

Internal Service Funds

Internal Service Funds account for state activities that provide goods and services to other state departments or agencies on a cost-reimbursement basis. The Internal Service Funds are described below:

The General Services Fund accounts for the cost of providing the following services to state agencies: (1) legal services; (2) operation and management of real estate; (3) facilities and related services; (4) central stores; (5) operations of the motor pool; (6) auditing of state and local governmental units; (7) administration of the state civil service law; (8) administrative hearings; and (9) archives and records management.

The Data Processing Revolving Fund accounts for distribution and apportionment of the full cost of data processing and data communication services to other state agencies, and for the payment of other costs incidental to the acquisition, operation, and administration of acquired data processing services, supplies, and equipment.

The Printing Services Fund accounts for the operation of the state printing plant.

The Higher Education Revolving Fund accounts for stores, data processing, educational, operational printing and duplication, motor pool, and other support service activities at colleges and universities.

The Risk Management Fund accounts for the administration of liability, property, and vehicle claims, including investigation, claim processing, negotiation and settlement, and other expenses relating to settlements and judgments against the state not otherwise budgeted.

Combining Statement of Fund Net Assets

Internal Service Funds

June 30, 2006

(expressed in thousands)

	General Services	Data Processing Revolving	Printing Services	Higher Education Revolving
Assets				
Current Assets:				
Cash and pooled investments	\$ 38,401	\$ 16,556	\$ 791	\$ 96,377
Investments	260	-	-	477
Other receivables (net of allowance)	5,596	75	-	1,217
Due from other funds	39,342	17,442	3,518	8,330
Due from other governments	3,806	2,908	143	93
Inventories	7,445	361	471	13,226
Prepaid expenses	23	1,983	121	23
Total Current Assets	94,873	39,325	5,044	119,743
Noncurrent Assets:				
Investments, noncurrent	-	-	-	1,656
Capital Assets:				
Land	3,797	-	-	30
Buildings	112,936	-	-	5,455
Other improvements	12,906	5,241	-	97
Furnishings, equipment, and collections	374,977	182,298	10,927	85,627
Accumulated depreciation	(203,307)	(108,945)	(7,236)	(68,777)
Construction in progress	14,960	5,326	-	463
Total Noncurrent Assets	316,269	83,920	3,691	24,551
Total Assets	\$ 411,142	\$ 123,245	\$ 8,735	\$ 144,294
Liabilities				
Current Liabilities:				
Accounts payable	\$ 14,761	\$ 13,836	\$ 2,901	\$ 3,398
Contracts and retainages payable	589	-	-	13
Accrued liabilities	7,817	1,647	294	11,413
Obligations under security lending agreements	270	-	-	-
Bonds and notes payable	5,074	4,391	177	785
Due to other funds	5,578	2,447	168	23,994
Due to other governments	25	4	-	-
Unearned revenues	2,206	3,352	-	72
Claims and judgments payable	-	-	-	7,000
Total Current Liabilities	36,320	25,677	3,540	46,675
Noncurrent Liabilities:				
Claims and judgments payable	-	-	-	36,853
Bonds and notes payable	111,494	33,561	1,568	3,303
Other long-term liabilities	17,481	4,307	437	4,206
Total Noncurrent Liabilities	128,975	37,868	2,005	44,362
Total Liabilities	165,295	63,545	5,545	91,037
Net Assets:				
Invested in capital assets, net of related debt	199,701	45,967	1,946	18,807
Unrestricted	46,146	13,733	1,244	34,450
Total Net Assets (Deficit)	\$ 245,847	\$ 59,700	\$ 3,190	\$ 53,257

Risk Management	Total
\$ 115,697	\$ 267,822
-	737
122	7,010
858	69,490
9	6,959
-	21,503
-	2,150
<u>116,686</u>	<u>375,671</u>
-	1,656
-	3,827
-	118,391
-	18,244
15	653,844
(1)	(388,266)
-	20,749
<u>14</u>	<u>428,445</u>
<u>\$ 116,700</u>	<u>\$ 804,116</u>
\$ 19	\$ 34,915
-	602
147	21,318
-	270
-	10,427
3,226	35,413
-	29
16	5,646
74,245	81,245
<u>77,653</u>	<u>189,865</u>
452,953	489,806
-	149,926
51	26,482
<u>453,004</u>	<u>666,214</u>
<u>530,657</u>	<u>856,079</u>
14	266,435
(413,971)	(318,398)
<u>\$ (413,957)</u>	<u>\$ (51,963)</u>

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

Internal Service Funds

For the Fiscal Year Ended June 30, 2006
(expressed in thousands)

	General Services	Data Processing Revolving	Printing Services	Higher Education Revolving
Operating Revenues:				
Sales	\$ 23,332	\$ 35,005	\$ 32,605	\$ 38,522
Less: Cost of goods sold	19,317	33,407	28,022	31,500
Gross profit	4,015	1,598	4,583	7,022
Charges for services	269,484	121,950	-	174,878
Premiums and assessments	-	-	-	-
Miscellaneous revenue	31,128	3,392	-	5,407
Total Operating Revenues	304,627	126,940	4,583	187,307
Operating Expenses:				
Salaries and wages	125,208	32,671	2,311	93,103
Employee benefits	32,843	7,872	667	24,051
Personal services	10,964	6,816	36	2,150
Goods and services	96,588	71,783	1,627	70,540
Travel	2,399	354	34	1,343
Premiums and claims	-	-	-	-
Depreciation and amortization	30,319	20,395	427	8,841
Miscellaneous expenses	354	242	-	310
Total Operating Expenses	298,675	140,133	5,102	200,338
Operating Income (Loss)	5,952	(13,193)	(519)	(13,031)
Nonoperating Revenues (Expenses):				
Earnings (loss) on investments	228	181	37	3,763
Interest expense	(2,630)	(931)	(74)	(1,117)
Other revenue (expenses)	(309)	(3)	(68)	557
Total Nonoperating Revenues (Expenses)	(2,711)	(753)	(105)	3,203
Income (Loss) Before				
Contributions and Transfers	3,241	(13,946)	(624)	(9,828)
Capital contributions	2,301	-	-	37
Transfers in	3,659	11,098	-	18,603
Transfers (out)	(7,217)	-	-	(18,510)
Net Contributions and Transfers	(1,257)	11,098	-	130
Change in Net Assets	1,984	(2,848)	(624)	(9,698)
Net Assets (Deficit) - Beginning, as restated	243,863	62,548	3,814	62,955
Net Assets (Deficit) - Ending	\$ 245,847	\$ 59,700	\$ 3,190	\$ 53,257

Risk Management	Total
\$ -	\$ 129,464
-	112,246
-	17,218
2,947	569,259
83,824	83,824
-	39,927
86,771	710,228
1,379	254,672
317	65,750
40	20,006
31,405	271,943
30	4,160
36,751	36,751
1	59,983
-	906
69,923	714,171
16,848	(3,943)
-	4,209
-	(4,752)
-	177
-	(366)
16,848	(4,309)
-	2,338
-	33,360
-	(25,727)
-	9,971
16,848	5,662
(430,805)	(57,625)
<u>\$ (413,957)</u>	<u>\$ (51,963)</u>

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended June 30, 2006

(expressed in thousands)

	General Services	Data Processing Revolving	Printing Services	Higher Education Revolving
Cash Flows from Operating Activities:				
Receipts from customers	\$ 277,140	\$ 175,819	\$ 32,024	\$ 214,320
Payments to suppliers	(126,111)	(113,505)	(28,662)	(88,146)
Payments to employees	(157,058)	(40,450)	(2,965)	(113,177)
Other receipts (payments)	31,127	3,392		5,367
Net Cash Provided (Used) by Operating Activities	25,098	25,256	397	18,364
Cash Flows from Noncapital Financing Activities:				
Transfers in	3,659	11,098	-	18,603
Transfers out	(7,217)	-	-	(18,510)
Operating grants and donations received	373	-	-	350
Taxes and license fees collected	12	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(3,173)	11,098	-	443
Cash Flows from Capital and				
Interest paid	(2,639)	(931)	(74)	(1,117)
Principal payments on long-term capital financing	(4,933)	(3,281)	(170)	(1,585)
Proceeds from long-term capital financing	19,058	4,958	-	1,091
Proceeds from sale of capital assets	8,160	531	(182)	1,120
Acquisitions of capital assets	(39,746)	(38,932)	-	(9,048)
Net Cash or Pooled Investments Provided by (Used in) Capital and Related Financing Activities	(20,100)	(37,655)	(426)	(9,539)
Cash Flows from Investing Activities:				
Receipt of interest	226	181	37	4,120
Proceeds from sale of investment securities	-	-	-	46,217
Purchases of investment securities	-	-	-	(2,043)
Net Cash Provided by (Used in) Investing Activities	226	181	37	48,294
Net Increase (Decrease) in Cash	2,051	(1,120)	8	57,562
Cash and Pooled Investments, July 1	36,350	17,676	783	38,815
Cash and Pooled Investments, June 30	\$ 38,401	\$ 16,556	\$ 791	\$ 96,377
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 5,952	\$ (13,193)	\$ (519)	\$ (13,031)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operations:				
Depreciation	30,319	20,395	427	8,841
Change in Assets: Decrease (Increase)				
Receivables (net of allowance)	(15,943)	15,667	(581)	1,261
Inventories	(1,351)	116	(60)	(56)
Prepaid expenses	(11)	(805)	(47)	(23)
Change in Liabilities: Increase (Decrease)				
Payables	6,132	3,076	1,177	21,372
Net Cash or Cash Equivalents Provided by (Used in) Operating Activities	\$ 25,098	\$ 25,256	\$ 397	\$ 18,364
Noncash Investing, Capital, and Financing Activities:				
Contributions of capital assets	\$ 2,301	\$ -	\$ -	\$ 37
Acquisition of capital assets through capital leases	56,805	-	-	-
Increase (decrease) in fair value of investments	2	-	-	-

Risk Management	Total
\$ 87,265	\$ 786,568
(47,524)	(403,948)
(1,669)	(315,319)
-	39,886
38,072	107,187
-	33,360
-	(25,727)
-	723
-	12
-	8,368
-	(4,761)
-	(9,969)
-	25,107
-	9,629
(15)	(87,741)
(15)	(67,735)
-	4,564
-	46,217
-	(2,043)
-	48,738
38,057	96,558
77,640	171,264
\$ 115,697	\$ 267,822
\$ 16,848	\$ (3,943)
1	59,983
494	898
-	(1,351)
-	(886)
20,729	52,486
\$ 38,072	\$ 107,187
\$ -	\$ 2,338
-	56,805
-	2

