



Thomas A. Schweich
Missouri State Auditor

REVENUE

DEPARTMENT OF REVENUE

Administrative Functions

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<http://auditor.mo.gov>



Thomas A. Schweich
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CITIZENS SUMMARY

Findings in the audit of the Department of Revenue, Administrative Functions

Sale of Information	<p>The Department of Revenue (DOR) does not maintain adequate documentation to support the rates charged for the sale of Motor Vehicle and Drivers License (MV/DL) records. The Sunshine Law mandates that the cost charged for these public records not exceed the cost of producing the information, and in May 2010, the Missouri Court of Appeals Western District held that the rate DOR was charging for such records violated the Sunshine Law. Although the DOR provided some documentation, it did not provide any support for most of the expense and equipment charges included in the rate calculation. A similar condition was noted in a previous audit, Report Number 2001-08.</p>
Integrated Motor Vehicle Drivers Licensing System	<p>After spending over \$6 million for an integrated motor vehicle drivers licensing system and record sales system to replace the 20 various systems being used, the DOR still does not have fully functioning systems and has not developed a plan for completing the systems since canceling the project almost 2 years ago. The DOR should look at its options (finish the started systems, develop new systems, or continue with the current systems) and determine which one makes the most fiscal sense.</p>
Internal Compliance Bureau	<p>The Internal Compliance Bureau (ICB) conducts internal audits of the DOR, but the current structure does not give the ICB complete independence from the activities it audits. The ICB reports to the Director of the Division of Administration rather than the Director of the Department of Revenue. This could prevent the ICB from giving complete and objective audits, especially when auditing programs or offices in the Division of Administration. The current reporting structure does not meet the Institute of Internal Audit standards.</p>
Policies and Procedures	<p>The DOR has not developed a procedure for municipalities to submit excess revenues from traffic violations to the DOR. Since the mid 1990s, state law has required that excess revenues from traffic violations be submitted to the DOR for distribution to the schools, but the DOR has yet to draft a rule and procedures for implementing this law. In a recent audit of one city municipal court, it was estimated approximately \$40,000 to \$50,000 in excess monies should have been sent to the DOR for distribution to the schools.</p> <p>The audit also found the DOR paid \$25,845 in salaries and other costs related to the Governor's office and the Office of Administration (OA). In fiscal year 2009, the funds went toward one staff member in the Governor's office, but in fiscal year 2010, the funding increased to three members of staff in the Governor's office and two in the OA. It appears these employees were located in, and supervised by, the Governor's office and the OA and performed functions related to those offices. The DOR also paid over \$9,500 for 35 flights of the Governor's office, only 4 of which included</p>



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CITIZENS SUMMARY

DOR personnel. These practices circumvent the appropriations process and distort the operating costs of the DOR, the OA and the Governor's office.

The DOR lacks adequate procedures for ensuring that businesses are properly registered with the state. The DOR should match its database with those of the Secretary of State and the Department of Labor and Industrial Relations to ensure that businesses are properly registered and the state is receiving the required fees and taxes.

The DOR also lacks an adequate method for updating related parties information to ensure that no employees hire or supervise a related party. New hires are required to disclose any related employees, but this information is not updated periodically.

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

American Recovery and Reinvestment Act 2009 (Federal Stimulus)

The DOR was appropriated federal stimulus funds from the Federal Budget Stabilization - Medicaid Reimbursement Fund and expended \$2,578,612 of these funds in FY2010 to purchase license plates and tabs from Missouri Vocational Enterprises and reimburse counties for homestead exemption credits. Federal stimulus funds were also transferred from the Federal Budget Stabilization - Medicaid Reimbursement Fund to the General Revenue Fund to pay income tax refunds (\$250,000,000 in 2009 and \$305,305,975 in 2010).

*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.

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Missouri State Auditor

Honorable Jeremiah W. (Jay) Nixon, Governor
and
Alana M. Barragán-Scott, Director
Department of Revenue
Jefferson City, Missouri

We have audited certain operations of the Department of Revenue, Administrative Functions, in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2010, 2009, and 2008. 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 operations, 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 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) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures.

The accompanying Management Advisory Report presents our findings arising from our audit of the Department of Revenue, Administrative Functions.

A handwritten signature in black ink, reading "Thomas A. Schweich". The signature is fluid and cursive, with the first name "Thomas" and last name "Schweich" clearly legible, and a middle initial "A" in between.

Thomas A. Schweich
State Auditor

The following auditors participated in the preparation of this report:

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Department of Revenue - Administrative Functions

Management Advisory Report

State Auditor's Findings

1. Sale of Information

The Department of Revenue (DOR) does not maintain complete and detailed documentation to support the rates charged for the sale of Motor Vehicle and Drivers License (MV/DL) records. As a result, the DOR has limited justification for the rates currently charged, or whether the rates are in compliance with Chapter 610, RSMo (Sunshine Law).

The DOR sells certain MV/DL and other information. Since these MV/DL records are public information, rates charged may not exceed the cost of producing the information as provided in the Sunshine Law. The monies collected from these sales are deposited to the Department of Revenue Information Fund. Over \$6.3 million was collected and deposited to this fund during the 3 years ended June 30, 2010, with over 98 percent related to the sale of MV/DL records.

For almost 10 years rates charged for MV/DL information remained unchanged. However, on May 1, 2008, the DOR significantly increased MV/DL rates to help pay for the development of a new integrated vehicle and drivers license system and records sales system. (See MAR finding number 2.) From June 2008 through May 2009, the MV/DL rates were revised several times due to lawsuits and court rulings that the bulk rate charged by the DOR was not in compliance with the Sunshine Law. (See Appendix E for a timeline of various rate changes.) Finally, in May 2010, the Missouri Court of Appeals Western District ruled in *R.L. Polk & Co. v. Missouri Dept. of Rev.* 309 S.W.3d 881 (Mo.App. W.D. 2010) that the bulk rate for MV/DL records set at 3.82 cents per record on December 1, 2008, violated the Sunshine Law, and required the DOR to either charge the rate in effect prior to May 1, 2008, or charge a rate that complied with the Sunshine Law. As a result, the current bulk MV/DL rate has been set at the rate in effect prior to May 2008, and the DOR has not developed new rates for providing the MV/DL information based on current costs.

Although officials told us the DOR developed new batch and individual rates for MV/DL records based on current costs, the DOR has limited documentation for these calculations. Some costs included in the calculations were not supported by complete and detailed documentation.

To ensure justification and reasonableness of the rates charged for the sale of records and compliance with the Sunshine Law, the DOR should periodically review and evaluate MV/DL rates and the current cost of providing this information, and ensure adequate supporting documentation is prepared and retained to support the rate calculations.

A similar condition was noted in a previous audit, Report No. 2001-08, *Department of Revenue, Division of Administration*, issued in February 2001.



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Recommendation

The DOR develop a methodology to determine the appropriate rate to charge for the sale of MV/DL information. In addition, adequate documentation to support the rates should be maintained, and the rates should be periodically reviewed for adequacy.

Auditee's Response

Agree in part. As addressed in more detail below, the Department already has a methodology in place to set charges for records; already maintains adequate documentation to support the charges; and has recently reviewed the charges. The Department agrees that charges should be regularly reviewed for adequacy.

The amount the Department charges for a copy of a record depends on the type of record. To set a charge, the Department has since at least 2005 examined staff pay, expenses and equipment involved in providing records. The Department provided detailed documentation to support the current charges for the individual paper record fee and electronic batch record fee, set in 2008 and 2009, respectively, and maintains similar documentation for charges for other types of records.

The Department set charges differently in one instance in 2007, when it determined to charge \$7 per record (beginning in the spring of 2008) in connection with the decision to fund the purchase of a new motor vehicle and driver licensing system. The \$7 charge applied to copies of any motor vehicle or driver record, including bulk electronic copies of records. The methodology and charge were successfully challenged in court. During the litigation, the Department was ordered to re-impose the charges it had in place prior to May 1, 2008 for bulk electronic records (\$.0043 per electronic record for the first 50,000 records, and \$.0003 per electronic record for every record over 50,000) or to establish a new charge using the criteria in Section 610.026.1(2), RSMo. The Department attempted to establish a new charge for the electronic bulk records under Section 610.026.1(2), RSMo. It reviewed staff pay, expenses and equipment involved in providing records and set a revised charge of \$.0382 per electronic record, which was again successfully challenged in the same court case as excessive. In accordance with the orders and judgment, the Department re-imposed the charges for bulk electronic records that it had in place prior to May 1, 2008, and the court has held that this charge complied with Chapter 610.

The Department agrees that charges for copies of records should be regularly reviewed for adequacy and plans to do so every 3 years or more frequently when appropriate.

Auditor's Comment

The supporting documentation supplied to the State Auditor's office by the DOR for the batch and individual rates for the MV/DL records was not sufficient. There was no documentation to support most of the expense and



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equipment charges included in the rate calculations. For example, the DOR furnished no supporting documentation for the information technology expenses (including computers, state data center charges, maintenance, and programming), totaling over \$19.5 million, for the individual rate calculation.

2. Integrated Motor Vehicle Drivers Licensing System

Nearly 2 years after canceling the development and implementation of an integrated motor vehicle drivers licensing system and record sales system, the DOR has still not developed a plan regarding the completion of these systems. Cost estimates and funding mechanisms have not been established for use in determining whether to 1) complete the systems, either by internal or external parties, 2) develop an entirely new integrated system, or 3) continue operations with the current system. Additionally, it appears the DOR did not develop adequate plans to fund the development and implementation of these new systems. The DOR will still need to spend a significant amount if the current MV/DL system is upgraded or replaced.

The DOR spent a significant amount on the new integrated/record sales systems; however, these systems were not completed as planned, and limited functionality of the integrated system is currently utilized. During fiscal years 2009 and 2008, the DOR paid over \$6 million for the development of the new systems. Approximately 90 percent of the development costs were paid from the General Revenue Fund and 10 percent from the Motor Vehicle Commission Fund. An additional \$204,000 for project management was paid from the State Highways and Transportation Department Fund.

To replace the 20 various MV/DL systems being used, the DOR contracted with a company (the contractor) in October 2007 to develop/install an integrated motor vehicle drivers licensing system and record sales system. The integrated system included: 1) planning, 2) infrastructure, 3) customer management, 4) cash management and finance, 5) vehicle management, 6) dealer management, 7) driver services, and 8) work management.

The systems were scheduled to be completed in early 2009, with the maintenance portion of the contract extending to June 2012. The estimated cost of the development and implementation was almost \$26 million, with additional maintenance costs of almost \$9 million for the period 2009 to 2017. The contract also required the DOR to pay the contractor \$1 for every record sale related to the utilization of the records sales system. The total payment for records sales was estimated to be \$13 million over the 10 years, from 2007 to 2017. The DOR planned to increase its rates for the sale of MV/DL records to pay some of the project costs; however, this funding did not materialize. (See MAR finding number 1.) Additionally, the DOR contracted with a second firm to serve as the project manager for the project. Although the Office of Administration (OA), Information



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Technology Services Division (ITSD) had oversight of the project and approved vendor payments, DOR personnel had final approval/authorization of vendor payments.

From reviews of weekly status reports prepared by the contractor, it appears there were delays in the design and development of the systems, and the contractor was late on project deliverables. For example, the scheduled timeframe required system development to be completed by January 2009; however, at that time, the driver services and vehicle management segments had an estimated completion date of January 2010 and March 2010, respectively. According to DOR personnel, a former Director of Revenue did not believe the project manager's oversight was sufficient, and the project manager was not doing enough to speed up the project progress. Thus, in March 2008, the DOR canceled the project manager's contract, and a DOR employee began serving as the project manager.

In January 2009, a new Director of Revenue was appointed, and the project was stopped in February 2009. This cancellation appears to have been due to the contractor's bankruptcy and DOR project funding issues. When the project was cancelled, the record sales system was completed, but not implemented, and three parts of the integrated system were not completed (vehicle management, driver services, and work management). The other parts of the integrated system were completed and interfaced with the current systems.

To help ensure system development projects are efficiently completed, the project scope and responsibilities should be clearly defined and communicated, and actively managed/monitored to ensure the project contains the required functionality, anticipated completion dates are met, and cost overruns kept to a minimum. In addition, funding sources should be clearly defined and adequate.

Recommendation

The DOR decide how to handle the uncompleted MV/DL systems. To ensure the most effective use of limited resources, the DOR should develop various options regarding 1) completing the systems, 2) developing new systems, or 3) continuing operations with the current systems and/or upgrading the current systems. In addition, costs estimates and funding mechanisms for each option should be prepared.

Auditee's Response

As explained in more detail below, when the funding mechanism for the 2007 contract to install an integrated motor vehicle and driver licensing system was struck down in litigation, the Department began examining other options for completing the project, obtaining a new system, or upgrading the current systems, including applying for grant monies. The Department is mindful of current fiscal constraints and continues to explore feasible funding options. It is also important to note that all of the



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infrastructure and programs the contractor was able to install during the short life of the contract are presently being used by the Department to perform its functions and provide services.

In 2007, a state contract was awarded to install an integrated motor vehicle and driver licensing system for the Department. Most of the funding for the contract was planned to be provided by increasing the amount the Department charged for copies of records to \$7 per record, including electronic copies of records provided in bulk, and an appropriation was made. As noted in the preceding response, that increased charge was successfully challenged in litigation, and the Department stopped charging the \$7 per record. As a result, the amount of charges for records was insufficient to pay for the project. Also, the contractor declared bankruptcy in 2009. While some of the contracts were assumed by another company, that company did not choose to continue to perform the Missouri contract.

Given the existing systems' age and overall limitations, the Department continues to look for ways to complete the project, obtain a different system, or upgrade the existing systems. The Department investigated several alternatives and developed cost estimates for each, but the cost of funding any such alternatives was, and remains prohibitive. Also, in 2009, the Department applied for a federal grant to fund the project, but the application was unsuccessful. The Department has also been exploring with OA-IT how completion of the project, installation of a new system, or upgrade of existing systems could be accomplished by OA-IT, and what funding resources would be necessary. The Department will continue to update existing, and perform additional, cost benefit analyses.

3. Internal Compliance Bureau

The DOR internal audit section, Internal Compliance Bureau (ICB), is not fully independent of the activities it audits.

Under the current organization structure, the ICB does not report directly to the Director of Revenue, but instead is organizationally under and reports to the DOR, Division of the Administration Director. Virtually all DOR financial transactions flow through or are reported to this division. The Director of Revenue does review/approve the ICB annual department-wide risk assessment and audit plan. Currently, the ICB supervisory position is vacant, and the bureau has four staff members.

The Institute of Internal Auditors standards provide that internal audit activity is to be independent and should "report to a level within the organization that allows the internal audit activity to fulfill its responsibilities." In addition, impairments to organizational independence results when an audit function is organizationally located within the reporting line of areas under audit. To ensure complete and objective audit coverage, the internal audit function must be independent of the activities it



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audits, through both departmental status and objective performance of its audits.

Internal audits can be a valuable management tool by identifying ineffective or inefficient operations and ensuring that established policies and procedures are followed. Direct communication with the Director of Revenue would help ensure independence and provide a means whereby top management can be kept abreast of current operations and activities.

Recommendation

The DOR require the ICB to report directly to the Director of Revenue.

Auditee's Response

The Internal Compliance Bureau Administrator position reported directly to the Director of Revenue on a monthly basis, about internal audit activity, and more often as appropriate. The administrator position is currently vacant due to the retirement of the last administrator and funding shortfalls sustained by the Division in the FY11 budget. The internal audit staff is presently reporting audit activity directly to the Director of the Division of Administration, who directly reports to the Director of Revenue. Oversight of any internal audit activity concerning the Administration Division is planned to be performed by an independent administrator, who will report directly to the Director of Revenue. The Department agrees that internal audit activity should be independent of the activities it audits and report to a level within the organization that allows the internal audit activity to fulfill its responsibilities, and believes the current operating structure satisfies these criteria.

4. Policies and Procedures

The DOR needs to improve various policies and procedures.

4.1 Collection of excess revenues from municipalities

The DOR has not developed a procedure, as required by state law, for municipalities (cities, towns, and villages) to remit to the DOR excess revenues related to fines and court costs for traffic violations on state or federal highways. As a result, the DOR has less assurance excess revenues have been properly remitted.

Section 302.341.2, RSMo, requires municipalities deriving more than 35 percent of their annual general operating revenue from fines and court costs for traffic violations occurring on a state or federal highway to remit the excess revenue to the DOR to be distributed to schools of the county. This section also provides that the DOR should establish, by rule, a procedure regarding sending the excess revenues to the DOR.

When this law was established in the mid 1990s, the DOR established a bank account for these excess funds; however, the DOR did not establish procedures for municipalities to follow for remitting the excess revenues to



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the DOR. According to DOR personnel, as of July 2010, no municipality has remitted funds under this statute. Report No. 2010-108, *Seventh Judicial Circuit, City of Randolph, Municipal Division*, issued in September 2010, estimated, during the year ended December 31, 2009, the city should have remitted excess monies of between \$39,575 and \$53,878.

DOR personnel told us the DOR is currently establishing a rule to address this issue.

4.2 Costs of other agencies

During the 2 years ended June 30, 2010, the DOR paid salaries and other costs totaling \$25,845 related to operations of the Governor's office and the OA, thus circumventing the appropriation process established by the General Assembly, and distorting the actual costs of operating the DOR, the OA, and the Governor's office.

Beginning in February 2009, the OA has notified the DOR of the amounts charged to DOR appropriations for a portion of the salaries of staff in these offices. In fiscal year 2009, this funding related to one staff in the Governor's office and, in fiscal year 2010, the funding increased to three staff in the Governor's office and two staff in the OA. It appears these employees were physically located in and supervised by the Governor's office and the OA, and performed duties attendant to the programs and functions of those offices. If these employees were performing work benefiting the Governor's office or OA, it appears their salaries should be paid from appropriations of that respective office.

In addition, the DOR paid over \$9,500 for 35 flights of the Governor's office. The flights typically included the Governor, members of his staff, and his security. Only four of these flights included DOR personnel. It does not appear appropriate for state agencies to bear the cost of flights that provide no clear benefit to the applicable agencies.

4.3 Registering businesses

The DOR does not have adequate procedures in place to ensure businesses are properly registered with the state, and as a result, is unable to inform other state agencies when a business is not registered with other applicable agencies. Significant agencies businesses should be registered with include the DOR, the Secretary of State (SOS), and the Department of Labor and Industrial Relations (DLIR), Division of Employment Security.

Except for certain instances, various state laws require businesses to register with and pay appropriate fees and/or taxes to the SOS, the DOR, and the DLIR. In addition, a business needs to be properly registered with these agencies to furnish goods and services to the state. According to DOR personnel, the DOR periodically matches its information with DLIR information to identify businesses registered with the DLIR and not the DOR. However, the DOR does not share the results of this match with other



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state agencies, and does not match its database of registered businesses with the databases maintained by the SOS. Additionally, when a business indicates on the DOR application it is not required to register with the SOS, the DOR does not verify the accuracy of this statement. According to DOR personnel, the DOR has evaluated matching its database with the SOS; however, DOR data is not compatible with SOS data.

To ensure businesses are properly registered with the state and the state receives various fees and taxes mandated by state law, the DOR should match its databases with the data maintained by the SOS and DLIR, and share the results of the matches with other applicable state agencies.

4.4 Related parties

The DOR has not established an adequate method to identify related employees.

Although the DOR nepotism policy provides a related party cannot hire or supervise a related party, the DOR does not maintain a list of related employees. Upon employment, new employees identify all current DOR employees they are related to, and these relationships are considered in hiring and promoting employees. However, the DOR has not established procedures for updating related party information periodically. The absence of data on related employees weaken internal controls and may result in conflicting situations. The DOR should monitor related party situations.

Recommendations

The DOR:

- 4.1 Establish a rule, as required by state law, for the collection of excess revenues related to fines and court costs for traffic violations on state or federal highways.
- 4.2 Work with the Governor's office and the OA to discontinue the practice of using DOR appropriations to pay operating costs of other state agencies.
- 4.3 Establish procedures to periodically match its business entity database with SOS and DLIR databases to identify entities that are not properly registered and paying appropriate fees/taxes. In this regard, the DOR, in conjunction with the SOS and the DLIR, should consider establishing a comprehensive database of businesses registered with the state.
- 4.4 Establish procedures to update related party information, verify information with each employee periodically, and ensure individuals are not working in conflicting employment capacities.



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Auditee's Response

- 4.1 *A rule was already promulgated and it will become effective on March 30, 2011.*

The Department initiated the rulemaking process when the proposed rule was filed with the Secretary of State on September 27, 2010. A notice of proposed rulemaking was published in the Missouri Register on November 1, 2010. The final rule, 12 CSR 10-44.100, "Excess Traffic Violation Revenue", was published in the Code of State Regulations on February 28, 2011, and, as noted, becomes effective on March 30, 2011.

The Department also notes that after the State Auditor's audit staff obtained information from the Department about collection of excess revenues from municipalities related to fines and court costs for traffic violations on state or federal highways, the Department in February 2011 received a remittance from a municipality.

- 4.2 *Disagree. The Office of Administration, Division of Budget and Planning determines the allocation of salary and other expenses incurred by the Governor's Office for providing services to state departments. The Division of Budget and Planning informs the Department of the department's share of these expenses. The expenses are properly allocated to the Department.*

- 4.3 *These processes are already in place or in development.*

The Secretary of State does not presently store business registration data in a form that can be electronically matched with department data. The Department understands that the Secretary of State expects to complete replacement of its current system by the end of calendar year 2011, which will permit data matching, and at that time the Department will initiate the process.

The Department matches information from the Department of Labor and Industrial Relations on a periodic basis. Businesses registered with Labor but not registered with the Department are contacted and brought into compliance, including registration. Using Labor's information, the Department has collected \$34.5 million in unpaid taxes over the last five years.

The Department agrees that development of a comprehensive database of businesses registered with the state should be considered. A roadblock to the department's participation in such a database is the existence of extensive federal tax information in the department's antiquated legacy tax systems that cannot be segregated from other information. The registration information the



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Department maintains is updated and sometimes created based on the information in those systems. But the Department is prohibited by the Internal Revenue Service (IRS) from sharing federal tax information with other state agencies or statewide offices, including Labor and the Secretary of State. Because the Department cannot segregate the federal information, the Department cannot share business registration data with Labor and the Secretary of State. If the Department were to share federal information, the IRS would prohibit the Department from participating in programs that assist the state in collecting tax delinquencies, including the federal audit and federal match programs which recovered \$30.6 million for the state in calendar year 2010. The Governor's FY2012 budget included a request to accomplish replacement of the department's legacy tax systems, through a benefits-based funding model. Modern systems available in the marketplace today facilitate clear identification and segregation of federal tax information.

- 4.4 *Agree. The Department follows its anti-nepotism policy but agrees that having a formal method in place to track changes in data about related employees is appropriate. The Department has updated its Employee Information form and Change of Personal Information form to capture information about related personnel when an employee is hired or whose personal information changes. The Department began collecting this data on Monday, March 7, 2011 and will maintain it in the Reports Database for tracking. This information will also be added to the annual verification form that the department employees review each October, to ensure information is kept up-to-date. The Department will review the data each month to verify that no conflicts of interest exist in the reporting structure, as provided in its Administrative Policy 1.04 (Nepotism).*

Auditor's Comment

- 4.3 We did not recommend the DOR share federal tax information with other state agencies. However, we see no reason why the DOR cannot implement the recommendation without disclosing confidential tax information.

Department of Revenue - Administrative Functions

Organization and Statistical Information

The Department of Revenue (DOR) was created by Article IV, Section 12 of the Missouri Constitution as the central collection agency for state revenues. DOR responsibilities include:

- 1) Administering and collecting state taxes and fees
- 2) Collecting certain taxes and fees for local governments
- 3) Titling and licensing motor vehicles, trailers, and boats, and
- 4) Licensing motor vehicle operators

The Director of Revenue is appointed by the Governor, with the advice and consent of the Senate, and is responsible for all operations and policies of the DOR. The Directors of Revenue from July 2007 to June 2010 include:

Patricia Vincent, January 2005 to November 2007

Omar D. Davis, December 2007 to January 2009

Karen King Mitchell, January 2009 to July 2009

Alana M. Barragán-Scott (Acting) July 2009 - present (officially appointed Director in October 2009)

The Department of Revenue consists of four divisions and the director's office.

Motor Vehicle and Driver Licensing Division: This division consists of three bureaus. 1) The Motor Vehicle Bureau issues titles and registers motor vehicles, trailers, all-terrain vehicles, manufactured homes, and marine craft. In addition, the bureau issues registration certificates to motor vehicle and salvage dealers and leasing companies. 2) The Driver License Bureau issues, renews, suspends, revokes, and reinstates driver and nondriver licenses and driving permits. The bureau also processes and maintains records regarding license issuance, traffic violation point assessments, and failure to appear in court for traffic violations, and the administrative alcohol and abuse laws for alcohol/drug offenders. 3) The License Offices Bureau manages the operations of the contract license offices throughout the state. These local offices provide driver licensing and motor vehicle services.

Taxation Division: This division consists of four bureaus. 1) The Business Tax Bureau administers sales and use, financial institutions, insurance premiums, franchise, excise, cigarette and other tobacco products, motor fuel, corporate income, withholding, and county taxes and fees. 2) The Personal Tax bureau administers individual income, partnership, fiduciary, and estate taxes, plus the property tax credit and homestead preservation credit. 3) The Collections and Tax Assistance Bureau provides tax assistance to individuals and businesses and handles unpaid tax liabilities. 4) The Field Compliance Bureau audits businesses both in-state and out-state to ensure compliance with the state's tax laws.



Department of Revenue - Administrative Functions
Organization and Statistical Information

Administration Division: This division consists of three bureaus. 1) Personnel Services Bureau is responsible for the DOR personnel matters, policies and procedures, training, and written communications. 2) The Financial and General Services Bureau is responsible for accounting, procurement, bank, and general services such as telecommunications, safety issues, and maintenance. 3) The Internal Compliance Bureau reviews and evaluates the DOR administrative, operations, and internal accounting controls.

Legal Services Division: This division ensures the DOR compliance with law and internal policies. The General Counsel's Office advises the director and divisions on legal matters and represents the DOR in court. The Criminal Investigation Bureau investigates and develops information for local prosecution of individuals and businesses suspected of violating the law the DOR administers.

Director's Office: This office includes the Director, deputy director and key administrative staff. The Public Information Office develops and maintains media and public relations. The Legislative Office serves as the DOR liaison to the General Assembly. This office also develops fiscal and revenue estimates on proposed legislation.

The DOR Information Technology (IT) unit is included in the Office of Administration, Division of Technology Services (ITSD). Appropriations for the IT unit are included in the ITSD's budget, and the ITSD has final approval of all IT expenditures.

At June 30, 2010, the DOR had 1,117 full-time and 5 part-time employees.

American Recovery and
Reinvestment Act of 2009
(Federal Stimulus)

During the year ended June 30, 2010, the DOR spent American Recovery and Reinvestment Act (ARRA) of 2009 monies totaling \$2,578,612 to 1) purchase license plates and tabs from Missouri Vocational Enterprises and 2) reimburse counties for homestead exemption credits issued pursuant to Section 137.106, RSMo. These monies were appropriated to the DOR from the Federal Budget Stabilization - Medicaid Reimbursement Fund. (See Appendix B-1.) Additionally, for the years ended June 30, 2010 and 2009, ARRA monies were also transferred from the Federal Budget Stabilization - Medicaid Reimbursement Fund to the General Revenue Fund for the payment of income tax refunds, totaling \$305,305,975 and \$250,000,000, respectively.

Appendix A-1

Department of Revenue
Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
Year Ended June 30, 2010

	Department of Revenue Fund	Motor Vehicle Commission Fund	Department of Revenue Information Fund	Department of Revenue Specialty Plate Fund	Total
RECEIPTS					
Federal grants	\$ 3,592,850	0	0	0	3,592,850
License fees	0	892,228	0	0	892,228
Program administration fees	0	46,910	0	0	46,910
Copy fees	0	0	11,244	0	11,244
Other fees	0	0	0	10,000	10,000
Information sales	0	0	1,402,488	0	1,402,488
Sales tax	0	0	36	0	36
Rebates	369	0	0	0	369
Miscellaneous	1,114	0	70	0	1,184
Total Receipts	<u>3,594,333</u>	<u>939,138</u>	<u>1,413,838</u>	<u>10,000</u>	<u>5,957,309</u>
DISBURSEMENTS					
Personal service	121,335	700,169	288,235	0	1,109,739
Employee fringe benefits	53,033	349,599	156,274	0	558,906
Expense and equipment	3,209,109	29,205	309,829	0	3,548,143
Postage	0	44,029	199,611	0	243,640
Refunds	0	2	0	0	2
Cost allocation plan	0	9,458	8,626	0	18,084
Total Disbursements	<u>3,383,477</u>	<u>1,132,462</u>	<u>962,575</u>	<u>0</u>	<u>5,478,514</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>210,856</u>	<u>(193,324)</u>	<u>451,263</u>	<u>10,000</u>	<u>478,795</u>
OTHER FINANCING SOURCES (USES)					
Appropriations Exercised by Other Agencies	0	(130,997)	(553,279)	0	(684,276)
Transfers to State Highways and Transportation					
Department Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>(10,676)</u>	<u>(10,676)</u>
Total Financing Sources (Uses)	<u>0</u>	<u>(130,997)</u>	<u>(553,279)</u>	<u>(10,676)</u>	<u>(694,952)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	<u>210,856</u>	<u>(324,321)</u>	<u>(102,016)</u>	<u>(676)</u>	<u>(216,157)</u>
CASH AND INVESTMENTS, JULY 1	<u>1,832,165</u>	<u>610,794</u>	<u>975,322</u>	<u>10,679</u>	<u>3,428,960</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 2,043,021</u>	<u>286,473</u>	<u>873,306</u>	<u>10,003</u>	<u>3,212,803</u>

Appendix A-2

Department of Revenue

Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments

Year Ended June 30, 2009

	Department of Revenue Fund	Motor Vehicle Commission Fund	Department of Revenue Information Fund	Department of Revenue Specialty Plate Fund	Total
RECEIPTS					
Federal grants	\$ 3,936,732	0	0	0	3,936,732
License fees	0	920,472	0	0	920,472
Program administration fees	0	46,655	0	0	46,655
Copy fees	0	0	835	0	835
Other fees	0	0	0	15,026	15,026
Interest	0	1	106	1	108
Information sales	0	0	3,058,849	0	3,058,849
Sales tax	0	0	54	0	54
Vendor refunds	825	0	0	0	825
Rebates	28	6	0	0	34
Miscellaneous	2,261	0	0	0	2,261
Total Receipts	<u>3,939,846</u>	<u>967,134</u>	<u>3,059,844</u>	<u>15,027</u>	<u>7,981,851</u>
DISBURSEMENTS					
Personal service	33,932	701,415	265,901	1,040	1,002,288
Employee fringe benefits	15,475	312,805	134,814	529	463,623
Expense and equipment	3,640,814	368,296	314,310	2,780	4,326,200
Postage	0	42,527	192,802	0	235,329
Refunds	0	923	0	0	923
Cost allocation plan	0	8,082	8,890	0	16,972
Total Disbursements	<u>3,690,221</u>	<u>1,434,048</u>	<u>916,717</u>	<u>4,349</u>	<u>6,045,335</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>249,625</u>	<u>(466,914)</u>	<u>2,143,127</u>	<u>10,678</u>	<u>1,936,516</u>
OTHER FINANCING SOURCES (USES)					
Appropriations Exercised by Other Agencies	0	(134,729)	(4,354,582)	0	(4,489,311)
Transfers to State Highways and Transportation					
Department Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>(4,860)</u>	<u>(4,860)</u>
Total Financing Sources (Uses)	<u>0</u>	<u>(134,729)</u>	<u>(4,354,582)</u>	<u>(4,860)</u>	<u>(4,494,171)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	<u>249,625</u>	<u>(601,643)</u>	<u>(2,211,455)</u>	<u>5,818</u>	<u>(2,557,655)</u>
CASH AND INVESTMENTS, JULY 1	<u>1,582,540</u>	<u>1,212,437</u>	<u>3,186,777</u>	<u>4,861</u>	<u>5,986,615</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 1,832,165</u>	<u>610,794</u>	<u>975,322</u>	<u>10,679</u>	<u>3,428,960</u>

Appendix A-3

Department of Revenue
Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
Year Ended June 30, 2008

	Department of Revenue Fund	Motor Vehicle Commission Fund	Department of Revenue Information Fund	Department of Revenue Specialty Plate Fund	Total
RECEIPTS					
Federal grants	\$ 4,867,935	0	0	0	4,867,935
License fees	0	977,540	0	0	977,540
Program administration fees	0	47,643	0	0	47,643
Copy fees	0	0	954	0	954
Other fees	0	0	0	19,850	19,850
Interest	0	437	480	11	928
Information sales	0	0	1,931,363	0	1,931,363
Sales tax	0	0	19,114	0	19,114
Miscellaneous	2,500	0	0	0	2,500
Total Receipts	<u>4,870,435</u>	<u>1,025,620</u>	<u>1,951,911</u>	<u>19,861</u>	<u>7,867,827</u>
DISBURSEMENTS					
Personal service	29,314	706,024	281,444	0	1,016,782
Employee fringe benefits	13,510	319,074	145,126	0	477,710
Expense and equipment	4,051,169	347,599	207,548	0	4,606,316
Postage	0	42,527	192,802	0	235,329
Refunds	0	3,110	0	15,000	18,110
Cost allocation plan	0	6,574	7,849	0	14,423
Total Disbursements	<u>4,093,993</u>	<u>1,424,908</u>	<u>834,769</u>	<u>15,000</u>	<u>6,368,670</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>776,442</u>	<u>(399,288)</u>	<u>1,117,142</u>	<u>4,861</u>	<u>1,499,157</u>
OTHER FINANCING SOURCES (USES)					
Appropriations Exercised by Other Agencies	0	(131,347)	(314,177)	0	(445,524)
Transfers to State Highways and Transportation					
Department Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>(25,580)</u>	<u>(25,580)</u>
Total Financing Sources (Uses)	<u>0</u>	<u>(131,347)</u>	<u>(314,177)</u>	<u>(25,580)</u>	<u>(471,104)</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	<u>776,442</u>	<u>(530,635)</u>	<u>802,965</u>	<u>(20,719)</u>	<u>1,028,053</u>
CASH AND INVESTMENTS, JULY 1	<u>806,098</u>	<u>1,743,072</u>	<u>2,383,812</u>	<u>25,580</u>	<u>4,958,562</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 1,582,540</u>	<u>1,212,437</u>	<u>3,186,777</u>	<u>4,861</u>	<u>5,986,615</u>

Appendix B-1

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2010

	Appropriation	Expenditures	Lapsed Balances
GENERAL REVENUE FUND			
Postage	\$ 2,464,160	2,360,768	103,392
Payment of fees to counties as a result of delinquent collections made by circuit attorneys or prosecuting attorneys and payment of collection agency fees	2,430,625	2,415,473	15,152
Refunds	1,472,000,000	1,468,754,504	3,245,496
Customer services taxation - Personal Service	12,186,882	11,710,292	476,590
Customer services taxation - Expense and Equipment	1,716,063	1,483,473	232,590
Customer services taxation Multistate Tax Commission dues - Expense and Equipment	163,001	149,961	13,040
Customer services motor vehicle and driver's license - Personal	284,094	193,665	90,429
Customer services motor vehicle and driver's license - Expense and Equipment	212,984	201,410	11,574
Legal services - Personal Service	1,839,757	1,690,772	148,985
Legal services - Expense and Equipment	173,806	161,205	12,601
Fiscal services - Personal Service	8,564,225	7,853,158	711,067
Fiscal services - Expense and Equipment	884,763	580,190	304,573
Highway collection customer services taxation - Personal Service	642,526	519,545	122,981
Highway collection customer services motor vehicle and driver's license - Personal Service	6,069,404	5,205,246	864,158
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	2,717,820	2,288,807	429,013
Highway collection legal services - Personal Service	1,001,719	922,377	79,342
Highway collection fiscal services - Personal Service	920,509	866,620	53,889
Highway collection postage	976,387	928,348	48,039
Distribution to offset property taxes for homestead preservation Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Apportionments to offset credits taken against the county stock insurance tax	684,381	684,381	0
	1,294,984	1,294,983	1
Distribution to Veterans of Foreign Wars Department of Missouri of all emblem use fee contributions	1,000	100	900
Payment of real property leases, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	747,302	692,689	54,613
Payment of fees to counties for the filing of lien notices and lien releases	225,000	225,000	0
Payment of local sales tax delinquencies set off by tax credits	400,000	259,589	140,411
Total General Revenue Fund	1,518,601,392	1,511,442,556	7,158,836
FACILITIES MAINTENANCE RESERVE FUND			
Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and	1,557,251	1,557,251	0
Total Facilities Maintenance Reserve Fund	1,557,251	1,557,251	0

Appendix B-1

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2010

	Appropriation	Expenditures	Lapsed Balances
DEPARTMENT OF REVENUE FUND			
Customer services motor vehicle and driver's license - Personal	199,141	34,119	165,022
Customer services motor vehicle and driver's license - Expense and Equipment	379,816	21,599	358,217
Legal services - Expense and Equipment	70,000	68,241	1,759
Fiscal services - Personal Service	50,758	25,625	25,133
Fiscal services - Expense and Equipment	5,970,006	3,119,269	2,850,737
Legal services - Personal Service	163,030	61,591	101,439
Total Department Of Revenue Fund	6,832,751	3,330,444	3,502,307
CHILD SUPPORT ENFORCEMENT COLLECTION FUND			
Fiscal services - Personal Service	24,372	17,316	7,056
Fiscal services - Expense and Equipment	2,599,841	1,802,909	796,932
Total Child Support Enforcement Collection Fund	2,624,213	1,820,225	803,988
HEALTH INITIATIVES FUND			
Postage	5,373	5,212	161
Tobacco tax refunds	25,000	19,993	5,007
Customer services taxation - Personal Service	49,332	47,175	2,157
Customer services taxation - Expense and Equipment	4,382	1,765	2,617
Total Health Initiatives Fund	84,087	74,145	9,942
SCHOOL BUILDING REVOLVING FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	8,029	8,029	0
Total School Building Revolving Fund	8,029	8,029	0
GAMING PROCEEDS FOR EDUCATION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	0	5,000
Total Gaming Proceeds For Education Fund	5,000	0	5,000
GAMING COMMISSION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	0	5,000
Total Gaming Commission Fund	5,000	0	5,000
ELDERLY HOME-DELIVER MEALS TRUST FUND			
Customer services taxation - Personal Service	12,582	11,788	794
Total Elderly Home-Deliver Meals Trust Fund	12,582	11,788	794

Appendix B-1

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2010

	Appropriation	Expenditures	Lapsed Balances
SOLID WASTE MANAGEMENT-SCRAP TIRE FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	15,000	673	14,327
Total Solid Waste Management-Scrap Tire Fund	15,000	673	14,327
PETROLEUM STORAGE TANK INSURANCE FUND			
Customer services taxation - Personal Service	26,527	24,486	2,041
Customer services taxation - Expense and Equipment	1,127	0	1,127
Total Petroleum Storage Tank Insurance Fund	27,654	24,486	3,168
MOTOR VEHICLE COMMISSION FUND			
Customer services motor vehicle and driver's license - Personal Service	274,374	274,255	119
Customer services motor vehicle and driver's license - Expense and Equipment	344,604	27,410	317,194
Legal services - Personal Service	455,981	425,914	30,067
Legal services - Expense and Equipment	36,077	1,795	34,282
Postage	44,029	44,029	0
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	2	4,998
Total Motor Vehicle Commission Fund	1,160,065	773,405	386,660
CONSERVATION COMMISSION FUND			
Customer services taxation - Personal Service	539,472	527,390	12,082
Customer services taxation - Expense and Equipment	16,344	15,524	820
Postage	1,343	1,343	0
Total Conservation Commission Fund	557,159	544,257	12,902
STATE SCHOOL MONEYS FUND			
Tobacco tax refunds	25,000	0	25,000
Total State School Moneys Fund	25,000	0	25,000
DEPARTMENT OF REVENUE INFORMATION FUND			
Postage	199,611	199,611	0
Customer services motor vehicle and driver's license - Personal Service	289,915	288,235	1,680
Customer services motor vehicle and driver's license - Expense and Equipment	199,914	195,436	4,478
Fiscal services - Expense and Equipment	114,433	114,393	40
Fiscal services	5,000	0	5,000
Total Department Of Revenue Information Fund	808,873	797,675	11,198
BLIND PENSION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	4,470	4,469	1
Total Blind Pension Fund	4,470	4,469	1

Appendix B-1

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2010

	Appropriation	Expenditures	Lapsed Balances
STATE HIGHWAYS AND TRANSPORTATION DEPARTMENT			
Highway collection attorney fees	5,000	0	5,000
Refunds	2,290,564	1,309,153	981,411
Refunds and distributions of motor fuel taxes	10,914,000	10,559,438	354,562
Highway collection customer services taxation - Personal Service	800,158	767,089	33,069
Highway collection customer services taxation - Expense and Equipment	89,887	84,645	5,242
Highway collection customer services motor vehicle and driver's license - Personal Service	3,909,912	3,791,162	118,750
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	3,075,425	2,989,444	85,981
Highway collection legal services - Personal Service	1,222,340	1,185,669	36,671
Highway collection legal services - Expense and Equipment	118,023	112,379	5,644
Highway collection fiscal services - Personal Service	778,476	763,635	14,841
Highway collection fiscal services - Expense and Equipment	41,589	38,194	3,395
Highway collection postage	2,076,463	2,014,169	62,294
Total State Highways And Transportation Department Fund	25,321,837	23,614,977	1,706,860
WORKERS COMPENSATION FUND			
Refunds	505,236	505,236	0
Total Workers Compensation Fund	505,236	505,236	0
PETROLEUM INSPECTION FUND			
Customer services taxation - Personal Service	32,531	29,581	2,950
Customer services taxation - Expense and Equipment	2,966	0	2,966
Total Petroleum Inspection Fund	35,497	29,581	5,916
MOTOR FUEL TAX FUND			
Distributions	188,000,000	182,146,916	5,853,084
Total Motor Fuel Tax Fund	188,000,000	182,146,916	5,853,084
FAIR SHARE FUND			
Tobacco tax refunds	11,000	0	11,000
Total Fair Share Fund	11,000	0	11,000
AMERICAN CANCER SOCIETY, HEARTLAND DIVISION FUND			
Distributions	10,070	10,069	1
Total American Cancer Society, Heartland Division Fund	10,070	10,069	1
ALS LOU GEHRIG'S DISEASE FUND			
Distributions	4,600	4,599	1
Total ALS Lou Gehrig's Disease Fund	4,600	4,599	1
AMERICAN LUNG ASSOCIATION OF MISSOURI FUND			
Distributions	3,500	1,955	1,545
Total American Lung Association Of Missouri Fund	3,500	1,955	1,545
MUSCULAR DYSTROPHY ASSOCIATION FUND			
Distributions	3,500	1,564	1,936
Total Muscular Dystrophy Association Fund	3,500	1,564	1,936

Appendix B-1

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2010

	Appropriation	Expenditures	Lapsed Balances
ARTHRITIS FOUNDATION FUND			
Distributions	2,500	1,333	1,167
Total Arthritis Foundation Fund	2,500	1,333	1,167
NATIONAL MULTIPLE SCLEROSIS SOCIETY FUND			
Distributions	4,256	4,256	0
Total National Multiple Sclerosis Society Fund	4,256	4,256	0
AMERICAN DIABETES ASSOCIATION GATEWAY AREA FUND			
Distributions	5,057	5,057	0
Total American Diabetes Association Gateway Area Fund	5,057	5,057	0
AMERICAN HEART ASSOCIATION FUND			
Distributions	3,500	3,159	341
Total American Heart Association Fund	3,500	3,159	341
MARCH OF DIMES FUND			
Distributions	3,500	3,334	166
Total March Of Dimes Fund	3,500	3,334	166
DEBT OFFSET ESCROW FUND			
Payment of refunds set off against debts	250,000	202,537	47,463
Postage for plate reissuance	457,059	156,438	300,621
Total Debt Offset Escrow Fund	707,059	358,975	348,084
DEPARTMENT OF REVENUE SPECIALTY PLATE FUND			
Customer services motor vehicle and driver's license - Personal Service	2,206	0	2,206
Customer services motor vehicle and driver's license - Expense and Equipment	3,000	0	3,000
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	4,850	0	4,850
Total Department Of Revenue Specialty Plate Fund	10,056	0	10,056
BREAST CANCER AWARENESS TRUST FUND			
Distributions	3,646	3,646	0
Total Breast Cancer Awareness Trust Fund	3,646	3,646	0
AVIATION TRUST FUND			
Refunds	50,000	4,957	45,043
Total Aviation Trust Fund	50,000	4,957	45,043
FEDERAL BUDGET STABILIZATION-MEDICAID REIMBURSEMENT FUND			
Highway collection motor vehicle and driver's license - Expense and Equipment	90,000	90,000	0
Distribution to offset property taxes for homestead preservation	2,571,865	2,488,612	83,253
Total Federal Budget Stabilization-Medicaid Reimbursement Fund	2,661,865	2,578,612	83,253
Total All Funds	\$ 1,749,675,205	1,729,667,629	20,007,576

Appendix B-2

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2009

	Appropriation	Expenditures	Lapsed Balances
GENERAL REVENUE FUND			
Postage	\$ 3,544,793	3,155,417	389,376
Payment of fees to counties as a result of delinquent collections made by circuit attorneys or prosecuting attorneys and payment of collection agency fees	4,080,000	3,927,796	152,204
Refunds	1,440,700,000	1,440,486,520	213,480
Customer services taxation - Personal Service	13,756,897	11,711,209	2,045,688
Customer services taxation - Expense and Equipment	1,931,565	1,735,615	195,950
Customer services taxation Multistate Tax Commission dues - Expense and Equipment	163,001	158,111	4,890
Customer services motor vehicle and driver's license - Personal Service	505,079	391,559	113,520
Customer services motor vehicle and driver's license - Expense and Equipment	456,292	446,218	10,074
Legal services - Personal Service	1,779,009	1,614,555	164,454
Legal services - Expense and Equipment	172,682	149,631	23,051
Fiscal services - Personal Service	9,600,622	8,037,537	1,563,085
Fiscal services - Expense and Equipment	1,262,751	851,422	411,329
Highway collection customer services taxation - Personal Service	660,484	346,785	313,699
Highway collection customer services motor vehicle and driver's license - Personal Service	6,878,796	5,862,018	1,016,778
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	3,720,082	3,165,525	554,557
Highway collection legal services - Personal Service	1,328,803	1,288,896	39,907
Highway collection fiscal services - Personal Service	597,549	568,025	29,524
Highway collection postage	1,339,903	1,259,706	80,197
Distribution to offset property taxes for homestead preservation	91,089	90,612	477
Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	726,932	706,072	20,860
Apportionments to offset credits taken against the county stock insurance tax	1,507,687	1,507,687	0
Distribution to Veterans of Foreign Wars Department of Missouri of all emblem use fee contributions	1,000	300	700
Fiscal division central mail - Personal Service	440,869	427,614	13,255
Highway collections central mail - Expense and Equipment	4,729	0	4,729
Highway collections central mail - Personal Service	219,960	213,253	6,707
Payment of real property leases, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	931,280	804,721	126,559
Payment of fees to counties for the filing of lien notices and lien releases	225,000	186,110	38,890
Payment of local sales tax delinquencies set off by tax credits	275,000	238,494	36,506
Total General Revenue Fund	1,496,901,854	1,489,331,408	7,570,446
FACILITIES MAINTENANCE RESERVE FUND			
Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	1,829,523	1,757,223	72,300
Total Facilities Maintenance Reserve Fund	1,829,523	1,757,223	72,300

Appendix B-2

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2009

	Appropriation	Expenditures	Lapsed Balances
DEPARTMENT OF REVENUE FUND			
Customer services motor vehicle and driver's license - Personal Service	199,141	10,244	188,897
Customer services motor vehicle and driver's license - Expense and Equipment	379,816	289,664	90,152
Legal services - Expense and Equipment	70,000	42,821	27,179
Fiscal services - Personal Service	50,758	23,688	27,070
Fiscal services - Expense and Equipment	5,970,006	3,308,329	2,661,677
Total Department Of Revenue Fund	6,669,721	3,674,746	2,994,975
CHILD SUPPORT ENFORCEMENT COLLECTION FUND			
Fiscal services - Personal Service	24,372	17,480	6,892
Fiscal services - Expense and Equipment	2,599,841	1,911,035	688,806
Total Child Support Enforcement Collection Fund	2,624,213	1,928,515	695,698
HEALTH INITIATIVES FUND			
Postage	5,190	5,034	156
Tobacco tax refunds	25,000	3,722	21,278
Customer services taxation - Personal Service	49,332	43,766	5,566
Customer services taxation - Expense and Equipment	4,382	3,555	827
Total Health Initiatives Fund	83,904	56,077	27,827
GAMING PROCEEDS FOR EDUCATION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	0	5,000
Total Gaming Proceeds For Education Fund	5,000	0	5,000
GAMING COMMISSION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	0	5,000
Total Gaming Commission Fund	5,000	0	5,000
ELDERLY HOME-DELIVER MEALS TRUST FUND			
Customer services taxation - Personal Service	12,582	11,774	808
Total Elderly Home-Deliver Meals Trust Fund	12,582	11,774	808
SOLID WASTE MANAGEMENT-SCRAP TIRE FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	10,000	4,540	5,460
Total Solid Waste Management-Scrap Tire Fund	10,000	4,540	5,460
PETROLEUM STORAGE TANK INSURANCE FUND			
Customer services taxation - Personal Service	26,527	24,456	2,071
Customer services taxation - Expense and Equipment	1,127	954	173
Total Petroleum Storage Tank Insurance Fund	27,654	25,410	2,244
MOTOR VEHICLE COMMISSION FUND			
Customer services motor vehicle and driver's license - Personal Service	246,374	245,811	563
Customer services motor vehicle and driver's license - Expense and Equipment	372,604	367,485	5,119
Legal services - Personal Service	455,981	455,604	377
Legal services - Expense and Equipment	36,077	811	35,266
Postage	42,527	42,527	0
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	923	4,077
Total Motor Vehicle Commission Fund	1,158,563	1,113,161	45,402

Appendix B-2

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2009

	Appropriation	Expenditures	Lapsed Balances
CONSERVATION COMMISSION FUND			
Customer services taxation - Personal Service	539,472	538,995	477
Customer services taxation - Expense and Equipment	16,344	12,961	3,383
Postage	1,297	1,297	0
Total Conservation Commission Fund	557,113	553,253	3,860
STATE SCHOOL MONEYS FUND			
Tobacco tax refunds	25,000	0	25,000
Total State School Moneys Fund	25,000	0	25,000
DEPARTMENT OF REVENUE INFORMATION FUND			
Postage	192,802	192,802	0
Customer services motor vehicle and driver's license - Personal Service	289,915	265,901	24,014
Customer services motor vehicle and driver's license - Expense and Equipment	199,914	199,084	830
Fiscal services - Expense and Equipment	114,433	112,645	1,788
Fiscal services	5,000	2,581	2,419
Total Department Of Revenue Information Fund	802,064	773,013	29,051
STATE HIGHWAYS AND TRANSPORTATION DEPARTMENT			
Highway collection attorney fees	5,000	0	5,000
Refunds	2,290,564	1,321,413	969,151
Refunds and distributions of motor fuel taxes	11,414,000	11,297,485	116,515
Highway collection customer services taxation - Personal Service	1,036,312	1,003,243	33,069
Highway collection customer services taxation - Expense and Equipment	240,733	235,491	5,242
Highway collection customer services motor vehicle and driver's license - Personal Service	4,052,544	3,930,968	121,576
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	2,866,020	2,780,039	85,981
Highway collection legal services - Personal Service	1,128,113	1,094,224	33,889
Highway collection legal services - Expense and Equipment	140,023	95,926	44,097
Highway collection fiscal services - Personal Service	375,739	364,321	11,418
Highway collection fiscal services - Expense and Equipment	81,589	78,805	2,784
Highway collection postage	1,959,537	1,905,834	53,703
Highway collections central mail - Personal Service	114,737	98,239	16,498
Total State Highways And Transportation Department Fund	25,704,911	24,205,988	1,498,923
WORKERS COMPENSATION FUND			
Refunds	2,057,888	2,057,888	0
Total Workers Compensation Fund	2,057,888	2,057,888	0
PETROLEUM INSPECTION FUND			
Customer services taxation - Personal Service	32,531	32,337	194
Customer services taxation - Expense and Equipment	2,966	2,867	99
Total Petroleum Inspection Fund	35,497	35,204	293
MOTOR FUEL TAX FUND			
Distributions	188,000,000	181,390,104	6,609,896
Total Motor Fuel Tax Fund	188,000,000	181,390,104	6,609,896
MISSOURI OFFICE OF PROSECUTION SERVICES FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,100	5,010	90
Total Missouri Office Of Prosecution Services Fund	5,100	5,010	90
FAIR SHARE FUND			
Tobacco tax refunds	11,000	0	11,000
Total Fair Share Fund	11,000	0	11,000

Appendix B-2

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2009

	Appropriation	Expenditures	Lapsed Balances
AMERICAN CANCER SOCIETY, HEARTLAND DIVISION FUND			
Distributions	8,771	8,755	16
Total American Cancer Society, Heartland Division Fund	8,771	8,755	16
ALS LOU GEHRIG'S DISEASE FUND			
Distributions	3,637	3,630	7
Total ALS Lou Gehrig's Disease Fund	3,637	3,630	7
AMERICAN LUNG ASSOCIATION OF MISSOURI FUND			
Distributions	3,500	872	2,628
Total American Lung Association Of Missouri Fund	3,500	872	2,628
MUSCULAR DYSTROPHY ASSOCIATION FUND			
Distributions	3,500	1,027	2,473
Total Muscular Dystrophy Association Fund	3,500	1,027	2,473
ARTHRITIS FOUNDATION FUND			
Distributions	3,500	1,343	2,157
Total Arthritis Foundation Fund	3,500	1,343	2,157
NATIONAL MULTIPLE SCLEROSIS SOCIETY FUND			
Distributions	4,500	4,184	316
Total National Multiple Sclerosis Society Fund	4,500	4,184	316
AMERICAN DIABETES ASSOCIATION GATEWAY AREA FUND			
Distributions	4,500	4,354	146
Total American Diabetes Association Gateway Area Fund	4,500	4,354	146
AMERICAN HEART ASSOCIATION FUND			
Distributions	3,500	3,101	399
Total American Heart Association Fund	3,500	3,101	399
MARCH OF DIMES FUND			
Distributions	3,500	3,080	420
Total March Of Dimes Fund	3,500	3,080	420
DEBT OFFSET ESCROW FUND			
Payment of refunds set off against debts	270,000	261,976	8,024
Total Debt Offset Escrow Fund	270,000	261,976	8,024
DEPARTMENT OF REVENUE SPECIALTY PLATE FUND			
Customer services motor vehicle and driver's license - Personal Service	2,206	1,040	1,166
Customer services motor vehicle and driver's license - Expense and Equipment	3,000	2,780	220
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	4,850	0	4,850
Total Department Of Revenue Specialty Plate Fund	10,056	3,820	6,236
BREAST CANCER AWARENESS TRUST FUND			
Distributions	10,000	0	10,000
Total Breast Cancer Awareness Trust Fund	10,000	0	10,000
AVIATION TRUST FUND			
Refunds	75,000	58,079	16,921
Total Aviation Trust Fund	75,000	58,079	16,921
Total All Funds	\$ 1,726,930,551	1,707,277,535	19,653,016

Appendix B-3

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2008

	Appropriation	Expenditures	Lapsed Balances
GENERAL REVENUE FUND			
Postage	\$ 3,059,238	2,944,099	115,139
Payment of fees to counties as a result of delinquent collections made by circuit attorneys or prosecuting attorneys and payment of collection agency fees	3,880,000	3,380,162	499,838
Refunds	1,300,000,000	1,257,997,366	42,002,634
Customer services taxation - Personal Service	12,357,965	11,504,044	853,921
Customer services taxation - Expense and Equipment	2,656,345	2,517,631	138,714
Customer services taxation Multistate Tax Commission dues - Expense and Equipment	163,001	163,000	1
Customer services motor vehicle and driver's license - Personal Service	278,100	265,487	12,613
Customer services motor vehicle and driver's license - Expense and Equipment	1,491,449	1,456,740	34,709
Legal services - Personal Service	1,744,136	1,692,197	51,939
Legal services - Expense and Equipment	181,985	137,828	44,157
Fiscal services - Personal Service	8,147,892	7,337,639	810,253
Fiscal services - Expense and Equipment	2,145,204	1,897,464	247,740
Highway collection customer services taxation - Personal Service	404,364	359,252	45,112
Highway collection customer services motor vehicle and driver's license - Personal Service	5,880,564	5,608,348	272,216
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	4,685,072	4,193,795	491,277
Highway collection legal services - Personal Service	1,307,042	1,230,537	76,505
Highway collection fiscal services - Personal Service	580,144	562,740	17,404
Highway collection postage	1,389,903	1,351,301	38,602
Distribution to offset property taxes for homestead preservation	1,085,347	1,055,643	29,704
Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Apportionments to offset credits taken against the county stock insurance tax	540,354	511,039	29,315
Distribution to Veterans of Foreign Wars Department of Missouri of all emblem use fee contributions	834,950	834,944	6
Fiscal division central mail - Personal Service	1,000	350	650
Highway collections central mail - Expense and Equipment	428,027	415,012	13,015
Highway collections central mail - Personal Service	4,875	0	4,875
Payment of real property leases, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	213,554	207,108	6,446
Payment of fees to counties for the filing of lien notices and lien releases	1,002,308	1,001,788	520
Payment of local sales tax delinquencies set off by tax credits	200,000	191,765	8,235
Total General Revenue Fund	250,000	227,342	22,658
	<u>1,354,912,819</u>	<u>1,309,044,621</u>	<u>45,868,198</u>
FACILITIES MAINTENANCE RESERVE FUND			
Payment of real property, related services, utilities, systems furniture, structural modification, and related expenses - Expense and Equipment	1,803,229	1,803,229	0
Total Facilities Maintenance Reserve Fund	<u>1,803,229</u>	<u>1,803,229</u>	<u>0</u>

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Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2008

	Appropriation	Expenditures	Lapsed Balances
DEPARTMENT OF REVENUE FUND			
Customer services motor vehicle and driver's license - Personal Service	192,856	5,372	187,484
Customer services motor vehicle and driver's license - Expense and Equipment	1,129,816	635,461	494,355
Legal services - Expense and Equipment	70,000	30,754	39,246
Fiscal services - Personal Service	49,280	23,942	25,338
Fiscal services - Expense and Equipment	5,970,006	3,384,954	2,585,052
Total Department Of Revenue Fund	7,411,958	4,080,483	3,331,475
CHILD SUPPORT ENFORCEMENT COLLECTION FUND			
Fiscal services - Personal Service	23,662	18,567	5,095
Fiscal services - Expense and Equipment	2,599,841	1,960,425	639,416
Total Child Support Enforcement Collection Fund	2,623,503	1,978,992	644,511
HEALTH INITIATIVES FUND			
Postage	5,190	5,190	0
Tobacco tax refunds	25,000	13,839	11,161
Customer services taxation - Personal Service	47,896	39,648	8,248
Customer services taxation - Expense and Equipment	4,382	1,589	2,793
Total Health Initiatives Fund	82,468	60,266	22,202
GAMING PROCEEDS FOR EDUCATION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	24,700	0	24,700
Total Gaming Proceeds For Education Fund	24,700	0	24,700
GAMING COMMISSION FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	5,000	0	5,000
Total Gaming Commission Fund	5,000	0	5,000
ELDERLY HOME-DELIVER MEALS TRUST FUND			
Customer services taxation - Personal Service	12,216	11,662	554
Total Elderly Home-Deliver Meals Trust Fund	12,216	11,662	554
SOLID WASTE MANAGEMENT-SCRAP TIRE FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	20,150	10,861	9,289
Total Solid Waste Management-Scrap Tire Fund	20,150	10,861	9,289
PETROLEUM STORAGE TANK INSURANCE FUND			
Customer services taxation - Personal Service	25,754	23,743	2,011
Customer services taxation - Expense and Equipment	1,127	0	1,127
Total Petroleum Storage Tank Insurance Fund	26,881	23,743	3,138
MOTOR VEHICLE COMMISSION FUND			
Customer services motor vehicle and driver's license - Personal Service	266,383	263,341	3,042
Customer services motor vehicle and driver's license - Expense and Equipment	344,604	344,582	22
Legal services - Personal Service	442,700	442,683	17
Legal services - Expense and Equipment	36,077	3,017	33,060
Postage	42,527	42,527	0
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	12,000	3,110	8,890
Total Motor Vehicle Commission Fund	1,144,291	1,099,260	45,031

Appendix B-3

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2008

	Appropriation	Expenditures	Lapsed Balances
STATE FORENSIC LABORATORY FUND			
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	300	300	0
Total State Forensic Laboratory Fund	300	300	0
CONSERVATION COMMISSION FUND			
Customer services taxation - Personal Service	523,759	516,103	7,656
Customer services taxation - Expense and Equipment	16,344	9,507	6,837
Postage	1,297	1,297	0
Total Conservation Commission Fund	541,400	526,907	14,493
STATE SCHOOL MONEYS FUND			
Tobacco tax refunds	50,000	21,090	28,910
Total State School Moneys Fund	50,000	21,090	28,910
DEPARTMENT OF REVENUE INFORMATION FUND			
Postage	192,802	192,802	0
Customer services motor vehicle and driver's license - Personal Service	281,470	281,444	26
Customer services motor vehicle and driver's license - Expense and Equipment	199,914	185,262	14,652
Fiscal services - Expense and Equipment	114,433	22,213	92,220
Fiscal services	5,000	73	4,927
Total Department Of Revenue Information Fund	793,619	681,794	111,825
STATE HIGHWAYS AND TRANSPORTATION DEPARTMENT			
Highway collection attorney fees	15,000	0	15,000
Refunds	1,790,564	1,598,703	191,861
Refunds and distributions of motor fuel taxes	10,414,000	9,324,668	1,089,332
Highway collection customer services taxation - Personal Service	1,070,205	1,038,099	32,106
Highway collection customer services taxation - Expense and Equipment	23,733	18,476	5,257
Highway collection customer services motor vehicle and driver's license - Personal Service	3,906,633	3,788,598	118,035
Highway collection customer services motor vehicle and driver's license - Expense and Equipment	3,017,020	2,931,039	85,981
Highway collection legal services - Personal Service	1,123,130	1,090,054	33,076
Highway collection legal services - Expense and Equipment	130,023	125,783	4,240
Highway collection fiscal services - Personal Service	364,794	353,674	11,120
Highway collection fiscal services - Expense and Equipment	81,589	79,141	2,448
Highway collection postage	1,790,085	1,737,597	52,488
Highway collections central mail - Personal Service	111,396	107,792	3,604
Total State Highways And Transportation Department Fund	23,838,172	22,193,624	1,644,548
WORKERS COMPENSATION FUND			
Refunds	1,272,000	1,271,232	768
Total Workers Compensation Fund	1,272,000	1,271,232	768
WORKERS COMPENSATION-SECOND INJURY FUND			
Refunds	248,966	0	248,966
Total Workers Comp-Second Injury Fund	248,966	0	248,966
PETROLEUM INSPECTION FUND			
Customer services taxation - Personal Service	31,584	30,335	1,249
Customer services taxation - Expense and Equipment	2,966	0	2,966
Total Petroleum Inspection Fund	34,550	30,335	4,215
MOTOR FUEL TAX FUND			
Distributions	189,736,000	189,735,068	932
Total Motor Fuel Tax Fund	189,736,000	189,735,068	932

Appendix B-3

Missouri Department of Revenue
Comparative Statement of Appropriations and Expenditures
Year Ended June 30, 2008

	Appropriation	Expenditures	Lapsed Balances
FAIR SHARE FUND			
Tobacco tax refunds	11,000	9,374	1,626
Total Fair Share Fund	11,000	9,374	1,626
AMERICAN CANCER SOCIETY, HEARTLAND DIVISION FUND			
Distributions	7,421	7,333	88
Total American Cancer Society, Heartland Division Fund	7,421	7,333	88
ALS LOU GEHRIG'S DISEASE FUND			
Distributions	3,500	3,156	344
Total ALS Lou Gehrig's Disease Fund	3,500	3,156	344
AMERICAN LUNG ASSOCIATION OF MISSOURI FUND			
Distributions	3,500	1,269	2,231
Total American Lung Association Of Missouri Fund	3,500	1,269	2,231
MUSCULAR DYSTROPHY ASSOCIATION FUND			
Distributions	3,500	1,120	2,380
Total Muscular Dystrophy Association Fund	3,500	1,120	2,380
ARTHRITIS FOUNDATION FUND			
Distributions	3,500	907	2,593
Total Arthritis Foundation Fund	3,500	907	2,593
NATIONAL MULTIPLE SCLEROSIS SOCIETY FUND			
Distributions	3,500	2,807	693
Total National Multiple Sclerosis Society Fund	3,500	2,807	693
AMERICAN DIABETES ASSOCIATION GATEWAY AREA FUND			
Distributions	4,359	4,306	53
Total American Diabetes Association Gateway Area Fund	4,359	4,306	53
AMERICAN HEART ASSOCIATION FUND			
Distributions	3,500	3,409	91
Total American Heart Association Fund	3,500	3,409	91
MARCH OF DIMES FUND			
Distributions	3,500	3,205	295
Total March Of Dimes Fund	3,500	3,205	295
DEBT OFFSET ESCROW FUND			
Payment of refunds set off against debts	300,000	285,584	14,416
Total Debt Offset Escrow Fund	300,000	285,584	14,416
DEPARTMENT OF REVENUE SPECIALTY PLATE FUND			
Customer services motor vehicle and driver's license - Personal Service	2,142	0	2,142
Customer services motor vehicle and driver's license - Expense and Equipment	3,000	0	3,000
Refunds for overpayment or erroneous payment of any tax or any payment credited to Federal and Other Funds	15,000	15,000	0
Total Department Of Revenue Specialty Plate Fund	20,142	15,000	5,142
AVIATION TRUST FUND			
Refunds	157,927	16,155	141,772
Total Aviation Trust Fund	157,927	16,155	141,772
Total All Funds	\$ 1,585,107,571	1,532,927,092	52,180,479

Appendix C

Missouri Department of Revenue Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,				
	2010	2009	2008	2007	2006
Salaries and wages	\$ 37,236,706	38,623,543	37,217,421	38,407,778	44,734,294
Travel, in-state	133,735	131,030	154,651	176,534	258,675
Travel, out-of-state	99,006	129,875	133,961	126,245	170,230
Fuel and utilities	47,121	45,260	52,431	156,288	83,370
Supplies	11,040,310	9,541,433	10,391,493	9,699,186	5,205,475
Professional development	266,696	286,501	287,118	313,980	290,916
Communication services and supplies	635,847	713,768	648,107	632,470	1,352,797
Professional services	6,575,480	12,258,303	12,909,156	9,490,774	20,779,626
Housekeeping and janitorial services	21,941	20,099	29,516	36,595	56,080
Maintenance and repair services	446,031	568,013	317,223	361,650	1,772,601
Computer equipment	84,698	98,255	1,155,205	1,181,914	2,846,662
Motorized equipment	29,089	0	149,991	230,288	4,095
Office equipment	43,762	140,617	508,384	601,462	74,732
Other equipment	19,318	41,200	447,573	49,571	67,140
Property and improvements	0	0	0	60,481	15,958
Building lease payments	2,960,417	3,203,497	3,299,995	3,028,634	1,104,118
Equipment rental and leases	10,871	16,775	8,617	34,662	110,717
Miscellaneous expenses	6,959	6,549	25,541	42,612	39,998
Rebillable expenses	0	96	0	127	0
Refunds	1,481,785,018	1,455,738,631	1,270,795,886	1,220,123,901	1,139,750,496
Program distributions	188,224,624	185,714,090	194,394,823	196,904,047	190,099,593
Total Expenditures	\$ <u>1,729,667,629</u>	<u>1,707,277,535</u>	<u>1,532,927,092</u>	<u>1,481,659,198</u>	<u>1,408,817,573</u>

Appendix D

Department of Revenue Statement of Changes in General Capital Assets

All Funds	Furniture and Equipment	Motor Vehicles	Total
Balance, July 1, 2007	\$ 14,913,581	736,159	15,649,740
Additions	573,389	195,475	768,864
Dispositions	(4,657,421)	(107,901)	(4,765,322)
Balance, June30, 2008	10,829,549	823,733	11,653,282
Additions	641,843	0	641,843
Dispositions	(1,550,582)	(84,138)	(1,634,720)
Balance, June 30, 2009	9,920,810	739,595	10,660,405
Additions	3,753	61,332	65,085
Dispositions	(1,788,012)	(46,584)	(1,834,596)
Balance, June 30, 2010	\$ 8,136,551	754,343	8,890,894

Fund of Acquisition	Balance June 30, 2010
General Revenue Fund	\$ 5,309,587
Department of Revenue Fund	333,790
Motor Vehicle Commission Fund	7,468
Conservation Commission Fund	3,523
Department of Revenue Information Fund	170,704
State Highways and Transportation Department Fund	3,065,822
	\$ 8,890,894

Appendix E

Department of Revenue Motor Vehicle and Driver License (MV/DL) Records Timeline of Rate Changes

Date	Cost Per Record/Batch	Cost Per Bulk	Cost Per Individual Record
Prior to May 1, 2008	\$1.25	\$0.0043 for the first 50,000 records \$0.0003 for every record over 50,000 \$35 processing fee for each job \$35 programming fee (new customers) \$1,035 complete file w/o history \$2,035 complete file w/ history	\$1.25
May 1, 2008	\$7.00	\$7 for each record	\$7.00
June 2, 2008	\$1.25	\$0.0043 for the first 50,000 records \$0.0003 for every record over 50,000 \$35 processing fee for each job \$35 programming fee (new customers) \$1,035 complete file w/o history \$2,035 complete file w/ history	\$7.00
August 28, 2008	\$0.005	\$0.005 for each record	\$7.00
September 1, 2008	\$0.005	\$0.005 for each record	\$5.88
December 1, 2008	\$0.0382	\$0.0382 for each record	\$5.88
May 1, 2009	\$52 *	\$0.0043 for the first 50,000 records \$0.0003 for every record over 50,000 \$35 processing fee for each job \$35 programming fee (new customers) \$1,035 complete file w/o history \$2,035 complete file w/ history	\$5.88

* This amount is the fee for each "batch" of records. All other amounts are the fee for each individual record in the batch.