018, 2017, and 2016, costs incurred by the Department of Health and Senior Services (DHSS) were paid from the Insurance Dedicated Fund. State law requires appropriations from the Insurance Dedicated Fund to be used solely for the payment of expenditures incurred by the Department of Insurance, Financial Institutions, and Professional Registration (DIFP) - Insurance.

Using funding appropriated in the department's approved budgets, the DHSS spent \$500,000 during the year ended June 30, 2018, and \$1 million during the years ended June 30, 2017 and 2016, from the Insurance Dedicated Fund for the costs of maintaining and operating a poison control hotline. In addition, DHSS received appropriations of \$500,000 from this fund in the department's budget for the year ended June 30, 2019.

The Insurance Dedicated Fund is authorized by Section 374.150.1, RSMo, to receive all fees due to the state under the provisions of the insurance laws. Section 374.150.2, RSMo, provides, in part, that the Insurance Dedicated Fund is "subject to appropriation of the general assembly and shall be devoted solely to the payment of expenditures incurred by the department attributable to duties performed by the department for the regulation of the business of insurance, regulation of health maintenance organizations, and the operation of the division of consumer affairs as required by law which are not paid for by another source of funds." The General Assembly should evaluate the restrictions on the purpose of the Insurance Dedicated Fund before appropriating monies from the fund.

A similar condition was noted in the prior report.

Recommendation

The DIFP-Insurance work with the General Assembly to ensure all appropriated disbursements from the Insurance Dedicated Fund are reasonable and proper and relate to the overall function of the department.

Auditee's Response

The DIFP's written response is included at Appendix A.

2. Examination Fee and Other Fee Tax Credit

The Department makes no attempt to determine the cost-benefit of the Examination Fee and Other Fee Tax Credit on the annual Tax Credit Analysis Form provided to the General Assembly. As a result, a significant portion of examination costs are borne by the state instead of insurance companies without any evidence of the effectiveness of the incentive being paid. Missouri is one of only five states¹ to allow insurance companies to receive tax credits for examination costs.

¹ North Dakota, Alabama, Utah, and Texas are the other states with an examination fee tax credit.



Department of Insurance, Financial Institutions, and
Professional Registration - Insurance
Management Advisory Report - State Auditor's Findings

Based on Department of Revenue data, approximately \$14.8 million in examination fee tax credits have been redeemed by insurance companies in the 3 fiscal years ended June 30, 2018. Although no specific goals of the program are stated and no performance measures have been historically reported on the Tax Credit Analysis Form, the fiscal year 2019 form contains historical data on the number of Missouri-based insurance companies and out of state insurance companies that redeemed the tax credit. The information presented shows that the number of insurance companies redeeming the tax credit has decreased from 66 companies in calendar 2016 to 52 in calendar year 2018.

Chapter 374, RSMo requires the DIFP-Insurance to examine insurance companies on a predetermined basis and to bill the insurance companies for the costs of these examinations. However, Section 148.400 RSMo, allows all insurance companies to deduct the entire cost of examinations, as well as income taxes, franchise taxes, personal property taxes, valuation fees, and/or registration fees paid from premium taxes paid and deposited into the state's General Revenue Fund. Additionally, this statute allows insurance companies to carry forward unused examination credits for up to 5 years.

The tax credit for examination fees is unusual, with Missouri being the only state among its contiguous states with such a program. Without some measure of the cost-effectiveness of the program it is unclear how the General Assembly justifies the continuation of the credit. Ensuring the Tax Credit Analysis Form includes an estimate of the cost-benefit of the program, including measures of performance, will provide the General Assembly with sufficient information to properly evaluate the program on an ongoing basis.

A similar condition was noted in our five prior reports.

Recommendation

The DIFP include cost-benefit and performance measure information on the Tax Credit Analysis Form to allow the General Assembly to evaluate the Missouri Examination Fee and Other Fee Tax Credit. Without such information, the General Assembly should consider legislation to reduce or eliminate the credit.

Auditee's Response

The DIFP's written response is included at Appendix A.

Department of Insurance, Financial Institutions, and Professional Registration - Insurance Organization and Statistical Information

The Missouri Division of Insurance was created by an act of the Missouri legislature in 1869. With the enactment of the state Omnibus Reorganization Act of 1974, the agency was transferred to the Department of Consumer Affairs, Regulation and Licensing. Constitution Amendment No. 6 passed in August 1984, changed the name of the Department of Consumer Affairs, Regulation and Licensing, to the Department of Economic Development, effective September 7, 1984. Constitutional Amendment No. 4, passed in August 1990, created a new Department of Insurance, effective July 1, 1991. Executive Order 06-04 consolidated the former Department of Insurance, the Division of Finance, the State Banking Board, the Division of Credit Unions, and the Division of Professional Registration into one department and changed the name of the department to the Missouri Department of Insurance, Financial Institutions, and Professional Registration (DIFP), effective August 28, 2006. Executive Order 19-02 transferred the Office of Public Counsel and the Public Service Commission to the DIFP and changed the name to the Department of Commerce and Insurance, effective August 28, 2019.

The DIFP-Insurance operates under the authority of Chapter 374, RSMo. The management and control of the DIFP is vested in a director who is nominated by the Governor with the advice and consent of the Senate. John Huff served as Director from February 9, 2009, until February 6, 2017. Chlora Lindley-Myers was appointed Director on March 6, 2017 and continues to serve in that capacity.

As of June 30, 2018, there were 226 domestic and 1762 foreign and alien insurance companies licensed in Missouri. Insurers with primary corporate headquarters located in a particular state are called domestic insurers. Foreign insurers are those that are allowed to sell insurance in a state but have a primary legal residence in another state.

The DIFP - Insurance regulates the insurance industry in the state through enforcement of Chapters 325, 354, and 374 through 385, RSMo. The department regulates and licenses the insurance industry in the state, ensures the insurance industry is financially sound, trustworthy, competent, and responsive to the insurance-buying public; and ensures the insurance industry complies with the laws of the state. To fulfill these responsibilities, the department maintains a central office in Jefferson City and branch offices in St. Louis and Kansas City. The DIFP-Insurance is organized into the following functional units: Insurance Company Regulation Division, Insurance Market Regulation Division, Insurance Consumer Affairs Division, and Administration Division. The DIFP-Insurance had 184 employees as of June 30, 2018.

The DIFP - Insurance administers transactions in the funds listed below.



Department of Insurance, Financial Institutions, and
Professional Registration - Insurance
Organization and Statistical Information

The Insurance Examiner's Fund is authorized by Section 374.160 and 374.162, RSMo, to receive all monies paid to the state by insurance companies for the costs incurred by the department in conducting examinations, valuations, or proceedings against such companies. Expenditures, authorized by appropriations, are to be used for the purpose of paying the compensation of insurance examiners and expenses directly related to examinations. Any unexpended balances in this fund are perpetually maintained for the purposes of this fund.

The Insurance Dedicated Fund is authorized by Section 374.150, RSMo, to receive all fees due to the state under the provisions of the insurance laws. Appropriations from this fund are to be used solely for payment of expenditures incurred by the department in performing the duties required by law that are not paid for by another source of funds. Any unexpended balance in this fund is perpetually maintained for the purposes for this fund unless the unencumbered balance at the close of the biennium year exceeds two times the total amount appropriated, paid, or transferred to the fund during such fiscal year.

The DIFP-Insurance administers programs financed partially by federal funding placed in the Federal Missouri Department of Insurance Fund. The department receives appropriations from this fund.

The DIFP-Administrative Fund is used to account for department-wide expenditures for budget, legislative coordination, public information, accounting, human resources, and department management. The fund receives monies through a cost allocation to the divisions within DIFP.

The DIFP-Insurance does not receive any appropriations from the General Revenue Fund and does not maintain any proprietary interest in this fund. Receipts collected by the Department of Revenue (DOR) on behalf of the department and deposited into the state's General Revenue Fund include the following:

- Foreign Companies Premium Taxes: In accordance with various provisions of Chapter 148, RSMo, foreign insurance companies licensed in the state are required to pay a 2 percent tax on direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due together with the amount of quarterly installments to be paid by the insurance companies. The DOR collects the premium taxes and deposits them into the General Revenue Fund. Some premium taxes deposited into the General Revenue Fund are not available for general revenue purposes. The provisions of Chapter 148, RSMo, restrict about 50 percent of such premium taxes for distribution to the various school districts in the state.



Department of Insurance, Financial Institutions, and
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- Captive Insurance Premium Taxes: In accordance with various provisions of Chapter 379, RSMo, captive insurance companies licensed in the state are required to pay a premium tax at the rate of thirty-eight-hundredths of 1 percent on the first \$20 million, and two hundred eighty-five-thousandths of 1 percent on the next \$20 million, and nineteen-hundredths of 1 percent on the next \$20 million dollars, and seventy-two-thousandths of 1 percent on each dollar thereafter on the direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due to be paid by the insurance companies. The DOR collects these premium taxes and deposits them into the General Revenue Fund.
- Special Purpose Life Insurance Captive (SPLRC) Premium Taxes: In accordance with various provisions of Chapter 379, RSMo, each SPLRC is required to pay a premium tax at the rate of two hundred fourteen thousandths of 1 percent on the first \$20 million of assumed reinsurance premium, and one hundred forty-three thousandths of 1 percent on the next \$20 million, and forty-eight thousandths of 1 percent on the next \$20 million, and twenty-four thousandths of 1 percent of each dollar thereafter on the direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due for to be paid by the insurance companies. The DOR collects these premium taxes and deposits them into the General Revenue Fund.
- Surplus Lines: In accordance with the various provisions of Chapter 384, RSMo, surplus lines insurers are required to pay a 5 percent tax on net premiums for high risk insurance that is underwritten. The DOR collects the surplus lines taxes and deposits them into the General Revenue Fund.

The department certifies to the DOR all penalties and interest due as a result of late payments of surplus lines taxes. The DOR collects the penalties and interest and deposits the amounts into the State School Moneys Fund. In addition, fines and forfeitures imposed and collected by the department under the Missouri Insurance Code are deposited into the State School Moneys Fund.

In accordance with Sections 148.320 and 148.330, RSMo, domestic insurance companies licensed in the state are required to pay a 2 percent tax on direct premiums received during the calendar year. The department certifies to the DOR the amount of premium taxes due together with the amount of quarterly installments to be paid by the insurance companies. The DOR collects the premium taxes and deposits them into the Financial Institutions Tax Fund.

The DIFP-Insurance is authorized to administer Missouri chartered insurance companies requiring rehabilitation or liquidation, commonly referred to as receiverships. Thirteen insurance companies were in receivership at some



Department of Insurance, Financial Institutions, and
Professional Registration - Insurance
Organization and Statistical Information

point during the 3 years ended June 30, 2018. Five of these receiverships were closed as of June 30, 2018. Companies placed into receivership are under circuit court supervision with the judge appointing the Director as receiver. The Director may appoint a special deputy receiver or agent. There were seven companies that did not have a special deputy receiver assigned to them. The department handled the day-to-day operations for three of these companies and contracted with vendors to act as agents for the other four companies. The six remaining companies were assigned special deputy receivers by the court, and these special deputy receivers directly supervised the companies. The contracted vendors and the special deputy receivers submit disbursements to DIFP - Insurance for approval.

According to the National Association of Insurance Commissioners (NAIC), for calendar year 2017, Missouri ranked 12th nationally in the number of insurance companies incorporated in the state. The department's budget for fiscal year 2018 ranks twenty-second nationally.

The following provides a breakdown of the type of companies licensed in the state.

Type of Company	As of June 30, 2018	
	Missouri Domicile	Foreign and Alien
Captive	49	1
Domestic Surplus Lines Insurer	4	0
Fraternal Benefit	1	28
Health Maintenance Organization	16	13
Health Services	1	0
Life and Health	27	454
Mutual Property	79	0
Prepaid Dental	6	10
Professional Malpractice	4	0
Property and Casualty	38	888
Reinsurer	0	349
Title	1	19
Total	226	1,762



Appendix A
Department of Insurance, Financial Institutions, and
Professional Registration - Insurance
DIFP-Insurance Response

Governor Michael L. Parson
State of Missouri



Missouri Department of
Commerce & Insurance
Chlora Lindley-Myers, Director

September 26, 2019

Honorable Nicole R. Galloway, CPA
State Auditor
Jefferson City, Missouri

Please accept these responses to the audit your office conducted of the Department of Insurance, Financial Institutions and Professional Registration – Insurance for the years ended June 30, 2018, 2017 and 2016.

1. Insurance Dedicated Fund - Audit Recommendation:

The DIFP-Insurance work with the General Assembly to ensure all appropriated disbursements from the Insurance Dedicated Fund are reasonable and proper and relate to the overall function of the department.

Department's Response:

The department will continue to work with the General Assembly to ensure that the department's Insurance Dedicated Fund appropriations authorize the department to make reasonable and proper expenditures that relate to the overall function of the department.

2. Examination Fee and Other Fee Tax Credit - Audit Recommendation:

The DIFP include cost-benefit and performance measure information on the Tax Credit Analysis Form to allow the General Assembly to evaluate the Missouri Examination Fee and Other Fee Tax Credit. Without such information, the General Assembly should consider legislation to reduce or eliminate the credit.

Department's Response:

The department will continue to complete the Tax Credit Analysis Form and track and provide information on the Missouri Examination Fee and Other Fee Tax Credit (Section 148.400, RSMo.) to the General Assembly as required under the Tax Credit Accountability Act, Sections 135.800-135.830, RSMo. The department will research cost-benefit and performance measures and consider adding them or other clarifying information to the form.

If the department may be of further assistance, please let us know.

Respectfully,

Chlora Lindley-Myers, Director

DCI

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Appendix B

Department of Insurance, Financial Institutions, and Professional Registration - Insurance
 Comparative Statement of Receipts, Disbursements, and Changes in Cash and Investments

	Year Ended June 30,		
	2018	2017	2016
FEDERAL MDI FUND			
Receipts	\$ 1,161,230	1,220,000	1,393,666
Disbursements	1,161,230	1,220,000	1,322,671
Receipts Over (Under) Disbursements	0	0	70,995
Transfers In	0	0	0
Transfers Out ¹	0	0	(71,198)
Receipts Over (Under) Disbursements and Transfers	0	0	(203)
Cash and Investments, July 1	0	0	203
Cash and Investments, June 30	\$ 0	0	0
INSURANCE EXAMINERS FUND			
Receipts	\$ 5,143,819	4,588,539	5,398,239
Disbursements	3,870,695	3,557,099	3,668,249
Receipts Over (Under) Disbursements	1,273,124	1,031,440	1,729,990
Transfers In	0	0	0
Transfers Out ¹	(1,513,503)	(1,290,541)	(1,347,443)
Receipts Over (Under) Disbursements and Transfers	(240,379)	(259,101)	382,547
Cash and Investments, July 1	783,801	1,042,902	660,355
Cash and Investments, June 30	\$ 543,422	783,801	1,042,902
INSURANCE DEDICATED FUND			
Receipts	\$ 14,343,633	13,669,911	13,136,952
Disbursements	9,788,136	11,437,717	11,078,528
Receipts Over (Under) Disbursements	4,555,497	2,232,194	2,058,424
Transfers In	0	0	0
Transfers Out ¹	(3,834,518)	(3,847,231)	(3,679,875)
Receipts Over (Under) Disbursements and Transfers	720,979	(1,615,037)	(1,621,451)
Cash and Investments, July 1	1,880,005	3,495,042	5,116,493
Cash and Investments, June 30	\$ 2,600,984	1,880,005	3,495,042

Appendix B

Department of Insurance, Financial Institutions, and Professional Registration - Insurance
 Comparative Statement of Receipts, Disbursements, and Changes in Cash and Investments

	Year Ended June 30,		
	2018	2017	2016
DIFP ADMINISTRATIVE FUND			
Receipts	\$ 272	56	13
Disbursements	200,730	207,043	208,968
Receipts Over (Under) Disbursements	(200,458)	(206,987)	(208,955)
Transfers In ²	271,424	259,021	282,973
Transfers Out ¹	(71,619)	(61,354)	(63,977)
Receipts Over (Under) Disbursements and Transfers	(653)	(9,320)	10,041
Cash and Investments, July 1	723	10,043	2
Cash and Investments, June 30	\$ 70	723	10,043
Total Cash and Investments, June 30, All Funds	\$ 3,144,476	2,664,529	4,547,987

¹ Transfers Out generally include payments for fringe benefits and the state's cost allocation plan.

² Transfers In include transfers from divisions within DIFP for department administration.

Appendix C

Department of Insurance, Financial Institutions, and Professional Registration - Insurance
 Comparative Statement of Receipts

	Year Ended June 30,		
	2018	2017	2016
GENERAL REVENUE FUND			
Foreign companies premium insurance	\$ 308,331,508	278,816,242	245,687,869
Captive insurance taxes	969,556	929,273	1,583,141
Special purpose life insurance	643,030	663,935	0
Surplus lines taxes	34,308,445	33,455,598	30,024,860
Total General Revenue Fund	<u>\$ 344,252,539</u>	<u>313,865,048</u>	<u>277,295,870</u>
STATE SCHOOL MONEYS FUND			
Surplus lines penalties	\$ 68,210	66,566	48,731
Fines and forfeitures	722,238	1,654,520	267,689
Total State School Moneys Fund	<u>790,448</u>	<u>1,721,086</u>	<u>2,725,622</u>
INSURANCE DEDICATED FUND			
Captive insurance taxes	\$ 79,888	109,704	175,071
Special purpose life insurance	71,448	73,771	0
Total Insurance Dedicated Fund	<u>151,336</u>	<u>183,475</u>	<u>175,071</u>
FINANCIAL INSTITUTIONS TAX FUND			
Domestic companies premium taxes	<u>\$ 8,923,042</u>	<u>9,461,457</u>	<u>9,132,530</u>

Appendix D

Department of Insurance, Financial Institutions, and Professional Registration - Insurance
Comparative Statement of Appropriations and Expenditures

	Year Ended June 30,								
	2018			2017			2016		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
FEDERAL - MDI FUND									
Health Insurance Counseling	\$ 1,250,000	1,161,230	88,770	1,250,000	1,220,000	30,000	1,250,000	1,170,275	79,725
Federal Grants Personal Service	0	0	0	478,096	0	478,096	468,722	145,653	323,069
Federal Grants Expense and Equipment	0	0	0	64,511	0	64,511	64,511	6,743	57,768
Total Federal - MDI Fund	1,250,000	1,161,230	88,770	1,792,607	1,220,000	572,607	1,783,233	1,322,671	460,562
INSURANCE EXAMINERS FUND									
Personal Service	3,446,590	3,414,494	32,096	3,403,590	3,154,453	249,137	3,306,259	3,289,339	16,920
Expense and Equipment	770,967	222,276	548,691	767,699	256,449	511,250	121,328	39,365	81,963
Insurance Refunds	60,000	1,503	58,497	60,000	8	59,992	60,000	0	60,000
Insurance Leasing	11,991	9,581	2,410	11,096	9,744	1,352	11,215	11,119	96
IT Consolidation Expense and Equipment	140,328	135,309	5,019	121,328	49,840	71,488	765,674	247,059	518,615
Unemployment Benefits	0	0	0	820	0	820	8,320	0	8,320
State Office Building Rent, Maintenance, and Repair	87,569	87,569	0	84,294	84,294	0	83,856	83,856	0
Total Insurance Examiners Fund	4,517,445	3,870,732	646,713	4,448,827	3,554,788	894,039	4,356,652	3,670,738	685,914
INSURANCE DEDICATED FUND									
Personal Service	8,727,316	7,331,652	1,395,664	8,306,262	7,862,502	443,760	7,838,488	7,497,589	340,899
Expense and Equipment	2,038,207	756,740	1,281,467	2,022,104	1,350,428	671,676	2,013,092	1,284,898	728,194
IT Consolidation Personal Service	417,922	256,841	161,081	527,922	461,533	66,389	517,571	493,267	24,304
IT Consolidation Expense and Equipment	401,043	269,928	131,115	401,044	216,211	184,833	401,044	244,764	156,280
Board and Commissions Personal Service ¹	1,718	1,718	0	0	0	0	0	0	0
Insurance IT Projects Personal Services	110,000	101,118	8,882	0	0	0	0	0	0
Unemployment Benefits	15,852	8,232	7,620	15,852	6,400	9,452	19,852	4,591	15,261
Insurance Leasing	5,331	3,797	1,534	5,856	5,810	46	6,864	6,538	326
Health Insurance Counseling	200,000	200,000	0	200,000	200,000	0	200,000	200,000	0
State Office Building Rent, Maintenance, and Repair	345,554	345,554	0	327,330	327,330	0	324,111	324,070	41
Poison Control Hotline ²	500,000	500,000	0	1,000,000	1,000,000	0	1,000,000	1,000,000	0
Refunds	75,000	12,463	62,537	75,000	9,820	65,180	75,000	20,464	54,536
Total Insurance Dedicated Fund	12,837,943	9,788,043	3,049,900	12,881,370	11,440,034	1,441,336	12,396,022	11,076,181	1,319,841
Total All Funds	\$ 18,605,388	14,820,005	3,785,383	19,122,804	16,214,822	2,907,982	18,535,907	16,069,590	2,466,317

¹ The Governor's office has spending authority for this appropriation.

² The Department of Health and Senior Services has spending authority for this appropriation.

Appendix E

Department of Insurance, Financial Institutions, and Professional Registration- Insurance
 Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,		
	2018	2017	2016
Salaries and wages	\$ 11,105,824	11,478,487	11,425,848
Travel, in-state	136,446	185,589	155,181
Travel, out-of-state	147,363	243,713	262,838
Supplies	162,029	172,941	186,981
Professional development	99,787	97,762	134,159
Communication service and supplies	95,668	139,443	131,378
Services:			
Professional	443,603	838,856	694,177
Housekeeping and janitorial	413	107	108
Maintenance and repair	86,784	132,553	108,601
Equipment:			
Computer	170,794	1,916	33,131
Motorized	0	0	13,280
Office	11,647	30,539	40,927
Other	13,301	8,292	26,508
Property and improvements	0	0	10,881
Building lease payments	457,804	442,960	437,774
Equipment rental and leases	456	2,280	1,824
Miscellaneous expenses	4,659	3,156	10,664
Refunds	13,965	9,828	20,464
Program distributions	1,869,462	2,426,400	2,374,866
Total Expenditures	\$ <u>14,820,005</u>	<u>16,214,822</u>	<u>16,069,590</u>