

OTHER ELECTIVE

12-00-00

Other Elective

Lieutenant Governor

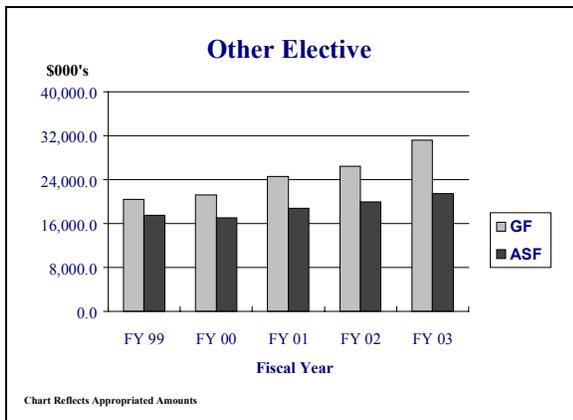
Auditor of Accounts

Insurance Commissioner

State Treasurer

- Regulatory Activities
- Bureau of Exam, Rehabilitation and Guaranty

- Administration
- Debt Management
- Refunds and Grants
(Not a Unit for Budgeting Purposes)



BUDGET

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	42,048.9	26,437.3	31,230.5
ASF	20,053.5	19,964.7	21,502.0
TOTAL	62,102.4	46,402.0	52,732.5

POSITIONS

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	74.0	74.0	59.0
ASF	82.0	80.0	95.0
NSF	2.0	2.0	2.0
TOTAL	158.0	156.0	156.0

FY 2003 BUDGET HIGHLIGHTS

OPERATING BUDGET:

Lieutenant Governor

- ◆ Recommend base funding to maintain Fiscal Year 2002 level of service.

Auditor of Accounts

- ◆ Recommend base funding to maintain Fiscal Year 2002 level of service.

Insurance Commissioner

- ◆ Recommend base adjustments of (\$767.0) in Personnel Costs and (15.0) FTEs, (\$3.6) in Travel, (\$112.0) in Contractual Services, (\$2.5) in Supplies and Materials and (\$10.0) in Malpractice to convert funding to ASF.
- ◆ Recommend base adjustments of \$767.0 ASF in Personnel Costs and 15.0 ASF FTEs, \$3.6 ASF in Travel, \$112.0 ASF in Contractual Services, \$2.5 ASF in Supplies and Materials and \$10.0 in Malpractice, converting funding from General Fund.

State Treasurer

- ◆ Recommend inflation adjustment of \$600.0 ASF in Banking Services to cover the cost of increased credit card fees.

OTHER ELECTIVE

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LIEUTENANT GOVERNOR 12-01-01

MISSION

To fulfill the constitutional duties of the office by effectively presiding over the state Senate, fairly and equitably chairing the Board of Pardons, assisting the Governor when asked and providing complete and efficient services to constituents. Additionally, to help improve schools, encourage early education, promote healthier lifestyles and find new economic opportunities for Delaware.

KEY OBJECTIVES

- Promote healthy lifestyles as a tool to improve quality of life for all Delawareans and reduce the incidence of chronic diseases.
- Identify those public schools that have the highest achieving students, study what practices they are using and make that information available to other schools in the state.
- Encourage parents, families and members of the community to help educate children, particularly at an early age, by finding ways to help them learn, such as reading to them, helping them with their school work or donating old computers or books to schools.
- Find ways through participation on the Strategic Economic Council and other avenues to attract new businesses to the state and help current industries grow in order to keep Delaware's economy healthy and strong.
- Serve citizens by helping them navigate state government to find the answers to their questions and the solutions to their problems.

BACKGROUND AND ACCOMPLISHMENTS

The constitutional duties of the Lieutenant Governor are President of the Senate and President of the Board of Pardons. The office also handles constituent service work.

BUDGET

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	286.6	345.7	425.7
ASF	--	--	--
TOTAL	286.6	345.7	425.7

POSITIONS

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	6.0	6.0	6.0
ASF	--	--	--
NSF	--	--	--
TOTAL	6.0	6.0	6.0

ACTIVITIES

The duties and activities of the Lieutenant Governor and staff include the following:

- President, Delaware State Senate.
- President, Board of Pardons.
- Chair, Delaware Health Care Commission.
- Chair, Delaware Center for Education Technology.
- Chair, Livable Delaware Advisory Council.
- Chair, Interagency Council on Adult Literacy.
- Chair, Committee to Improve Parental and Family Involvement in Education.
- Executive Committee, National Conference of Lieutenant Governors.
- Member, Delaware River and Bay Oversight Committee.
- Member, State Budget Commission.
- Member, Strategic Economic Council.
- Member, United Way Cabinet Committee.
- Honorary Chair, Safe Kids Coalition.
- Honorable Chair, State Employees Charitable Campaign.

PERFORMANCE MEASURES

The following are Fiscal Year 2003 goals of the Office of Lieutenant Governor:

- **Constituent Service:** Continue to provide timely assistance to Delaware residents in need of help by connecting them with proper agencies and people within state government.
- **Education:** Formulate and implement a privately funded program to look at the best practices in public schools in Delaware and make those methods available to all public schools.
- **Healthy Lifestyles:** Develop a plan to educate Delawareans about how to become healthier and encourage them to take steps to improve their quality of life.

OTHER ELECTIVE

12-00-00

AUDITOR OF ACCOUNTS

12-02-01

MISSION

The mission of the Office of Auditor of Accounts is to benefit all Delaware citizens and government leaders and managers by providing high quality audit, review, and investigative services to improve the fiscal integrity and the efficiency, economy and effectiveness of state government operations.

KEY OBJECTIVES

- Issue timely reports that enhance public accountability and stewardship of state and federal government programs and operations.
- Provide high quality services in carrying out the office's responsibilities and in responding expeditiously to customers' concerns.
- Maintain a work environment that fosters and values: trust, competence, open communications and the professional and personal satisfaction of all office personnel.

The broad objectives of the CPA Audit Section are to ensure that the Single Audit, financial/compliance audits, and state-mandated audits are accomplished within the required timeframe as set forth by the federal and state governments. The broad objectives of the Single Audit are as follows:

- Determine whether the State of Delaware's internal controls provide reasonable assurance that federal programs are managed in compliance with applicable laws and regulations.
- Determine whether the State of Delaware complies with the requirements that are applicable to all federal programs.
- Determine whether the federal financial reports submitted by the State contain accurate, reliable, and useful financial data.
- Ensure that prior audit recommendations, questioned costs and disallowances reported in the Single Audit Report for fiscal year ending June 30, 2000, have been resolved.
- The objectives of the state-mandated and financial/compliance audits are to determine whether the programs are working as intended with the stated

purposes, goals, and expected results as set forth by the General Assembly and federal government to:

- Determine whether the State of Delaware's internal controls provide reasonable assurance that state-mandated programs are managed in compliance with applicable laws and regulations.
- Complete financial/compliance audits for various state programs.

The objectives of the Economy and Efficiency Audit Section are to evaluate management controls and policies relating to the use of all public resources and to identify areas where improvements in operations can be achieved.

- Evaluate management controls and policies relating to the use of all public resources and identify areas in which improvements can be achieved in the operations.
- Determine whether all state departments, divisions, agencies, and institutions are executing their management responsibilities in compliance with applicable laws, regulations, and management policies.
- Determine whether resources are being acquired and managed economically and efficiently.
- Determine the causes of inefficient and uneconomical practices.
- Determine how well agencies have complied with laws and regulations concerning economy and efficiency.
- Determine the extent that desired results or benefits established by the legislature or other authorizing bodies are being achieved.
- Determine the effectiveness of the organization or the program, activity or functions.

The objectives of the Investigative Audit Section are to perform investigations of complaints or inquiries regarding possible fraud, abuse or waste of state and/or federal funds.

- Conduct investigations that may involve activities of waste, fraud, or abuse of state resources.
- Ensure that the Auditor's Hotline Program is a viable service to the citizens of the State of Delaware.

The objective of the Information Systems (IS) Audit Section is to examine computer systems that have an impact on the state's accounting and operating activities.

OTHER ELECTIVE 12-00-00

- Audit the general and application controls environments of the state's computer operations associated with major state financial management systems.
- Provide IS audit support to other audit sections within the office.

BACKGROUND AND ACCOMPLISHMENTS

The audits and investigations completed by the office in Fiscal Year 2001 cumulatively identified more than \$6.5 million in cost savings, questioned costs and potential fraud, waste, or abuse of state and federal funds.

The Fiscal Year 2000 Single Audit Report, completed during Fiscal Year 2001, contained 29 findings and recommendations and disclosed questioned and disallowed costs that totaled \$1.1 million.

During Fiscal Year 2000, the office completed mandated audit reports which resulted in potential cost savings of nearly \$145,000.

- The office completed three Economy and Efficiency Audits during Fiscal Year 2001. These audits identified savings of \$2.8 million to the State of Delaware and its taxpayers. These reports contained 56 recommendations. Several recommendations identified opportunities for improving the efficiency and effectiveness of government operations.

Ten in-depth investigations were conducted which revealed waste, fraud, or abuse of nearly \$2.5 million in federal and state funds. These investigations disclosed 30 findings and recommendations.

The office referred two cases to the Attorney General for further investigation as possible criminal activity.

During the Fiscal Year 2001 audit cycle, the following IS audits were completed:

- DFMS Application Control Review
- State Payroll Application Control Review
- State Pension Application Control Review
- Dover Data Center, General Information Control Review
- Biggs Data Center, General Information Control Review

BUDGET

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 Gov. REC.
GF	2,357.8	2,709.2	2,727.4
ASF	1,383.6	775.0	775.0
TOTAL	3,741.4	3,484.2	3,502.4

POSITIONS

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 Gov. REC.
GF	39.0	39.0	39.0
ASF	12.0	10.0	10.0
NSF	--	--	--
TOTAL	51.0	49.0	49.0

ACTIVITIES

The duties and activities of the Auditor of Accounts and staff include:

- Evaluate whether the state's financial statements are fairly presented in accordance with Generally Accepted Accounting Principles;
- Evaluate whether government and quasi-government organizations included in the state's entity have expended federal funds in accordance with the Single Audit Act Amendments of 1996 and various related federal regulations;
- Evaluate compliance with state laws, administrative regulations, and guidelines, as well as prior year recommendations;
- Evaluate whether state programs are operated economically and efficiently and make recommendations for improvement as needed; and
- Investigate reported instances of fraud, waste, or abuse pertaining to state and federal funds.

The Auditor of Accounts and his staff are active in the following organizations:

- Past President Executive Committee - National State Auditors Association.
- Past Chairman and Executive Committee - Mid-Atlantic Audit Forum.
- (Staff) State Representative and Program Committee Chairperson - Mid-Atlantic Intergovernmental Audit Forum

PERFORMANCE MEASURES

	FY 2001 Actual	FY 2002 Budget	FY 2003 Gov. Rec.
FSA deadline met	Yes	Yes	Yes
Cost savings as a result of Audit Reports	\$6.5	\$7.0	\$7.0
% of recommendations implemented	82	85.1	85.1

OTHER ELECTIVE

12-00-00

INSURANCE COMMISSIONER

12-03-00

MISSION

The mission of the Insurance Commissioner is to protect the public interest by regulating the insurance industry through admissions and review, agent licensing, review of consumer complaints and inquiries, and enforcing the Unfair Trade Act as it relates to insurance.

In addition, the commissioner administers a workplace safety program related to workers' compensation insurance, an arbitration program for auto, homeowners, and health insurance clients, and an ELDERinfo program which provides information counseling and assistance on questions and problems related to Medicare, Medicaid, MediGap supplemental insurance, long-term care insurance, and other types of health insurance.

The Fraud Prevention Bureau confronts the problem of insurance fraud in the State of Delaware by: facilitating the detection of insurance fraud; reducing the occurrence of such fraud through administrative and limited criminal enforcement; requiring the restitution of fraudulently obtained insurance benefits; and reducing the amount of premium dollars used to pay fraudulent claims.

The mission of the Bureau of Examination, Rehabilitation and Guaranty (BERG) is to provide financial oversight for domestic and foreign insurers licensed in Delaware; to provide supervision for the statutory and special examinations of those insurers; and to review and approve, or contest, rate filings presented by insurers.

KEY OBJECTIVES

- Regulate agent licensing.
- Document agent appointments.
- Administer Workplace Safety Program.
- Administer the ELDERinfo Program.
- Provide consumer assistance and education.
- Provide a quick, easy, and affordable forum for the resolution of claims disputes through arbitration.
- Facilitate detection and reporting of insurance fraud.
- Reduce the occurrence of fraud through administrative and limited criminal enforcement.

- Require the restitution of fraudulently obtained insurance benefits.
- Reduce the amount of premium dollars currently used to pay fraudulent claims.
- License and regulate the activities of Delaware domestic insurers.
- Provide financial oversight for domestic and foreign insurers licensed in Delaware.
- Provide supervision for examinations of those insurers.
- Manage and rehabilitate, or liquidate, financially impaired insurers.
- License all insurers operating in Delaware, including foreign and alien insurers.
- Regulate the market conduct of insurers and other licensees and take enforcement action where appropriate.
- Review and approve, or contest, rate filings submitted by insurers.

BACKGROUND AND ACCOMPLISHMENTS

The Office of the Insurance Commissioner is a constitutional office created by 18 Del. C.

House Bill 344 created the Delaware Insurance Fraud Prevention Bureau in July of Fiscal Year 1995.

The Bureau of Examination, Rehabilitation and Guaranty (BERG) was created under 18 Del. C., the Insurance Code, in 1985.

Producer Licensing Services Division

The Producer Licensing Services Division is responsible for the administration of producer licensing, appointments, continuing education, producer investigations, and insurer licensing market conduct issues. The division continues to be recognized throughout the industry for customer service and license application turnaround time.

The division continues to develop all licensing exams through an annual test development process, which includes a recently integrated ethics requirement. The division provides for the administration of the Continuing Education Program to over 35,000 resident and non-resident licensees.

The result of continued producer test development and administration of the Continuing Education Program ensures that only those qualified sell and service insurance and financial products to the citizens of Delaware.

OTHER ELECTIVE 12-00-00

Advances in automation continue to increase productivity and efficiency while decreasing cost. Refinements on the new check processing system continue to reduce processing time while increasing efficiency.

Licensing services objectives for Fiscal Year 2003 are to:

- Reduce state and provider administrative work by automating the continuing education reporting process.
- Automate producer form filing process through imaging or more accessible technology.
- Develop website to allow industry and producers to download all licensing forms and reduce the number of phone calls received by the division.
- Increase effective market conduct surveillance for the citizens of Delaware through full participation in the National Association of Insurance Commissioners (NAIC) National Producer Database.
- Effective March 1, 2002, implement the NAIC Producer Licensing Model Act. Adoption of this act ensures Delaware to meet and exceed the standards imposed by the financial service modernization legislation enacted in Congress.
- Continue assessment of the effectiveness of continuing education administration and course content.

Workplace Safety Program

The Workplace Safety Program is available to employers to earn discounts on their workers' compensation premiums. Employers who have been in operation for at least three years and whose annual workers' compensation premium is \$3,161 or more are eligible. Since the removal of the \$60,000 limit in 1999, bigger companies are now eligible to participate.

To date over 850 employers have participated for discounts of over \$5 million. Employers are currently being notified of their eligibility for the year 2002.

A new online data connection with the Delaware Compensation Rating Bureau has been completed. This has enabled program staff to access relevant information directly from the bureau's records. This has resulted in more timely and efficient documentation.

Consumer Services

Consumer Services objectives for Fiscal Year 2003 are to:

- Continue in-house training to enhance the skills of Consumer Services investigators.
- Encourage individual investigators to enroll in programs designed to expand knowledge of the insurance industry and business practices.

- Update and expand consumer information guides including the addition of new publications.
- Increase outreach programs to offer consumer access to information and assistance in the ever-changing insurance market.
- Build and implement a database to establish and enhance compatibility with NAIC Complaint Database System.
- Provide a more uniform response from staff regarding inquiries of rate and policy issues.
- Provide Delaware consumer complaint statistic ratios to the NAIC Complaint Database System.

Fraud Prevention Bureau

Accomplishments of the Fraud Prevention Bureau include:

- The Fraud Bureau had an 18 percent increase in case load from the previous year. This did not include rate evader cases generated by 21 Del. C. §2401, allowing out of state residents to register their vehicles in Delaware.
- Sixty-four percent of the cases were resolved by consent, arrest, unfounded, or suspended dispositions.
- Health care cases continue to be reported to the bureau. To date, these cases have taken several months to reach resolution and involve a large number of personnel hours. They also involve joint investigations with state and federal law enforcement agencies and result in criminal prosecution.
- Prevented more than \$3.3 million in reserves from being processed since 1995.

BUDGET

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	917.6	895.1	--
ASF	16,778.8	17,179.1	18,097.2
TOTAL	17,696.4	18,074.2	18,097.2

POSITIONS

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	15.0	15.0	--
ASF	62.0	62.0	77.0
NSF	2.0	2.0	2.0
TOTAL	79.0	79.0	79.0

OTHER ELECTIVE 12-00-00

REGULATORY ACTIVITIES 12-03-01

ACTIVITIES

The duties and activities of the Insurance Commissioner and staff include the following:

- Member, Delaware Health Care Commission.
- Member, Delaware Valley Chapter of International Association of Special Investigative Units (SIU).
- Member, Delaware State Employee and Insurance Coverage Committees.
- Member, National Association of Insurance Commissioners (NAIC).
- Member, NAIC Executive Committee.
- Vice-Chair, NAIC Northeast Zone Committee.
- Chair, NAIC Committee on Credit Insurance.
- Vice-Chair, NAIC Special Committee on Ethics and Conflict of Interest.
- Vice-Chair, NAIC Senior Issues.
- Member, National Insurance Crime Bureau (NICB).
- Member, International Association of Special Investigation Units.
- Member, Chesapeake Chapter of SIU.
- Member, International Association of Arson Investigators.
- Member, National Health Care Anti-Fraud Association.
- Special Training:
 - Health Care Fraud
 - Claims Fraud
 - NICB Training Academy
 - Certified Fraud Examiner's Fraud Detection and Prosecution
 - Electronic Claims Fraud Detection
 - Fraud and the Provider

PERFORMANCE MEASURES

	FY 2001 Actual	FY 2002 Budget	FY 2003 Gov. Rec.
# new agents licensed	10,519	12,500	12,000
# agents appointed	31,710	32,000	28,000
# consumer complaints/inquiries	17,500	17,900	18,100
# Participants in Workplace Safety Program	770	870	950

BUREAU OF EXAMINATION, REHABILITATION AND GUARANTY 12-03-02

ACCOMPLISHMENTS

Market Conduct Oversight - The department will be supplementing this segment through an additional Market Conduct Examiner to oversee life and health concerns. Timely claims payments and advertising agents' conduct relative to product solicitations will be primary responsibilities.

Examinations/Financial Analysis – This financial unit is continuing to evolve and is always under review for changes to keep pace with the business environment of the insurance industry. The State of Delaware is highly regarded in the business community for organization and/or domestication. As such, the demand for domestication/redomestication is significant.

In the first quarter of 2001, BERG achieved its goal by increasing the number of financial analysts to monitor domestic and foreign companies. Therefore, the ratio of companies reviewed by each analyst was decreased to a level that would result in the best quality review. The goal for BERG is to maintain and assure the quality of solvency oversight by providing adequate training for newly hired financial analysts and existing staff. Also, continued efforts are being made to automate the financial analysis and examination process by using a software package that will be used by many of the 50 states' regulators.

The BERG division will continue to keep pace with initiatives of NAIC where applicable and necessary to increase administrative and staff efficiencies. Due to legislation passed by Congress and signed by the President, states will now need to become more uniform in their best practices and law.

Rates and Forms - The goal for the section is to move from manual review of policy forms and rates to an electronic system of review. With the number of policy filings increasing each year, the electronic filing process initiated by the NAIC will be more efficient for the analyst charged with the responsibility of daily review. This will assure review of rates and forms filing in a timely manner so that domestic and foreign companies licensed in Delaware will have faster speed to market. This will not be at the expense of protecting Delaware citizens.

OTHER ELECTIVE 12-00-00

ELDERinfo - ELDERinfo is the State Health Insurance Program (SHIP) for Delaware's 120,000 Medicare population. The program is a public service of the Delaware Insurance Department and funded, in part, through a grant from the Centers for Medicare and Medicaid Services (CMS), formerly known as the Health Care Financing Administration (HCFA).

The program is designed to assist, educate, and empower people with Medicare and their caregivers with complex and often confusing matters concerning: medical bills, enrollment issues, non-renewals, Medicare+Choice options, guaranteed issue rights, financial assistance with prescriptions, paying for Medicare coverage, deductibles, and co-insurance expenses, long -term care coverage, and other insurance issues.

Staffing consists of three employees and over 50 volunteer counselors throughout the state conducting counseling in-person and via telephone. From October 2000 through September 2001, the unit handled 7,000 inquiries and has saved clients a total of \$911,500, with claim reimbursements, premiums, and financial assistance.

The unit will continue to educate the Medicare population through:

- Direct mailers
- Health fairs
- Outreach programs
- Radio/TV interviews
- Senior forums

ACTIVITIES

- Member, National Association of Insurance Commissioners.
- Member, Society of Financial Examiners.
- Member, Society of Insurance Examiners.
- Member, Casualty Actuarial Society.

PERFORMANCE MEASURES

	FY 2001 Actual	FY 2002 Budget	FY 2003 Gov. Rec.
# rate and form filings	7,003	7,526	7,383
# companies regulated:			
Domestic	143	145	150
Foreign	1,471	1,500	1,530
# companies examined	45	48	46
# companies liquidated:			
Domestic	0	1	1
Ancillary	0	0	0
# companies under supervision/rehab	9	7	5
# targeted market conduct	2	7	10

STATE TREASURER 12-05-00

MISSION

To maximize taxpayer value by promoting responsible cash management and investment practices statewide.

BUDGET

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	38,487.1	22,487.3	28,077.4
ASF	1,890.5	2,010.6	2,629.8
TOTAL	40,377.6	24,497.9	30,707.2

POSITIONS

	FY 2001 ACTUAL	FY 2002 BUDGET	FY 2003 GOV. REC.
GF	14.0	14.0	14.0
ASF	8.0	8.0	8.0
NSF	--	--	--
TOTAL	22.0	22.0	22.0

ADMINISTRATION 12-05-01

MISSION

To ensure the accuracy of financial records under the agency's control; manage the state's cash balances in accordance with approved guidelines; administer and assist state employees with the financial aspects of the Deferred Compensation Program; respond in a timely, accurate and courteous manner to any inquiry directed to the department; and faithfully discharge any and all further obligations given under statute.

KEY OBJECTIVES

- Continue to re-engineer and automate the reconciliation of the state's bank accounts.
- Increase participation of eligible employees in the Deferred Compensation Program through effective marketing and investment education.
- Increase and consolidate the volume of vendor payments made electronically.
- Increase number of households participating in Delaware College Investment Plan.

OTHER ELECTIVE

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- Maintain statewide financial literacy effort.
- Continue to be a champion for electronic commerce.

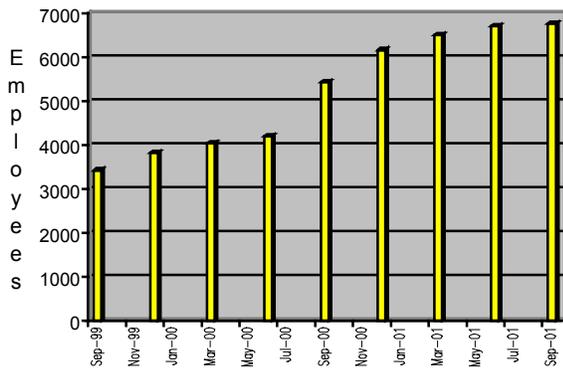
BACKGROUND AND ACCOMPLISHMENTS

During Fiscal Year 2002, the State Treasurer's Office continued to develop and meet ambitious objectives related to improving internal operations and services to agencies, vendors, state employees, and taxpayers. Equally important, the office has successfully promoted financial literacy and a savings/investment ethic among state employees and Delaware citizens through several financial education initiatives.

Deferred Compensation Program

Since the October 1999 conversion, participation in the State of Delaware Deferred Compensation Program has grown from 3,400 to 6,770 in October 2001 – an increase of almost 100 percent. More than half of that increase came in response to the passage of Senate Bill 425, which provides a \$10-per-pay employer match to employee contributions. The match also allows for rollovers into and out of 401(k)s, Individual Retirement Accounts, and other qualified retirement plans.

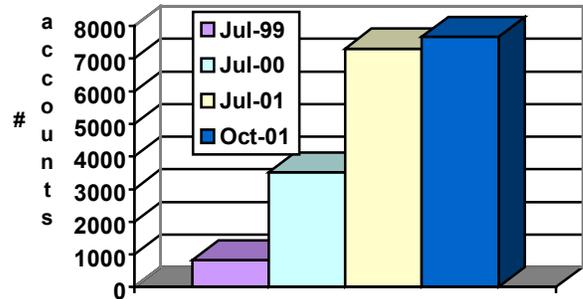
Deferred Comp Program Participation



College Savings

Since the appointment of the State Treasurer to chair the Delaware College Investment Plan Board in July 1999, the number of new accounts has grown from 824 to more than 7,672, and assets now total more than \$45 million, up from \$25 million this time last year.

Delaware College Investment Plan



Re-engineering Reconciliation

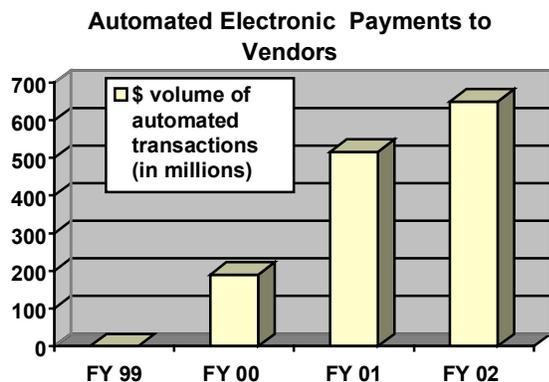
Improvements continue to be made in reconciling the state's major accounts. What had previously been a backlog of months can now be completed within hours. Some examples of dramatic improvement:

- A report of checks issued is now received daily from a generic check software rather than from a monthly download from the Office of Information Services;
- Bank errors can be recognized and corrected daily, rather than every 45 days upon receipt of the monthly statement;
- Regular deposits, wires, and Automated Clearinghouse (ACH) transactions can be matched to the daily bank statement in five minutes versus three hours under the former manual process.

Payables

The generic check operation continues producing payroll, pension, Delaflex, Personal Income Tax refund and vendor checks. This system has proven to be very secure, flexible, and cost-efficient. Enhancements to the generic check software application allow vendors to be paid electronically via an ACH credit, virtually eliminating the manual preparation once required to process electronic payments. The testing process is underway to begin the consolidation of multiple payments for high-volume vendors, while still providing extensive account detail.

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Legislation

Senate Joint Resolution 8 was passed creating the Delaware 403(b) Program Council to recommend improvements to retirement savings plans offered to educators.

Outsourcing

The Delaware Local Government Investment Pool (DELGIP) was outsourced in June 2000, resulting in improved services to municipal governments, fire companies, and other participating nonprofit organizations.

Financial Literacy

The Treasurer's Office continues to build partnerships with financial professionals throughout Delaware to offer the Delaware Money School, which featured more than 100 classes in fall 2001, more than double last year. The Treasurer also worked with the Delaware State Chamber of Commerce and the University of Delaware Center for Economic Education to open Bank-In-School programs in elementary and now secondary schools throughout the State. Additionally, a Money \$marts conference is planned for kids and their parents in November of 2001.

ACTIVITIES

- Daily settlement of the state's cash position to ensure that funds are in appropriate accounts while maximizing dollars available for investment.
- Administration and promotion of the state Deferred Compensation Program.
- Daily recording and deposit of receipts.
- Reconciliation of major state bank accounts and lockboxes.
- Expedient disbursement of funds to meet the state's financial obligations, including ACHs, wire transfers, and daily processing of vendor checks.
- Processing of payroll, pension, personal income tax refund, and Delaflex checks.

- Initiation of cash management projects at the statewide and agency levels that improve efficiency by reducing float, eliminating paper, and streamlining processes.
- Reconciliation of state payroll and payment of federal taxes.
- Process grants-in-aid, municipal street aid, and calculate and disburse funds for fire organizations and police pensions.

PERFORMANCE MEASURES

	FY 2001 Actual	FY 2002 Budget	FY 2003 Gov. Rec.
Deferred Compensation participants	6,700	7,000	7,400
Delaware College Investment Plan accounts	7,300	7,700	8,000
Time to reconcile major accounts	3 months	1 month	5 days
Manual warrants per month	10	5	0

DEBT MANAGEMENT

12-05-03

MISSION

To manage the state's debt and credit interest to the state's school and special funds with maximum accuracy and efficiency.

KEY OBJECTIVES

- Develop an overall accounting and data retrieval system in the Treasurer's Office that will link bond authorizations, bond sales, amortizations, debt budgeting, and debt payments into an integrated system with less reliance on manual calculations and operations.
- Improve upload and download of special and school funds interest within debt management.

BACKGROUND AND ACCOMPLISHMENTS

During Fiscal Year 2001, all debt service payments to the Depository Trust Company were met on the bond due dates which entailed:

- Disbursement of \$120.4 million for 16 General Obligation issues on \$653.7 million outstanding; and
- Collection of \$17.0 million from schools for the repayment to the state of their local share of school construction on \$142.3 million outstanding local share bonds.

OTHER ELECTIVE 12-00-00

- Implemented House Bill 472, written by the Treasurer's Office, which modernized the method of school interest calculation.

ACTIVITIES

- Maintain records required for bond projects as authorized by the yearly bond bill from authorization through bond sale and 10 or 20-year amortizations of the projects.
- Provide Office of the Budget with the fiscal year principal and interest payments due by department, division, and organization.
- Provide Bond Counsel with data relating to bond projects including project identification, description, volume, and chapter required to obtain legal opinion for the bond issue.
- Set up, monitor, calculate and pay interest on more than 500 special funds on deposit with the State Treasurer. Interest in Fiscal Year 2000 totaled more than \$26.2 million.
- Provide assistance to local school districts in acquiring Attorney General's opinion in securing a Bond Anticipation Note or permanent bond financing of their local share.
- Maintain the school interest table in the Delaware Financial Management System to calculate interest to schools for their operation, debt service, and construction funds on deposit with the State Treasurer. Interest paid to school districts on their funds on deposit with the State Treasurer totaled \$13.1 million for Fiscal Year 2001.
- Assist the general public with any inquiries concerning state bonds.

PERFORMANCE MEASURES

	FY 2001 Actual	FY 2002 Budget	FY 2003 Gov. Rec.
Automation of accounting for debt issuances	45	45	75

REFUNDS AND GRANTS ***12-05-04***

MISSION

To process revenue refunds for improperly collected fees or receipts and maintain an accurate accounting of fiscal year refunds issued.

KEY OBJECTIVES

- Streamline the processing of revenue refunds.

BACKGROUND AND ACCOMPLISHMENTS

As per 29 Del. C. § 2713, the State Treasurer executes a payment voucher as a direct claim in the event that any agency improperly collects fees or receipts that become revenue to the General Fund.

**OTHER ELECTIVE OFFICES
DEPARTMENT SUMMARY**

12-00-00 Appropriation Units	POSITIONS				DOLLARS			
	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend
Lieutenant Governor								
General Funds	6.0	6.0	6.0	6.0	286.6	345.7	425.7	425.7
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>286.6</u>	<u>345.7</u>	<u>425.7</u>	<u>425.7</u>
Auditor Of Accounts								
General Funds	39.0	39.0	39.0	39.0	2,357.8	2,709.2	2,778.8	2,727.4
Appropriated S/F	12.0	10.0	10.0	10.0	1,383.6	775.0	894.9	775.0
Non-Appropriated S/F					19.0			
	<u>51.0</u>	<u>49.0</u>	<u>49.0</u>	<u>49.0</u>	<u>3,760.4</u>	<u>3,484.2</u>	<u>3,673.7</u>	<u>3,502.4</u>
Insurance Commissioner								
General Funds	15.0	15.0	15.0		917.6	895.1	895.1	
Appropriated S/F	62.0	62.0	63.0	77.0	16,778.8	17,179.1	17,625.1	18,097.2
Non-Appropriated S/F	2.0	2.0	2.0	2.0	389.7	399.9	424.7	424.7
	<u>79.0</u>	<u>79.0</u>	<u>80.0</u>	<u>79.0</u>	<u>18,086.1</u>	<u>18,474.1</u>	<u>18,944.9</u>	<u>18,521.9</u>
State Treasurer								
General Funds	14.0	14.0	14.0	14.0	38,487.1	22,487.3	22,758.8	28,077.4
Appropriated S/F	8.0	8.0	8.0	8.0	1,890.5	2,010.6	2,629.8	2,629.8
Non-Appropriated S/F					236,932.1	189,433.0	180,400.0	180,400.0
	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>277,309.7</u>	<u>213,930.9</u>	<u>205,788.6</u>	<u>211,107.2</u>
TOTAL								
General Funds	74.0	74.0	74.0	59.0	42,049.1	26,437.3	26,858.4	31,230.5
Appropriated S/F	82.0	80.0	81.0	95.0	20,052.9	19,964.7	21,149.8	21,502.0
Non-Appropriated S/F	2.0	2.0	2.0	2.0	237,340.8	189,832.9	180,824.7	180,824.7
	<u>158.0</u>	<u>156.0</u>	<u>157.0</u>	<u>156.0</u>	<u>299,442.8</u>	<u>236,234.9</u>	<u>228,832.9</u>	<u>233,557.2</u>
OTHER AVAILABLE FUNDS - REGULAR OPERATIONS								
General Funds					-0.2	26,428.4		
Special Funds					0.3			
					<u>0.1</u>	<u>26,428.4</u>		
TOTAL DEPARTMENT - REGULAR OPERATIONS								
General Funds					42,048.9	52,865.7	26,858.4	31,230.5
Special Funds					257,394.0	209,797.6	201,974.5	202,326.7
					<u>299,442.9</u>	<u>262,663.3</u>	<u>228,832.9</u>	<u>233,557.2</u>
TOTAL DEPARTMENT - FIRST STATE IMPROVEMENT FUND - SPECIAL FUNDS CAPITAL IMPROVEMENTS - SPECIAL FUNDS								
GRAND TOTAL								
General Funds					42,048.9	52,865.7	26,858.4	31,230.5
Special Funds					257,394.0	209,797.6	201,974.5	202,326.7
					<u>299,442.9</u>	<u>262,663.3</u>	<u>228,832.9</u>	<u>233,557.2</u>
				(Reverted)	217.7			
				(Encumbered)	232.4			
				(Continuing)	26,196.0			

**OTHER ELECTIVE OFFICES
LIEUTENANT GOVERNOR
APPROPRIATION UNIT SUMMARY**

12-01-00 Programs	POSITIONS				DOLLARS			
	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend
Lieutenant Governor								
General Funds	6.0	6.0	6.0	6.0	286.6	345.7	425.7	425.7
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>286.6</u>	<u>345.7</u>	<u>425.7</u>	<u>425.7</u>
TOTAL								
General Funds	6.0	6.0	6.0	6.0	286.6	345.7	425.7	425.7
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>286.6</u>	<u>345.7</u>	<u>425.7</u>	<u>425.7</u>

**OTHER ELECTIVE OFFICES
LIEUTENANT GOVERNOR
LIEUTENANT GOVERNOR
INTERNAL PROGRAM UNIT SUMMARY**

12-01-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Personnel Costs								
General Funds	240.4	306.1	386.1	386.1				386.1
Appropriated S/F								
Non-Appropriated S/F								
	<u>240.4</u>	<u>306.1</u>	<u>386.1</u>	<u>386.1</u>				<u>386.1</u>
Travel								
General Funds	6.7	6.3	6.3	6.3				6.3
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.7</u>	<u>6.3</u>	<u>6.3</u>	<u>6.3</u>				<u>6.3</u>
Contractual Services								
General Funds	21.1	22.8	22.8	22.8				22.8
Appropriated S/F								
Non-Appropriated S/F								
	<u>21.1</u>	<u>22.8</u>	<u>22.8</u>	<u>22.8</u>				<u>22.8</u>
Supplies and Materials								
General Funds	6.6	2.8	2.8	2.8				2.8
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.6</u>	<u>2.8</u>	<u>2.8</u>	<u>2.8</u>				<u>2.8</u>
Capital Outlay								
General Funds	4.3							
Appropriated S/F								
Non-Appropriated S/F								
	<u>4.3</u>							
Expenses - Lt. Governor								
General Funds	7.5	7.7	7.7	7.7				7.7
Appropriated S/F								
Non-Appropriated S/F								
	<u>7.5</u>	<u>7.7</u>	<u>7.7</u>	<u>7.7</u>				<u>7.7</u>
TOTAL								
General Funds	286.6	345.7	425.7	425.7				425.7
Appropriated S/F								
Non-Appropriated S/F								
	<u>286.6</u>	<u>345.7</u>	<u>425.7</u>	<u>425.7</u>				<u>425.7</u>
IPU REVENUES								
General Funds								
Appropriated S/F								
Non-Appropriated S/F								
POSITIONS								
General Funds	6.0	6.0	6.0	6.0				6.0
Appropriated S/F								
Non-Appropriated S/F								
	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>				<u>6.0</u>

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

* Recommend base funding to maintain Fiscal Year 2002 level of service.

**OTHER ELECTIVE OFFICES
AUDITOR OF ACCOUNTS
APPROPRIATION UNIT SUMMARY**

12-02-00

Programs	POSITIONS				DOLLARS			
	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend
Auditor Of Accounts								
General Funds	39.0	39.0	39.0	39.0	2,357.8	2,709.2	2,778.8	2,727.4
Appropriated S/F	12.0	10.0	10.0	10.0	1,383.6	775.0	894.9	775.0
Non-Appropriated S/F					19.0			
	<u>51.0</u>	<u>49.0</u>	<u>49.0</u>	49.0	<u>3,760.4</u>	<u>3,484.2</u>	<u>3,673.7</u>	3,502.4
TOTAL								
General Funds	39.0	39.0	39.0	39.0	2,357.8	2,709.2	2,778.8	2,727.4
Appropriated S/F	12.0	10.0	10.0	10.0	1,383.6	775.0	894.9	775.0
Non-Appropriated S/F					19.0			
	<u>51.0</u>	<u>49.0</u>	<u>49.0</u>	49.0	<u>3,760.4</u>	<u>3,484.2</u>	<u>3,673.7</u>	3,502.4

**OTHER ELECTIVE OFFICES
AUDITOR OF ACCOUNTS
AUDITOR OF ACCOUNTS
INTERNAL PROGRAM UNIT SUMMARY**

12-02-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Personnel Costs								
General Funds	1,985.4	2,274.3	2,293.0	2,336.8	-43.8			2,293.0
Appropriated S/F	243.8	424.1	544.0	424.1				424.1
Non-Appropriated S/F								
	<u>2,229.2</u>	<u>2,698.4</u>	<u>2,837.0</u>	<u>2,760.9</u>	-43.8			<u>2,717.1</u>
Travel								
General Funds	20.7	20.4	20.4	20.4				20.4
Appropriated S/F		6.2	6.2	6.2				6.2
Non-Appropriated S/F								
	<u>20.7</u>	<u>26.6</u>	<u>26.6</u>	<u>26.6</u>				<u>26.6</u>
Contractual Services								
General Funds	275.1	371.7	371.2	371.2				371.2
Appropriated S/F	1,130.7	328.9	328.9	328.9				328.9
Non-Appropriated S/F	15.5							
	<u>1,421.3</u>	<u>700.6</u>	<u>700.1</u>	<u>700.1</u>				<u>700.1</u>
Supplies and Materials								
General Funds	12.9	12.9	13.9	12.9				12.9
Appropriated S/F	5.4	10.4	10.4	10.4				10.4
Non-Appropriated S/F	3.5							
	<u>21.8</u>	<u>23.3</u>	<u>24.3</u>	<u>23.3</u>				<u>23.3</u>
Capital Outlay								
General Funds	55.0	29.9	80.3	29.9				29.9
Appropriated S/F	3.7	5.4	5.4	5.4				5.4
Non-Appropriated S/F								
	<u>58.7</u>	<u>35.3</u>	<u>85.7</u>	<u>35.3</u>				<u>35.3</u>
One-Time								
General Funds	8.7							
Appropriated S/F								
Non-Appropriated S/F								
	<u>8.7</u>							
TOTAL								
General Funds	2,357.8	2,709.2	2,778.8	2,771.2	-43.8			2,727.4
Appropriated S/F	1,383.6	775.0	894.9	775.0				775.0
Non-Appropriated S/F	19.0							
	<u>3,760.4</u>	<u>3,484.2</u>	<u>3,673.7</u>	<u>3,546.2</u>	-43.8			<u>3,502.4</u>
IPU REVENUES								
General Funds	0.3							
Appropriated S/F	1,546.2	1,375.8	1,375.8	1,375.8				1,375.8
Non-Appropriated S/F	15.7							
	<u>1,562.2</u>	<u>1,375.8</u>	<u>1,375.8</u>	<u>1,375.8</u>				<u>1,375.8</u>
POSITIONS								
General Funds	39.0	39.0	39.0	39.0				39.0
Appropriated S/F	12.0	10.0	10.0	10.0				10.0
Non-Appropriated S/F								
	<u>51.0</u>	<u>49.0</u>	<u>49.0</u>	<u>49.0</u>				<u>49.0</u>

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

* Base adjustments include \$15.8 in Personnel Costs to annualize 3.0 FTEs and (\$.5) in Contractual Services.

**OTHER ELECTIVE OFFICES
AUDITOR OF ACCOUNTS
AUDITOR OF ACCOUNTS
INTERNAL PROGRAM UNIT SUMMARY**

12-02-01	FY 2001	FY 2002	FY 2003	FY 2003	Inflation & Volume	Structural	Enhance-	FY 2003
Lines	Actual	Budget	Request	Base	Adjustment	Changes	ments	Recommend

- * Do not recommend base adjustments of \$1.0 in Supplies and Materials and \$4.4 in Capital Outlay for annualization.
- * Do not recommend inflation adjustment of (\$43.8) in Personnel Costs based on salary and health care reconciliations.
- * Do not recommend inflation adjustment of \$119.9 ASF in Personnel Costs for salary and health care shortage.
- * Do not recommend enhancement of \$46.0 in Capital Outlay for hardware and software replacement schedule, field audit work kits, Information Systems Security Audit software and CD-ROM network server.

**OTHER ELECTIVE OFFICES
INSURANCE COMMISSIONER
APPROPRIATION UNIT SUMMARY**

12-03-00 Programs	POSITIONS				DOLLARS			
	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend
Regulatory Activities								
General Funds	15.0	15.0	15.0		917.6	895.1	895.1	
Appropriated S/F	10.0	10.0	10.0	25.0	745.1	753.2	797.5	1,689.6
Non-Appropriated S/F					240.5	235.6	250.6	250.6
	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>25.0</u>	<u>1,903.2</u>	<u>1,883.9</u>	<u>1,943.2</u>	<u>1,940.2</u>
Exam, Rehab & Guaranty								
General Funds								
Appropriated S/F	52.0	52.0	53.0	52.0	16,033.7	16,425.9	16,827.6	16,407.6
Non-Appropriated S/F	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>149.2</u>	<u>164.3</u>	<u>174.1</u>	<u>174.1</u>
	54.0	54.0	55.0	54.0	16,182.9	16,590.2	17,001.7	16,581.7
TOTAL								
General Funds	15.0	15.0	15.0		917.6	895.1	895.1	
Appropriated S/F	62.0	62.0	63.0	77.0	16,778.8	17,179.1	17,625.1	18,097.2
Non-Appropriated S/F	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>	<u>389.7</u>	<u>399.9</u>	<u>424.7</u>	<u>424.7</u>
	79.0	79.0	80.0	79.0	18,086.1	18,474.1	18,944.9	18,521.9

**OTHER ELECTIVE OFFICES
INSURANCE COMMISSIONER
REGULATORY ACTIVITIES
INTERNAL PROGRAM UNIT SUMMARY**

12-03-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Personnel Costs								
General Funds	755.0	767.0	767.0					
Appropriated S/F	580.5	557.6	625.0	1,324.6	67.4			1,392.0
Non-Appropriated S/F								
	<u>1,335.5</u>	<u>1,324.6</u>	<u>1,392.0</u>	<u>1,324.6</u>	<u>67.4</u>			<u>1,392.0</u>
Travel								
General Funds	3.6	3.6	3.6					
Appropriated S/F	25.1	30.0	33.0	33.6				33.6
Non-Appropriated S/F								
	<u>28.7</u>	<u>33.6</u>	<u>36.6</u>	<u>33.6</u>				<u>33.6</u>
Contractual Services								
General Funds	142.9	112.0	112.0					
Appropriated S/F	107.5	140.9	114.2	252.9	-26.7			226.2
Non-Appropriated S/F	240.5	230.6	250.6	230.6	20.0			250.6
	<u>490.9</u>	<u>483.5</u>	<u>476.8</u>	<u>483.5</u>	<u>-6.7</u>			<u>476.8</u>
Supplies and Materials								
General Funds	2.4	2.5	2.5					
Appropriated S/F	5.2	3.7	3.8	6.2	0.1			6.3
Non-Appropriated S/F								
	<u>7.6</u>	<u>6.2</u>	<u>6.3</u>	<u>6.2</u>	<u>0.1</u>			<u>6.3</u>
Capital Outlay								
General Funds								
Appropriated S/F	26.8	21.0	21.5	21.0	0.5			21.5
Non-Appropriated S/F								
	<u>26.8</u>	<u>21.0</u>	<u>21.5</u>	<u>21.0</u>	<u>0.5</u>			<u>21.5</u>
One-Time								
General Funds	4.3							
Appropriated S/F								
Non-Appropriated S/F								
	<u>4.3</u>							
Other Items								
General Funds								
Appropriated S/F								
Non-Appropriated S/F		5.0		5.0	-5.0			
		<u>5.0</u>		<u>5.0</u>	<u>-5.0</u>			
Malpractice Review								
General Funds	9.4	10.0	10.0					
Appropriated S/F				10.0				10.0
Non-Appropriated S/F								
	<u>9.4</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>				<u>10.0</u>
TOTAL								
General Funds	917.6	895.1	895.1					
Appropriated S/F	745.1	753.2	797.5	1,648.3	41.3			1,689.6
Non-Appropriated S/F	240.5	235.6	250.6	235.6	15.0			250.6
	<u>1,903.2</u>	<u>1,883.9</u>	<u>1,943.2</u>	<u>1,883.9</u>	<u>56.3</u>			<u>1,940.2</u>
IPU REVENUES								
General Funds	40,563.0	37,932.7	42,200.0	37,932.7	4,267.3			42,200.0
Appropriated S/F	802.2	800.5	814.5	800.5	14.0			814.5
Non-Appropriated S/F	241.5	250.5	258.7	250.5	8.2			258.7
	<u>41,606.7</u>	<u>38,983.7</u>	<u>43,273.2</u>	<u>38,983.7</u>	<u>4,289.5</u>			<u>43,273.2</u>

**OTHER ELECTIVE OFFICES
INSURANCE COMMISSIONER
REGULATORY ACTIVITIES
INTERNAL PROGRAM UNIT SUMMARY**

12-03-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
POSITIONS								
General Funds	15.0	15.0	15.0					
Appropriated S/F	10.0	10.0	10.0	25.0				25.0
Non-Appropriated S/F	25.0	25.0	25.0	25.0				25.0

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

- * Base adjustments include (\$767.0) in Personnel Costs and (15.0) FTEs, (\$3.6) in Travel, (\$112.0) in Contractual Services, (\$2.5) in Supplies and Materials and (\$10.0) in Malpractice to convert funding source to ASF.
- * Base adjustments include \$767.0 ASF in Personnel Costs and 15.0 ASF FTEs, \$3.6 ASF in Travel, \$112.0 ASF in Contractual Services, \$2.5 ASF in Supplies and Materials and \$10.0 ASF in Malpractice to convert funding source from General Fund.
- * Recommend inflation adjustment of \$67.4 ASF in Personnel Costs for position reclassifications and salary shortage.
- * Recommend inflation adjustment of (\$26.7) ASF in Contractual Services based on history of expenditures.
- * Recommend inflation adjustments of \$0.1 ASF in Supplies and Materials and \$0.5 ASF in Capital Outlay for operating shortage.
- * Do not recommend inflation adjustment of \$3.0 ASF in Travel for conference travel expenses.

**OTHER ELECTIVE OFFICES
INSURANCE COMMISSIONER
EXAM, REHAB & GUARANTY
INTERNAL PROGRAM UNIT SUMMARY**

12-03-02 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Personnel Costs								
General Funds								
Appropriated S/F	1,984.1	2,351.2	2,753.6	2,351.2				2,351.2
Non-Appropriated S/F	108.5	104.0	118.5	104.0	14.5			118.5
	<u>2,092.6</u>	<u>2,455.2</u>	<u>2,872.1</u>	<u>2,455.2</u>	<u>14.5</u>			<u>2,469.7</u>
Travel								
General Funds								
Appropriated S/F	91.5	104.4	106.5	104.4	2.1			106.5
Non-Appropriated S/F	6.6	8.8	9.3	8.8	0.5			9.3
	<u>98.1</u>	<u>113.2</u>	<u>115.8</u>	<u>113.2</u>	<u>2.6</u>			<u>115.8</u>
Contractual Services								
General Funds								
Appropriated S/F	1,467.6	916.7	745.5	916.7	-171.2			745.5
Non-Appropriated S/F	28.9	25.0	30.4	25.0	5.4			30.4
	<u>1,496.5</u>	<u>941.7</u>	<u>775.9</u>	<u>941.7</u>	<u>-165.8</u>			<u>775.9</u>
Supplies and Materials								
General Funds								
Appropriated S/F	34.2	41.2	42.0	41.2	0.8			42.0
Non-Appropriated S/F	1.3	1.2	1.6	1.2	0.4			1.6
	<u>35.5</u>	<u>42.4</u>	<u>43.6</u>	<u>42.4</u>	<u>1.2</u>			<u>43.6</u>
Capital Outlay								
General Funds								
Appropriated S/F	125.6	382.4	400.0	382.4				382.4
Non-Appropriated S/F	3.9	25.3	14.3	25.3	-11.0			14.3
	<u>129.5</u>	<u>407.7</u>	<u>414.3</u>	<u>407.7</u>	<u>-11.0</u>			<u>396.7</u>
Arbitration Program								
General Funds								
Appropriated S/F	9.1	30.0	30.0	30.0				30.0
Non-Appropriated S/F								
	<u>9.1</u>	<u>30.0</u>	<u>30.0</u>	<u>30.0</u>				<u>30.0</u>
Contract Examiners								
General Funds								
Appropriated S/F	12,321.6	12,600.0	12,750.0	12,600.0	150.0			12,750.0
Non-Appropriated S/F								
	<u>12,321.6</u>	<u>12,600.0</u>	<u>12,750.0</u>	<u>12,600.0</u>	<u>150.0</u>			<u>12,750.0</u>
TOTAL								
General Funds								
Appropriated S/F	16,033.7	16,425.9	16,827.6	16,425.9	-18.3			16,407.6
Non-Appropriated S/F	149.2	164.3	174.1	164.3	9.8			174.1
	<u>16,182.9</u>	<u>16,590.2</u>	<u>17,001.7</u>	<u>16,590.2</u>	<u>-8.5</u>			<u>16,581.7</u>
IPU REVENUES								
General Funds								
Appropriated S/F	15,365.1	15,710.2	16,860.2	15,710.2	1,150.0			16,860.2
Non-Appropriated S/F	99.2	168.4	187.3	168.4	18.9			187.3
	<u>15,464.3</u>	<u>15,878.6</u>	<u>17,047.5</u>	<u>15,878.6</u>	<u>1,168.9</u>			<u>17,047.5</u>
POSITIONS								
General Funds								
Appropriated S/F	52.0	52.0	53.0	52.0				52.0
Non-Appropriated S/F	2.0	2.0	2.0	2.0				2.0
	<u>54.0</u>	<u>54.0</u>	<u>55.0</u>	<u>54.0</u>				<u>54.0</u>

**OTHER ELECTIVE OFFICES
INSURANCE COMMISSIONER
EXAM, REHAB & GUARANTY
INTERNAL PROGRAM UNIT SUMMARY**

12-03-02								
Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

- * Recommend inflation adjustment of \$2.1 ASF in Travel, \$0.8 ASF in Supplies and Materials and \$150.0 ASF in Capital Outlay.
- * Recommend inflation adjustment of (\$171.2) in Contractual Services based on history of expenditures.
- * Do not recommend inflation adjustment of \$373.9 ASF in Personnel Costs and \$17.6 ASF in Capital Outlay based on history of expenditures.
- * Do not recommend enhancement of \$28.5 in Personnel Costs and 1.0 FTE Accountant II for revenue analysis and managing reporting requirements of Elder Info Program.

**OTHER ELECTIVE OFFICES
STATE TREASURER
APPROPRIATION UNIT SUMMARY**

12-05-00

Programs	POSITIONS				DOLLARS			
	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Recommend
Administration								
General Funds	14.0	14.0	14.0	14.0	1,616.9	966.8	986.7	963.8
Appropriated S/F	8.0	8.0	8.0	8.0	1,827.0	2,010.6	2,629.8	2,629.8
Non-Appropriated S/F					28,000.5			
	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>31,444.4</u>	<u>2,977.4</u>	<u>3,616.5</u>	<u>3,593.6</u>
Debt Management								
General Funds					19,158.7	21,520.5	21,772.1	27,113.6
Appropriated S/F					63.5			
Non-Appropriated S/F						9,033.0		
					<u>19,222.2</u>	<u>30,553.5</u>	<u>21,772.1</u>	<u>27,113.6</u>
Refunds & Grants								
General Funds					17,711.5			
Appropriated S/F								
Non-Appropriated S/F					208,931.6	180,400.0	180,400.0	180,400.0
					<u>226,643.1</u>	<u>180,400.0</u>	<u>180,400.0</u>	<u>180,400.0</u>
TOTAL								
General Funds	14.0	14.0	14.0	14.0	38,487.1	22,487.3	22,758.8	28,077.4
Appropriated S/F	8.0	8.0	8.0	8.0	1,890.5	2,010.6	2,629.8	2,629.8
Non-Appropriated S/F					236,932.1	189,433.0	180,400.0	180,400.0
	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>22.0</u>	<u>277,309.7</u>	<u>213,930.9</u>	<u>205,788.6</u>	<u>211,107.2</u>

**OTHER ELECTIVE OFFICES
STATE TREASURER
ADMINISTRATION
INTERNAL PROGRAM UNIT SUMMARY**

12-05-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Personnel Costs								
General Funds	780.1	808.0	827.9	824.3				824.3
Appropriated S/F	444.5	431.2	455.4	455.4				455.4
Non-Appropriated S/F								
	<u>1,224.6</u>	<u>1,239.2</u>	<u>1,283.3</u>	<u>1,279.7</u>				<u>1,279.7</u>
Travel								
General Funds	6.9	6.6	6.6	6.6				6.6
Appropriated S/F	14.8	20.2	20.2	20.2				20.2
Non-Appropriated S/F	1.2							
	<u>22.9</u>	<u>26.8</u>	<u>26.8</u>	<u>26.8</u>				<u>26.8</u>
Contractual Services								
General Funds	132.3	123.7	123.7	113.7				113.7
Appropriated S/F	72.0	51.1	84.3	84.3				84.3
Non-Appropriated S/F	1,828.4							
	<u>2,032.7</u>	<u>174.8</u>	<u>208.0</u>	<u>198.0</u>				<u>198.0</u>
Supplies and Materials								
General Funds	22.2	28.5	28.5	19.2				19.2
Appropriated S/F	6.1	9.4	9.4	9.4				9.4
Non-Appropriated S/F	0.1							
	<u>28.4</u>	<u>37.9</u>	<u>37.9</u>	<u>28.6</u>				<u>28.6</u>
Capital Outlay								
General Funds								
Appropriated S/F	10.1	63.7	25.5	25.5				25.5
Non-Appropriated S/F								
	<u>10.1</u>	<u>63.7</u>	<u>25.5</u>	<u>25.5</u>				<u>25.5</u>
One-Time								
General Funds	7.6							
Appropriated S/F								
Non-Appropriated S/F								
	<u>7.6</u>							
Other Items								
General Funds								
Appropriated S/F								
Non-Appropriated S/F	26,170.8							
	<u>26,170.8</u>							
Data Processing								
General Funds								
Appropriated S/F	20.1	50.0	50.0	50.0				50.0
Non-Appropriated S/F								
	<u>20.1</u>	<u>50.0</u>	<u>50.0</u>	<u>50.0</u>				<u>50.0</u>
Banking Services								
General Funds								
Appropriated S/F	1,205.7	1,315.0	1,915.0	1,315.0	600.0			1,915.0
Non-Appropriated S/F								
	<u>1,205.7</u>	<u>1,315.0</u>	<u>1,915.0</u>	<u>1,315.0</u>	<u>600.0</u>			<u>1,915.0</u>
Electronic Data Interchange								
General Funds								
Appropriated S/F	53.7	70.0	70.0	70.0				70.0
Non-Appropriated S/F								
	<u>53.7</u>	<u>70.0</u>	<u>70.0</u>	<u>70.0</u>				<u>70.0</u>

**OTHER ELECTIVE OFFICES
STATE TREASURER
ADMINISTRATION
INTERNAL PROGRAM UNIT SUMMARY**

12-05-01 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Deferred Compensation								
General Funds	667.8							
Appropriated S/F								
Non-Appropriated S/F	667.8							
TOTAL								
General Funds	1,616.9	966.8	986.7	963.8				963.8
Appropriated S/F	1,827.0	2,010.6	2,629.8	2,029.8	600.0			2,629.8
Non-Appropriated S/F	28,000.5							
	31,444.4	2,977.4	3,616.5	2,993.6	600.0			3,593.6
IPU REVENUES								
General Funds	8,550.2	6,336.9	8,601.3	8,601.3				8,601.3
Appropriated S/F	1,771.5	2,010.6	2,629.8	2,029.8	600.0			2,629.8
Non-Appropriated S/F	27,124.5	26,930.6	27,630.0	27,630.0				27,630.0
	37,446.2	35,278.1	38,861.1	38,261.1	600.0			38,861.1
POSITIONS								
General Funds	14.0	14.0	14.0	14.0				14.0
Appropriated S/F	8.0	8.0	8.0	8.0				8.0
Non-Appropriated S/F	22.0	22.0	22.0	22.0				22.0

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

* Base adjustments include (\$10.0) and \$33.2 ASF in Contractual Services, (\$9.3) in Supplies and Materials and (\$38.2) ASF in Capital Outlay.

* Recommend inflation adjustment of \$600.0 ASF in Banking Services to cover increased credit card fees.

* Do not recommend inflation adjustment of \$3.6 in Personnel Costs for salary shortage.

**OTHER ELECTIVE OFFICES
STATE TREASURER
DEBT MANAGEMENT
INTERNAL PROGRAM UNIT SUMMARY**

12-05-03 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Other Items								
General Funds								
Appropriated S/F								
Non-Appropriated S/F		9,033.0						
		9,033.0						
Capital Investment Fund								
General Funds								
Appropriated S/F	63.5							
Non-Appropriated S/F								
	63.5							
Debt Svc. - Local Schools								
General Funds	15,876.8	15,094.7	17,791.7	17,791.7				17,791.7
Appropriated S/F								
Non-Appropriated S/F								
	15,876.8	15,094.7	17,791.7	17,791.7				17,791.7
Debt Svc. - Old								
General Funds	13.1	12.4	8.3	8.3				8.3
Appropriated S/F								
Non-Appropriated S/F								
	13.1	12.4	8.3	8.3				8.3
Debt Svc. - Solid Waste Auth.								
General Funds	92.5	88.9	85.6	85.6				85.6
Appropriated S/F								
Non-Appropriated S/F								
	92.5	88.9	85.6	85.6				85.6
Debt Svc. - Refunding								
General Funds	2,845.8	2,688.0	3,442.6	3,442.6				3,442.6
Appropriated S/F								
Non-Appropriated S/F								
	2,845.8	2,688.0	3,442.6	3,442.6				3,442.6
Debt Svc. - New								
General Funds		3,192.6		5,341.5				5,341.5
Appropriated S/F								
Non-Appropriated S/F								
		3,192.6		5,341.5				5,341.5
Expense of Issuing Bonds								
General Funds	274.4	358.9	358.9	358.9				358.9
Appropriated S/F								
Non-Appropriated S/F								
	274.4	358.9	358.9	358.9				358.9
Financial Advisor								
General Funds	56.1	85.0	85.0	85.0				85.0
Appropriated S/F								
Non-Appropriated S/F								
	56.1	85.0	85.0	85.0				85.0
TOTAL								
General Funds	19,158.7	21,520.5	21,772.1	27,113.6				27,113.6
Appropriated S/F	63.5							
Non-Appropriated S/F		9,033.0						
	19,222.2	30,553.5	21,772.1	27,113.6				27,113.6

**OTHER ELECTIVE OFFICES
STATE TREASURER
DEBT MANAGEMENT
INTERNAL PROGRAM UNIT SUMMARY**

12-05-03 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
IPU REVENUES								
General Funds	54,557.9	30,088.9	46,400.0	46,400.0				46,400.0
Appropriated S/F	380.9	81.3	81.3	81.3				81.3
Non-Appropriated S/F	-590.0	2,125.6	665.3	665.3				665.3
	<u>54,348.8</u>	<u>32,295.8</u>	<u>47,146.6</u>	<u>47,146.6</u>				<u>47,146.6</u>
POSITIONS								
General Funds								
Appropriated S/F								
Non-Appropriated S/F								

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

* Recommend additional funding for debt service and bond issuing, contingent upon a bond sale during the first half of Fiscal Year 2003 of \$135 million.

**OTHER ELECTIVE OFFICES
STATE TREASURER
REFUNDS & GRANTS
INTERNAL PROGRAM UNIT SUMMARY**

12-05-04 Lines	FY 2001 Actual	FY 2002 Budget	FY 2003 Request	FY 2003 Base	Inflation & Volume Adjustment	Structural Changes	Enhance- ments	FY 2003 Recommend
Other Items								
General Funds	17,711.5							
Appropriated S/F								
Non-Appropriated S/F	208,931.6	180,400.0	180,400.0	180,400.0				180,400.0
	226,643.1	180,400.0	180,400.0	180,400.0				180,400.0
TOTAL								
General Funds	17,711.5							
Appropriated S/F								
Non-Appropriated S/F	208,931.6	180,400.0	180,400.0	180,400.0				180,400.0
	226,643.1	180,400.0	180,400.0	180,400.0				180,400.0
IPU REVENUES								
General Funds								
Appropriated S/F								
Non-Appropriated S/F	208,931.5							
	208,931.5							
POSITIONS								
General Funds								
Appropriated S/F								
Non-Appropriated S/F								

BASE, INFLATION, STRUCTURAL CHANGES, ENHANCEMENTS AND ONE-TIME ITEMS

* Recommend \$180,400.0 NSF for revenue refunds.