



# Thomas A. Schweich

Missouri State Auditor

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## Office of Secretary of State

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March 2013  
Report No. 2013-023



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<http://auditor.mo.gov>



**Thomas A. Schweich**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Office of Secretary of State

Background	The Office of Secretary of State is an elective office charged with the following duties: 1) to be custodian of the state seal; 2) to keep a register of the official acts of the governor; 3) to be custodian of records and documents; and 4) to perform such duties in relation to elections and corporations as provided by law. Robin Carnahan served as Secretary of State from January 10, 2005, to January 14, 2013.
Findings	The State Auditor is required to audit the Office of Secretary of State. The scope of our audit included, but was not necessarily limited to, the period July 1, 2012, to January 14, 2013, and the 2 years ended June 30, 2012. The objectives of the audit were to evaluate the office's internal controls over significant management and financial functions; evaluate the office's compliance with certain legal provisions; and evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions. No findings resulted from our audit.
Follow-up on Prior Audit Findings	As reported in our prior report, the Office of Administration transferred \$5 million from the Investor Education and Protection Fund to the General Revenue Fund, which did not appear to be an allowable use of fund monies. We recommended the Secretary of State request the Office of Administration to reimburse these monies. The Secretary of State made this request, but the Office of Administration refused to reimburse the Investor Education and Protection Fund.

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

American Recovery and Reinvestment Act (Federal Stimulus)	The Office of Secretary of State did not receive any federal stimulus monies during the audited time period.
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\*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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# Office of Secretary of State

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# THOMAS A. SCHWEICH

## Missouri State Auditor

Honorable Robin Carnahan  
and  
Honorable Jason Kander, Secretary of State  
Jefferson City, Missouri

We have audited certain operations of the Office of Secretary of State in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the period July 1, 2012, to January 14, 2013, and the years ended June 30, 2012 and 2011. The objectives of our audit were to:

1. Evaluate the office's internal controls over significant management and financial functions.
2. Evaluate the office'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 office; inspection of capital assets; analysis of comparative data obtained from external and/or internal sources; 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 office's management and was not subjected to the procedures applied in our audit of the office.

For the areas audited, we identified (1) no significant deficiencies in internal controls, (2) no significant noncompliance with legal provisions, and (3) no significant deficiencies in management practices and procedures. No findings resulted from our audit of the Secretary of State.



Thomas A. Schweich  
State Auditor

The following auditors participated in the preparation of this report:

Deputy State Auditor: Harry J. Otto, CPA  
Director of Audits: John Luetkemeyer, CPA  
Audit Manager: Toni M. Crabtree, CPA  
In-Charge Auditor: Robyn Lamb  
Audit Staff: Terese Summers, MSAS, CPA  
Joshua Allen, CPA, CFE  
Rachelle Thompson  
Alexander Druzenko, MBA  
Tessa Oates

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# Office of Secretary of State

## Follow-up on Prior Audit Findings

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This section reports the auditor's follow-up on action taken by the Office of Secretary of State (SOS) on findings in the Management Advisory Report (MAR) of our prior audit report issued for the years ended June 30, 2010, 2009, and 2008.

Investor Education and Protection Fund

Transfers, totaling \$5 million, from the Investor Education and Protection Fund to the General Revenue Fund did not appear to be an allowable use of fund monies. The transfers included \$3.8 million made in November 2009, \$500,000 made in February 2010, and \$700,000 made in June 2010.

Recommendation

The SOS request the Office of Administration (OA) to reimburse the \$5 million to the Investor Education and Protection Fund.

Status

Implemented. The SOS requested the OA reimburse the \$5 million to the Investor Education and Protection Fund. The OA denied the request citing that the OA properly transferred the monies from the Investor Education and Protection Fund to the General Revenue Fund and did not intend to reimburse the Investor Education and Protection Fund.

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# Office of Secretary of State

## Organization and Statistical Information

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The Office of Secretary of State is an elective office as provided in the Missouri Constitution. Article IV, Section 14, established the duties of the Secretary of State: 1) to be custodian of the state seal, 2) to keep a register of the official acts of the governor, 3) to be custodian of records and documents, and 4) to perform such duties in relation to elections and corporations as provided by law.

To accommodate the responsibilities of record keeping, registration, and administration, the Secretary of State's office is divided into the following major divisions: Business Services, Elections, Securities, State Library, Records Services, and Administrative Rules. Some areas are composed of separate sections which perform specific functions.

Business Services Division: This division is comprised of three sections: Commissions, Corporation, and Uniform Commercial Code (UCC). The Commissions section maintains the oath of office and official signature of each notary, as well as their official bond; authenticates official acts of the governor; maintains the Great Seal of the State of Missouri; maintains bonds and oaths of office for state officials; and is responsible for the official signature, facsimile signature filings, resident agent filings and trademark and service mark filings. The Corporations section handles the registration and maintenance of over 700,000 active businesses registered in Missouri. Businesses file various documents required by law such as creation documents, annual reports, amendments, mergers, consolidations, dissolutions, terminations, withdrawals, and conversions. The UCC section is responsible for perfecting personal property liens and other creditor interests. These liens are perfected by filing a financing statement in the accepted national format.

Elections Division: This division oversees all statewide elections for both candidates and issues; prepares statewide ballots for primary, general, and certain special elections; and certifies and publishes election results. In addition, the division certifies statewide ballot measures that are proposed by the General Assembly or through the initiative and referendum petition process, including the oversight of signature verification. The division assists Missouri's 116 local election authorities in administering elections and promulgating rules governing elections and electronic voting systems; cooperates with other officials, schools, and civic organizations to provide materials to support voter registration, responsibility, and education; and oversees the statewide poll worker recruitment initiative. The division is also responsible for coordinating Missouri's compliance with federal election law, including the Help America Vote Act of 2002 (HAVA).

Securities Division: This division is responsible for ensuring compliance with state securities laws. This responsibility includes enforcement of the law when violations occur and the registration of securities, broker-dealers,



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Office of Secretary of State  
Organization and Statistical Information

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agents, investment advisers and investment advisor representatives. State securities laws are intended to protect investors from unsuitable investment recommendations, dishonest or unethical practices, and fraudulent investment schemes. The division is composed of the Enforcement and Registration sections. The Enforcement section receives and investigates complaints. Each year this section fields hundreds of investor complaints, many of which result in cease and desist orders, licensing revocations, civil penalties, criminal prosecutions, or investor restitution. The Registration section regulates the registration of individuals, firms, and securities. This section performs routine and for-cause inspections and pre-registration exams of the offices of broker-dealers and investment advisers to ensure compliance with Missouri securities laws. In addition, this section reviews proposed securities offerings to ensure that offerings are "fair, just, and equitable." The division also oversees the Missouri Investor Protection Center, which creates and promotes investor education initiatives designed to educate and assist both current and future investors.

Missouri State Library: The library is responsible for providing library and reference services to Missouri state government; providing library services to the blind and visually impaired; and promoting the development and improvement of library services throughout the state. To fulfill these responsibilities, the library is composed of three sections: Library Development, References Services, and the Wolfner Library. The Library Development section supports libraries through consulting, administration of grant programs, continuing education, and statewide programs. Through research, publications, and personal contacts, consultants provide assistance on general library issues and needs, promote the organization and development of library services, manage statewide projects, and maintain statistics on public library services in the state. The Reference Services section delivers library services to meet the informational and research needs of state government through current awareness services, library materials collections in multiple formats, electronic publications, and online databases provided to state employees. The Wolfner Library serves as the public library for Missourians unable to use standard print because of visual or physical disability. Wolfner services are available to qualified Missourians at no charge.

Records Services Division: This division is responsible for maintaining the current and historical records of the state to ensure those records are preserved and accessible to Missouri citizens, and for assisting local governments in records preservation and management. The division is composed of three sections: Missouri State Archives, Local Records Preservation Program, and Records Management. Missouri State Archives is the official repository for government records of permanent value. The local Records Preservation Program advises, educates, and encourages the custodians of local records in the use of sound records management and



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Office of Secretary of State  
Organization and Statistical Information

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archival practices. The Records Management section helps state agencies to effectively and efficiently manage their official records; provides state agencies storage for inactive records; and provides state agencies and local governments micrographic and digital imaging services.

Administrative Rules Division: This division is charged with setting uniform standards, procedures, and guidelines for the preparation and publishing of rules in the Missouri Register and the Missouri Code of State Regulations.

The office also includes the following divisions: Information Technology, Communications and Publications, Fiscal and Facilities, and Human Resources. The Information Technology Division coordinates, develops, implements, and supports information technology solutions for the office. The Communications and Publications Division handles a variety of printing and graphic arts responsibilities for the office, including the publication of the Official Manual. The Fiscal and Facilities Division provides fiscal, budget, procurement, and facilities management support and general office services. The Human Resources Division supports personnel recruitment, compensation, benefits, training, and performance evaluation for the office.

On January 10, 2005, Robin Carnahan was inaugurated as the state's thirty-eighth Secretary of State. Her second term expired on January 14, 2013. On that date, Jason Kander was inaugurated as the state's thirty-ninth Secretary of State.

At January 14, 2013, the office employed 232 full-time and 2 part-time employees.

American Recovery and  
Reinvestment Act 2009  
(Federal Stimulus)

The Office of Secretary of State did not receive any federal stimulus monies during the period July 1, 2012 to January 14, 2013, and the 2 years ended June 30, 2012.

Appendix A-1

Office of Secretary of State  
 Combined Statement of Receipts, Disbursements, and Changes in Cash and Investments  
 Federal Funds  
 Year Ended June 30, 2012

	Election Administration Improvement Fund	Election Improvements Revolving Loan Fund	Federal and Other Fund	Federal Funds Fund	Total Federal Funds (Memorandum Only)
<b>RECEIPTS</b>					
Federal grants	\$ 0	278,088	97,064	3,131,539	3,506,691
Investment income	113,537	45	57	0	113,639
Refunds	0	1,050	106	0	1,156
Recovery costs	0	0	0	26,150	26,150
Donations	0	0	55,500	0	55,500
Miscellaneous	568	0	5	16,327	16,900
<b>Total Receipts</b>	<b>114,105</b>	<b>279,183</b>	<b>152,732</b>	<b>3,174,016</b>	<b>3,720,036</b>
<b>DISBURSEMENTS</b>					
Personal service	259,085	0	0	453,687	712,772
Employee fringe benefits	114,437	0	0	254,417	368,854
Expense and equipment	2,888,140	0	0	68,306	2,956,446
Public assistance grants	0	0	0	2,339,586	2,339,586
Federal grant programs	0	0	132,361	0	132,361
Federal election reform	3,983,117	279,138	0	0	4,262,255
<b>Total Disbursements</b>	<b>7,244,779</b>	<b>279,138</b>	<b>132,361</b>	<b>3,115,996</b>	<b>10,772,274</b>
<b>RECEIPTS OVER (UNDER)</b>					
<b>DISBURSEMENTS</b>	<b>(7,130,674)</b>	<b>45</b>	<b>20,371</b>	<b>58,020</b>	<b>(7,052,238)</b>
<b>TRANSFERS</b>					
Transfers from State Election Subsidy Fund	4,205,989	0	0	0	4,205,989
<b>RECEIPTS OVER (UNDER)</b>					
<b>DISBURSEMENTS AND TRANSFERS</b>	<b>(2,924,685)</b>	<b>45</b>	<b>20,371</b>	<b>58,020</b>	<b>(2,846,249)</b>
<b>CASH AND INVESTMENTS, JULY 1</b>	<b>21,107,614</b>	<b>40</b>	<b>23</b>	<b>59,735</b>	<b>21,167,412</b>
<b>CASH AND INVESTMENTS, JUNE 30</b>	<b>\$ 18,182,929</b>	<b>85</b>	<b>20,394</b>	<b>117,755</b>	<b>18,321,163</b>

Appendix A-1

Office of Secretary of State  
 Combined Statement of Receipts, Disbursements, and Changes in Cash and Investments  
 Other Funds  
 Year Ended June 30, 2012

	Technology Trust Fund	Local Records Preservation Fund	Investor's Restitution Fund	Missouri State Archives- St. Louis Trust Fund	Library Networking Fund	Investor Education and Protection Fund	State Document Preservation Fund	Wolfner Library Trust Fund	Total Other Funds (Memorandum Only)
<b>RECEIPTS</b>									
Fees	\$ 2,371,983	1,168,718	0	0	0	0	0	0	3,540,701
Investment income	16,063	0	0	8	573	32,990	33	4,910	54,577
Donations	0	0	0	0	0	0	414	8,375	8,789
Court awards	0	0	0	0	0	827,907	0	0	827,907
Recovery costs	5,057	0	567,350	0	10,720	98,847	0	0	681,974
Miscellaneous	14,076	130	0	236	45	263	0	0	14,750
Total Receipts	<u>2,407,179</u>	<u>1,168,848</u>	<u>567,350</u>	<u>244</u>	<u>11,338</u>	<u>960,007</u>	<u>447</u>	<u>13,285</u>	<u>5,128,698</u>
<b>DISBURSEMENTS</b>									
Personal service	152,024	466,132	0	0	0	402,097	0	0	1,020,253
Employee fringe benefits	60,469	215,637	0	0	0	173,286	0	0	449,392
Expense and equipment	2,426,928	119,079	0	0	0	480,912	356	2,264	3,029,539
Library networking	0	0	0	0	62,735	0	0	0	62,735
Investors restitution	0	0	721,109	0	0	0	0	0	721,109
Cost allocation plan	32,019	14,889	1,224	1	0	23,856	1	2,441	74,431
Leasing operations	0	3,297	0	0	0	0	0	0	3,297
Miscellaneous	0	0	0	0	0	0	0	10,274	10,274
Total Disbursements	<u>2,671,440</u>	<u>819,034</u>	<u>722,333</u>	<u>1</u>	<u>62,735</u>	<u>1,080,151</u>	<u>357</u>	<u>14,979</u>	<u>5,371,030</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>(264,261)</u>	<u>349,814</u>	<u>(154,983)</u>	<u>243</u>	<u>(51,397)</u>	<u>(120,144)</u>	<u>90</u>	<u>(1,694)</u>	<u>(242,332)</u>
CASH AND INVESTMENTS, JULY 1	<u>2,545,978</u>	<u>1,080,184</u>	<u>5,506,982</u>	<u>1,371</u>	<u>90,962</u>	<u>4,317,417</u>	<u>5,170</u>	<u>811,722</u>	<u>14,359,786</u>
CASH AND INVESTMENTS, JUNE 30	\$ <u>2,281,717</u>	<u>1,429,998</u>	<u>5,351,999</u>	<u>1,614</u>	<u>39,565</u>	<u>4,197,273</u>	<u>5,260</u>	<u>810,028</u>	<u>14,117,454</u>

Appendix A-2

Office of Secretary of State  
 Combined Statement of Receipts, Disbursements, and Changes in Cash and Investments  
 Federal Funds  
 Year Ended June 30, 2011

	Election Administration Improvement Fund	Election Improvements Revolving Loan Fund	Federal and Other Fund	Federal Funds Fund	Total Federal Funds (Memorandum Only)
<b>RECEIPTS</b>					
Federal grants	\$ 5,456,068	281,318	108,890	3,620,184	9,466,460
Investment income	126,276	52	17	0	126,345
Refunds	986	0	0	1,702	2,688
Miscellaneous	81	0	5	195	281
Total Receipts	<u>5,583,411</u>	<u>281,370</u>	<u>108,912</u>	<u>3,622,081</u>	<u>9,595,774</u>
<b>DISBURSEMENTS</b>					
Personal service	230,271	0	0	508,353	738,624
Employee fringe benefits	106,178	0	0	275,536	381,714
Expense and equipment	3,671,743	0	0	112,656	3,784,399
Public assistance grants	0	0	0	2,699,487	2,699,487
Federal grant programs	0	0	103,847	0	103,847
Federal election reform	1,898,724	281,349	0	0	2,180,073
Miscellaneous	0	0	5,043	0	5,043
Total Disbursements	<u>5,906,916</u>	<u>281,349</u>	<u>108,890</u>	<u>3,596,032</u>	<u>9,893,187</u>
RECEIPTS OVER (UNDER)					
DISBURSEMENTS	<u>(323,505)</u>	<u>21</u>	<u>22</u>	<u>26,049</u>	<u>(297,413)</u>
TRANSFERS					
Transfers from State Election Subsidy Fund	3,638,193	0	0	0	3,638,193
RECEIPTS OVER (UNDER)					
DISBURSEMENTS AND TRANSFERS	3,314,688	21	22	26,049	3,340,780
CASH AND INVESTMENTS, JULY 1	17,792,926	19	1	33,686	17,826,632
CASH AND INVESTMENTS, JUNE 30	<u>\$ 21,107,614</u>	<u>40</u>	<u>23</u>	<u>59,735</u>	<u>21,167,412</u>

Appendix A-2

Office of Secretary of State  
 Combined Statement of Receipts, Disbursements, and Changes in Cash and Investments  
 Other Funds  
 Year Ended June 30, 2011

	Technology Trust Fund	Local Records Preservation Fund	Investor's Restitution Fund	Missouri State Archives- St. Louis Trust Fund	Library Networking Fund	Investor Education and Protection Fund	State Document Preservation Fund	Wolfner Library Trust Fund	Total Other Funds (Memorandum Only)
<b>RECEIPTS</b>									
Fees	\$ 2,400,545	1,167,225	0	0	0	0	0	0	3,567,770
Investment income	22,283	0	0	8	1,392	40,939	39	6,112	70,773
Donations	0	0	0	0	374,302	0	183	5,321	379,806
Court awards	0	0	0	0	0	851,361	0	0	851,361
Refunds	97	0	0	0	0	0	0	0	97
Recovery costs	4,828	0	1,214,435	0	550	121,148	0	0	1,340,961
Miscellaneous	9,259	49	0	406	1	2,608	10	0	12,333
Total Receipts	<u>2,437,012</u>	<u>1,167,274</u>	<u>1,214,435</u>	<u>414</u>	<u>376,245</u>	<u>1,016,056</u>	<u>232</u>	<u>11,433</u>	<u>6,223,101</u>
<b>DISBURSEMENTS</b>									
Personal service	183,721	460,233	0	0	0	487,226	0	0	1,131,180
Employee fringe benefits	78,106	217,330	0	0	0	212,583	0	0	508,019
Expense and equipment	2,875,419	57,208	0	0	0	564,424	0	14,085	3,511,136
Library networking	0	0	0	0	369,932	0	0	0	369,932
Investors restitution	0	0	1,059,177	0	0	0	0	0	1,059,177
Cost allocation plan	31,323	16,999	0	1	0	47,866	80	1,140	97,409
Leasing operations	0	3,282	0	0	0	0	0	0	3,282
Miscellaneous	0	0	2,393	0	0	0	0	0	2,393
Total Disbursements	<u>3,168,569</u>	<u>755,052</u>	<u>1,061,570</u>	<u>1</u>	<u>369,932</u>	<u>1,312,099</u>	<u>80</u>	<u>15,225</u>	<u>6,682,528</u>
RECEIPTS OVER (UNDER)									
DISBURSEMENTS	(731,557)	412,222	152,865	413	6,313	(296,043)	152	(3,792)	(459,427)
<b>TRANSFERS</b>									
Transfers from Missouri Investment Trust Fund	0	0	0	0	0	0	0	6,005	6,005
RECEIPTS OVER (UNDER)									
DISBURSEMENTS AND TRANSFERS	(731,557)	412,222	152,865	413	6,313	(296,043)	152	2,213	(453,422)
CASH AND INVESTMENTS, JULY 1	3,277,535	667,962	5,354,117	958	84,649	4,613,460	5,018	809,509	14,813,208
CASH AND INVESTMENTS, JUNE 30	\$ <u>2,545,978</u>	<u>1,080,184</u>	<u>5,506,982</u>	<u>1,371</u>	<u>90,962</u>	<u>4,317,417</u>	<u>5,170</u>	<u>811,722</u>	<u>14,359,786</u>

Appendix B

Office of Secretary of State  
Comparative Statement of Receipts  
General Revenue Fund

	Year Ended June 30,	
	2012	2011
Securities	\$ 14,694,545	14,234,941
Business services	8,066,720	8,074,792
Records services	25,929	24,906
Administrative rules	12,310	14,785
Elections	60	540
Missouri state library	570	620
Miscellaneous	774	1,441
Total	\$ 22,800,908	22,352,025

Appendix C-1

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Period July 1, 2012 to January 14, 2013

	Appropriation Authority	Expenditures	Encumbrances	Uncommitted Appropriations *
<b>GENERAL REVENUE FUND</b>				
Personal Service	\$ 7,371,129	3,796,563	30,584	3,543,982
Expense and Equipment	1,803,409	584,834	526,297	692,278
Elections Public Notice	2,165,100	2,165,100	0	0
Refunds of securities, corporations, uniform commercial code and miscellaneous collections	50,000	23,409	468	26,123
Remote Electronics Access for Libraries Program	3,109,250	1,724,438	692,406	692,406
Absentee Ballots	82,506	58,187	18,598	5,721
Aid to Public Libraries	3,504,001	1,363,530	0	2,140,471
Literacy Investment for Tomorrow Program	69,450	17,115	52,335	0
Leasing	625,855	293,932	56,305	275,618
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	1,014,668	505,866	478,362	30,440
Total General Revenue Fund	<u>19,795,368</u>	<u>10,532,974</u>	<u>1,855,355</u>	<u>7,407,039</u>
<b>RECORDS-FEDERAL FUND</b>				
Re-Grant Program	15,000	3,987	0	11,013
Total Records-Federal Fund	<u>15,000</u>	<u>3,987</u>	<u>0</u>	<u>11,013</u>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES SAVE AMERICA'S TREASURES GRANT FUND</b>				
Personal Service	157,949	0	0	157,949
Total National Endowment for the Humanities Save America's Treasures Grant Fund	<u>157,949</u>	<u>0</u>	<u>0</u>	<u>157,949</u>
<b>ELECTION ADMINISTRATION IMPROVEMENT FUND</b>				
Expense and Equipment	3,737,263	1,320,946	2,225,332	190,985
Personal Service	267,325	115,340	2,519	149,466
Federal Election Reform	5,229,232	918,566	4,306,134	4,532
Total Election Administration Improvement Fund	<u>9,233,820</u>	<u>2,354,852</u>	<u>6,533,985</u>	<u>344,983</u>
<b>ELECTION IMPROVEMENTS REVOLVING LOAN FUND</b>				
Federal Election Reform	396,185	89,313	129,546	177,326
Total Election Improvements Revolving Loan Fund	<u>396,185</u>	<u>89,313</u>	<u>129,546</u>	<u>177,326</u>
<b>FEDERAL AND OTHER FUND</b>				
Grants and Projects	200,000	20,376	0	179,624
Total Federal and Other Fund	<u>200,000</u>	<u>20,376</u>	<u>0</u>	<u>179,624</u>
<b>FEDERAL FUNDS FUND</b>				
Personal Service	639,832	238,178	0	401,654
Expense and Equipment	227,574	67,489	31,825	128,260
Allotments, grants and contributions from the Federal Government or from any sources may be deposited in the State Treasury for the use of the Missouri State Library	2,750,000	1,735,700	570,952	443,348
Total Federal Funds Fund	<u>3,617,406</u>	<u>2,041,367</u>	<u>602,777</u>	<u>973,262</u>
<b>TECHNOLOGY TRUST FUND</b>				
Personal Service	336,334	147,496	0	188,838
Expense and Equipment	3,161,180	934,420	1,037,481	1,189,279
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	7,086	3,532	3,532	22
Total Technology Trust Fund	<u>3,504,600</u>	<u>1,085,448</u>	<u>1,041,013</u>	<u>1,378,139</u>

Appendix C-1

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Period July 1, 2012 to January 14, 2013

	Appropriation Authority	Expenditures	Encumbrances	Uncommitted Appropriations *
<b>LOCAL RECORDS PRESERVATION FUND</b>				
Leasing	3,296	1,649	324	1,323
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	18,489	9,236	9,235	18
Personal Service	1,062,096	413,159	2,184	646,753
Expense and Equipment	519,969	43,441	17,653	458,875
Local Records Preservation Grants	400,000	0	0	400,000
Total Local Records Preservation Fund	<u>2,003,850</u>	<u>467,485</u>	<u>29,396</u>	<u>1,506,969</u>
<b>STATE ELECTIONS SUBSIDY FUND</b>				
Special Election Costs	400,000	284,742	0	115,258
Total State Elections Subsidy Fund	<u>400,000</u>	<u>284,742</u>	<u>0</u>	<u>115,258</u>
<b>INVESTORS' RESTITUTION FUND</b>				
Investors' Restitution	55,000	23,726	0	31,274
Total Investors' Restitution Fund	<u>55,000</u>	<u>23,726</u>	<u>0</u>	<u>31,274</u>
<b>MISSOURI STATE ARCHIVES-ST. LOUIS TRUST FUND</b>				
Document Preservation	1	0	0	1
Total Missouri State Archives-St. Louis Trust Fund	<u>1</u>	<u>0</u>	<u>0</u>	<u>1</u>
<b>LIBRARY NETWORKING FUND FUND</b>				
Library Networking Grants	1,600,000	13,646	0	1,586,354
Total Library Networking Fund Fund	<u>1,600,000</u>	<u>13,646</u>	<u>0</u>	<u>1,586,354</u>
<b>INVESTOR EDUCATION AND PROTECTION FUND</b>				
Personal Service	561,081	277,887	2,887	280,307
Expense and Equipment	645,364	242,955	185,246	217,163
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	13,989	6,975	6,975	39
Total Investor Education and Protection Fund	<u>1,220,434</u>	<u>527,817</u>	<u>195,108</u>	<u>497,509</u>
<b>STATE DOCUMENT PRESERVATION FUND</b>				
Expense and Equipment	25,000	100	0	24,900
Total State Document Preservation Fund	<u>25,000</u>	<u>100</u>	<u>0</u>	<u>24,900</u>
<b>WOLFNER LIBRARY TRUST FUND</b>				
Expense and Equipment	14,501	0	0	14,501
Total Wolfner Library Trust Fund	<u>14,501</u>	<u>0</u>	<u>0</u>	<u>14,501</u>
Total All Funds	<u>\$ 42,239,114</u>	<u>17,445,833</u>	<u>10,387,180</u>	<u>14,406,101</u>

\* The uncommitted appropriations include the following withholdings made at the Governor's request:

	Period Ended January 14, 2013
<b>General Revenue Fund</b>	
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	\$ 30,440
Leasing	18,776
Total General Revenue Fund	<u>\$ 49,216</u>

Appendix C-2

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Year Ended June 30, 2012

	Appropriation Authority	Expenditures	Lapsed Balances*
<b>GENERAL REVENUE FUND</b>			
Personal Service	\$ 7,251,098	7,240,988	10,110
Expense and Equipment	1,803,409	1,800,257	3,152
Elections Public Notice	100,000	0	100,000
Refunds of securities, corporations, uniform commercial code and miscellaneous collections	50,000	42,377	7,623
Remote Electronics Access for Libraries Program	3,109,250	3,109,250	0
Absentee Ballots	50,000	44,400	5,600
Aid to Public Libraries	3,604,001	3,604,001	0
Literacy Investment for Tomorrow Program	69,450	69,450	0
Leasing	588,617	555,288	33,329
Election Printing	21,395	20,424	971
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	1,008,678	978,401	30,277
Total General Revenue Fund	<u>17,655,898</u>	<u>17,464,836</u>	<u>191,062</u>
<b>RECORDS-FEDERAL FUND</b>			
Re-Grant Program	15,000	0	15,000
Total Records-Federal Fund	<u>15,000</u>	<u>0</u>	<u>15,000</u>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES SAVE AMERICA'S TREASURES GRANT FUND</b>			
Personal Service	241,949	0	241,949
Total National Endowment for the Humanities Save America's Treasures Grant Fund	<u>241,949</u>	<u>0</u>	<u>241,949</u>
<b>ELECTION ADMINISTRATION IMPROVEMENT FUND</b>			
Expense and Equipment	6,930,072	2,888,140	4,041,932
Personal Service	261,191	259,085	2,106
Federal Election Reform	8,984,162	3,983,117	5,001,045
Total Election Administration Improvement Fund	<u>16,175,425</u>	<u>7,130,342</u>	<u>9,045,083</u>
<b>ELECTION IMPROVEMENTS REVOLVING LOAN FUND</b>			
Federal Election Reform	396,185	279,138	117,047
Total Election Improvements Revolving Loan Fund	<u>396,185</u>	<u>279,138</u>	<u>117,047</u>
<b>FEDERAL AND OTHER FUND</b>			
Grants and Projects	200,000	132,361	67,639
Total Federal and Other Fund	<u>200,000</u>	<u>132,361</u>	<u>67,639</u>
<b>FEDERAL FUNDS FUND</b>			
Personal Service	629,065	453,687	175,378
Expense and Equipment	227,574	68,306	159,268
Allotments, grants and contributions from the Federal Government or from any sources may be deposited in the State Treasury for the use of the Missouri State Library	3,000,000	2,339,586	660,414
Total Federal Funds Fund	<u>3,856,639</u>	<u>2,861,579</u>	<u>995,060</u>
<b>TECHNOLOGY TRUST FUND</b>			
Personal Service	246,009	152,024	93,985
Expense and Equipment	3,161,180	2,419,991	741,189
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	7,051	6,937	114
Total Technology Trust Fund	<u>3,414,240</u>	<u>2,578,952</u>	<u>835,288</u>

Appendix C-2

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Year Ended June 30, 2012

	Appropriation Authority	Expenditures	Lapsed Balances*
<b>LOCAL RECORDS PRESERVATION FUND</b>			
Leasing	3,306	3,297	9
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	18,397	18,142	255
Personal Service	1,042,516	466,132	576,384
Expense and Equipment	519,969	100,937	419,032
Local Records Preservation Grants	400,000	0	400,000
Total Local Records Preservation Fund	<u>1,984,188</u>	<u>588,508</u>	<u>1,395,680</u>
<b>STATE ELECTIONS SUBSIDY FUND</b>			
Special Election Costs	7,550,000	7,526,299	23,701
Total State Elections Subsidy Fund	<u>7,550,000</u>	<u>7,526,299</u>	<u>23,701</u>
<b>INVESTORS' RESTITUTION FUND</b>			
Investors' Restitution	765,000	721,109	43,891
Total Investors' Restitution Fund	<u>765,000</u>	<u>721,109</u>	<u>43,891</u>
<b>MISSOURI STATE ARCHIVES-ST. LOUIS TRUST FUND</b>			
Document Preservation	1	0	1
Total Missouri State Archives-St. Louis Trust Fund	<u>1</u>	<u>0</u>	<u>1</u>
<b>LIBRARY NETWORKING FUND FUND</b>			
Library Networking Grants	450,000	62,735	387,265
Total Library Networking Fund Fund	<u>450,000</u>	<u>62,735</u>	<u>387,265</u>
<b>INVESTOR EDUCATION AND PROTECTION FUND</b>			
Personal Service	550,530	402,097	148,433
Expense and Equipment	645,364	467,211	178,153
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	13,920	13,701	219
Total Investor Education and Protection Fund	<u>1,209,814</u>	<u>883,009</u>	<u>326,805</u>
<b>STATE DOCUMENT PRESERVATION FUND</b>			
Expense and Equipment	402	356	46
Total State Document Preservation Fund	<u>402</u>	<u>356</u>	<u>46</u>
<b>WOLFNER LIBRARY TRUST FUND</b>			
Expense and Equipment	14,501	2,264	12,237
Total Wolfner Library Trust Fund	<u>14,501</u>	<u>2,264</u>	<u>12,237</u>
Total All Funds	<u>\$ 53,929,242</u>	<u>40,231,488</u>	<u>13,697,754</u>

\* The lapsed balances include the following withholdings made at the Governor's request:

	Year Ended June 30, 2012
<b>General Revenue Fund</b>	
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	\$ 30,277
Leasing	<u>18,502</u>
Total General Revenue Fund	<u>\$ 48,779</u>

Appendix C-3

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Year Ended June 30, 2011

	Appropriation Authority	Expenditures	Lapsed Balances*
<b>GENERAL REVENUE FUND</b>			
Personal Service	\$ 7,303,216	7,260,777	42,439
Expense and Equipment	1,980,696	1,864,872	115,824
Elections Public Notice	1,300,000	1,020,281	279,719
Refunds of securities, corporations, uniform commercial code and miscellaneous collection:	52,450	52,368	82
Remote Electronics Access for Libraries Program	3,109,250	3,109,250	0
Absentee Ballots	81,915	81,341	574
Aid to Public Libraries	3,604,001	3,604,001	0
Literacy Investment for Tomorrow Program	69,450	69,450	0
Leasing	690,038	653,590	36,448
Election Printing	21,395	0	21,395
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	1,033,377	1,003,900	29,477
<b>Total General Revenue Fund</b>	<b>19,245,788</b>	<b>18,719,829</b>	<b>525,959</b>
<b>RECORDS-FEDERAL FUND</b>			
Re-Grant Program	15,000	0	15,000
<b>Total Records-Federal Fund</b>	<b>15,000</b>	<b>0</b>	<b>15,000</b>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES SAVE AMERICA'S TREASURES GRANT FUND</b>			
Personal Service	241,949	0	241,949
<b>Total National Endowment for the Humanities Save America's Treasures Grant Fund</b>	<b>241,949</b>	<b>0</b>	<b>241,949</b>
<b>ELECTION ADMINISTRATION IMPROVEMENT FUND</b>			
Expense and Equipment	6,312,962	3,671,743	2,641,219
Personal Service	261,191	230,271	30,920
Federal Election Reform	8,500,002	1,898,724	6,601,278
<b>Total Election Administration Improvement Fund</b>	<b>15,074,155</b>	<b>5,800,738</b>	<b>9,273,417</b>
<b>ELECTION IMPROVEMENTS REVOLVING LOAN FUND</b>			
Federal Election Reform	456,188	281,349	174,839
<b>Total Election Improvements Revolving Loan Fund</b>	<b>456,188</b>	<b>281,349</b>	<b>174,839</b>
<b>FEDERAL AND OTHER FUND</b>			
Grants and Projects	200,000	103,847	96,153
<b>Total Federal and Other Fund</b>	<b>200,000</b>	<b>103,847</b>	<b>96,153</b>
<b>FEDERAL FUNDS FUND</b>			
Personal Service	629,065	508,353	120,712
Expense and Equipment	227,574	112,656	114,918
Allotments, grants and contributions from the Federal Government or from any sources may be deposited in the State Treasury for the use of the Missouri State Library	3,693,000	2,699,487	993,513
<b>Total Federal Funds Fund</b>	<b>4,549,639</b>	<b>3,320,496</b>	<b>1,229,143</b>
<b>TECHNOLOGY TRUST FUND</b>			
Personal Service	246,009	183,721	62,288
Expense and Equipment	4,661,180	2,868,380	1,792,800
Payment of real property leases, related services, utilities systems furniture, structural modifications, and related expenses - Expense and Equipment	7,317	7,039	278
<b>Total Technology Trust Fund</b>	<b>4,914,506</b>	<b>3,059,140</b>	<b>1,855,366</b>

Appendix C-3

Office of Secretary of State  
 Statement of Appropriations and Expenditures  
 Year Ended June 30, 2011

	Appropriation Authority	Expenditures	Lapsed Balances*
<b>LOCAL RECORDS PRESERVATION FUND</b>			
Leasing	3,282	3,282	0
Payment of real property leases, related services, utilities, systems furniture, structural modifications, and related expenses - Expense and Equipment	19,059	18,408	651
Personal Service	1,042,516	460,233	582,283
Expense and Equipment	519,969	38,800	481,169
Local Records Preservation Grants	400,000	0	400,000
Total Local Records Preservation Fund	<u>1,984,826</u>	<u>520,723</u>	<u>1,464,103</u>
<b>STATE ELECTIONS SUBSIDY FUND</b>			
Special Election Costs	400,000	204,729	195,271
Total State Elections Subsidy Fund	<u>400,000</u>	<u>204,729</u>	<u>195,271</u>
<b>INVESTORS' RESTITUTION FUND</b>			
Investors' Restitution	1,070,000	1,059,177	10,823
Total Investors' Restitution Fund	<u>1,070,000</u>	<u>1,059,177</u>	<u>10,823</u>
<b>MISSOURI STATE ARCHIVES-ST. LOUIS TRUST FUND</b>			
Document Preservation	1	0	1
Total Missouri State Archives-St. Louis Trust Fund	<u>1</u>	<u>0</u>	<u>1</u>
<b>LIBRARY NETWORKING FUND</b>			
Library Networking Grants	950,000	369,932	580,068
Total Library Networking Fund	<u>950,000</u>	<u>369,932</u>	<u>580,068</u>
<b>INVESTOR EDUCATION AND PROTECTION FUND</b>			
Personal Service	550,530	487,226	63,304
Expense and Equipment	645,364	550,521	94,843
Payment of real property leases, related services, utilities systems furniture, structural modifications, and related expenses - Expense and Equipment	14,445	13,903	542
Total Investor Education and Protection Fund	<u>1,210,339</u>	<u>1,051,650</u>	<u>158,689</u>
<b>STATE DOCUMENT PRESERVATION FUND</b>			
Expense and Equipment	189,260	0	189,260
Total State Document Preservation Fund	<u>189,260</u>	<u>0</u>	<u>189,260</u>
<b>WOLFNER LIBRARY TRUST FUND</b>			
Expense and Equipment	14,501	14,085	416
Total Wolfner Library Trust Fund	<u>14,501</u>	<u>14,085</u>	<u>416</u>
Total All Funds	<u>\$ 50,516,152</u>	<u>34,505,695</u>	<u>16,010,457</u>

\* The lapsed balances include the following withholdings made at the Governor's request

	Year Ended June 30, 2011
<b>General Revenue Fund</b>	
Payment of real property leases, related services, utilities systems furniture, structural modifications, and related expenses - Expense and Equipment	\$ <u>29,476</u>

Appendix D

Office of Secretary of State  
Comparative Schedule of Expenditures (From Appropriations)

	Year Ended June 30,				
	2012	2011	2010	2009	2008
Salaries and wages	\$ 8,974,013	9,130,581	9,339,206	9,626,226	9,465,221
Travel, in-state	95,257	91,434	127,975	142,120	159,475
Travel, out-of-state	14,784	6,386	28,818	54,565	88,792
Fuel and utilities	78,453	58,064	33,024	34,761	29,841
Supplies	957,527	836,751	1,032,564	1,304,383	1,090,749
Professional development	116,251	185,437	116,164	236,464	223,651
Communication service and supplies	365,934	312,990	324,095	338,877	361,907
Services:					
Professional	7,720,888	7,327,802	6,503,759	8,289,705	7,228,970
Housekeeping and janitorial	14,492	11,882	10,098	10,636	9,954
Maintenance and repair	1,707,583	1,692,517	1,709,828	1,952,748	1,895,878
Equipment:					
Computer	1,810,581	2,033,830	1,381,651	651,599	1,026,874
Motorized	57,718	24,774	0	0	21,870
Office	53,698	22,817	28,669	22,036	51,453
Other	38,240	70,434	47,157	102,257	601,693
Property and improvements	220	0	994	16,563	26,079
Building lease payments	1,542,683	1,675,625	1,354,412	1,438,817	1,403,605
Equipment rental and leases	24,392	6,137	22,367	33,490	61,342
Miscellaneous expenses	28,659	20,561	48,128	83,009	42,317
Refunds	66,108	58,342	69,188	84,592	178,598
Program distributions	16,564,007	10,939,331	9,415,621	10,991,359	16,590,616
Total Expenditures	\$ <u>40,231,488</u>	<u>34,505,695</u>	<u>31,593,718</u>	<u>35,414,207</u>	<u>40,558,885</u>

Appendix E

Office of Secretary of State  
Statement of Changes in General Capital Assets

All Funds	Furniture and Equipment	Software	Motor Vehicles	Total
Balance, July 1, 2010	\$ 6,447,157	11,047,217	193,954	17,688,328
Additions	290,343	1,918,846	32,000	2,241,189
Dispositions	(140,489)	0	0	(140,489)
Balance, June 30, 2011	6,597,011	12,966,063	225,954	19,789,028
Additions	1,127,261	302,751	49,800	1,479,812
Dispositions	(1,408,312)	0	(52,133)	(1,460,445)
Balance, June 30, 2012	6,315,960	13,268,814	223,621	19,808,395
Additions	15,668	16,468	12,300	44,436
Dispositions	(398,474)	0	0	(398,474)
Balance, January 14, 2013	\$ 5,933,154	13,285,282	235,921	19,454,357

Fund of Acquisition	Balance January 14, 2013
General Revenue Fund	\$ 3,547,552
Election Administration Improvement Fund	9,498,378
Federal and Other Fund	5,693
Federal Funds Fund	112,901
Technology Trust Fund	5,988,558
Local Records Preservation Fund	270,696
Investor Education and Protection Fund	5,666
Wolfner Library Trust Fund	24,913
Total All Funds	\$ 19,454,357