

STATE OF NORTH DAKOTA

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the State and to other government units, on a cost reimbursement basis.

790 (927) - Central Services

Accounts for the revenues and expenditures associated with central printing and office supply services to state agencies and the Legislative Assembly; a surplus property program for the acquisition, distribution, and disposition of federal and state surplus property and procurement services for all state agencies not exempt by statute. (NDCC 54-44)

700 (918) - Fleet Services

Accounts for costs of operating and maintaining State-owned vehicles. Costs are billed to user agencies and include depreciation on equipment. (NDCC 24-02)

780 (929) - Information Technology Department

Accounts used for the procurement and maintenance of data processing equipment and supplies and telecommunications equipment and supplies to provide data processing and telecommunications services to state departments and agencies. (NDCC 54-59)

288 (912) - Risk Management Fund

This fund provides insurance coverage and loss prevention to all state agencies and the University System for tort liability and employee injury claims. Coverage is provided using an optional combination of self-insurance and private excess insurance. (NDCC 32-12.2)

207 (936) - Retirement and Investment Office

Accounts for the administrative operations provided to the State Investment Board and Teachers Fund For Retirement for the boards investing activities. (NDCC 15-39)

STATE OF NORTH DAKOTA

Combining Statement of Net Assets Internal Service Funds June 30, 2004

	Central Services	Fleet Services	Information Technology Department	Retirement and Investment Board	Risk Management	Total
ASSETS						
Current Assets:						
Cash Deposits at the Bank of ND	\$ 476,894	\$ 3,221,359	\$ 3,534,124	\$ 132,738	\$ 839,103	\$ 8,204,218
Cash and Cash Equivalents	3,750	-	-	-	-	3,750
Investments	-	-	-	-	6,546,123	6,546,123
Accounts Receivable - Net	17,259	2,652	38,584	2,086	-	60,581
Interest Receivable - Net	-	-	-	-	52,978	52,978
Intergovernmental Receivable - Net	43,771	489	150,299	-	3,000	197,559
Due from Other Funds	129,275	1,287,901	2,593,879	28	73,061	4,084,144
Due from Fiduciary Funds	-	-	-	142,183	-	142,183
Prepaid Items	3,199	-	-	-	-	3,199
Inventory	110,991	-	-	-	-	110,991
Restricted Cash at the Bank of ND	-	-	1,648,029	-	-	1,648,029
Total Current Assets	785,139	4,512,401	7,964,915	277,035	7,514,265	21,053,755
Noncurrent Assets:						
Unamortized Bond Issuance Costs	-	-	66,495	-	-	66,495
Capital Assets:						
Land and Construction in Progress	-	-	3,595,766	-	-	3,595,766
Buildings and Equipment -Net	105,630	48,318,911	4,367,121	423,388	176,942	53,391,992
Total Noncurrent Assets	105,630	48,318,911	8,029,382	423,388	176,942	57,054,253
Total Assets	890,769	52,831,312	15,994,297	700,423	7,691,207	78,108,008
LIABILITIES						
Current Liabilities:						
Accounts Payable	29,585	360,716	234,763	224,168	193,131	1,042,363
Accrued Payroll	64,134	81,225	1,028,561	-	23,236	1,197,156
Securities Lending Collateral	-	-	-	-	1,179,107	1,179,107
Interest Payable	3,672	-	-	-	3,387	7,059
Intergovernmental Payable	600	-	-	-	-	600
Due to Other Funds	6,687	2,204,917	6,963	11,803	17,935	2,248,305
Due to Fiduciary Funds	-	-	-	2,453	-	2,453
Claims/Judgments Payable	-	-	-	-	2,420,299	2,420,299
Compensated Absences Payable	3,361	3,219	44,949	1,560	-	53,089
Notes Payable	-	-	289,673	-	-	289,673
Capital Leases Payable	19,951	-	-	3,395	1,365	24,711
Deferred Revenue	-	-	-	-	196,152	196,152
Total Current Liabilities	127,990	2,650,077	1,604,909	243,379	4,034,612	8,660,967
Noncurrent Liabilities:						
Claims/Judgments Payable	-	-	-	-	2,638,658	2,638,658
Compensated Absences Payable	63,862	61,038	976,612	73,553	20,328	1,195,393
Notes Payable	-	-	143,729	-	-	143,729
Capital Leases Payable	41,661	-	-	9,550	3,166	54,377
Bonds Payable	-	-	5,961,076	-	-	5,961,076
Total Noncurrent Liabilities	105,523	61,038	7,081,417	83,103	2,662,152	9,993,233
Total Liabilities	233,513	2,711,115	8,686,326	326,482	6,696,764	18,654,200
NET ASSETS						
Invested in Capital Assets, Net of Related Unrestricted	105,630	48,318,911	7,529,486	410,443	172,411	56,536,881
Unrestricted	551,626	1,801,286	(221,515)	(36,502)	822,032	2,916,927
Total Net Assets	\$ 657,256	\$ 50,120,197	\$ 7,307,971	\$ 373,941	\$ 994,443	\$ 59,453,808

STATE OF NORTH DAKOTA

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets Internal Service Funds For the Fiscal Year Ended June 30, 2004

	Central Services	Fleet Services	Information Technology Department	Retirement and Investment Board	Risk Management	Total
OPERATING REVENUES						
Sales and Services	\$ 2,156,868	\$ 18,537,207	\$ 30,576,795	\$ 1,877,249	\$ 6,111,332	\$ 59,259,451
Miscellaneous	-	66,737	-	18,875	3,091	88,703
Total Operating Revenues	2,156,868	18,603,944	30,576,795	1,896,124	6,114,423	59,348,154
OPERATING EXPENSES						
Cost of Sales and Services	965,818	-	-	-	-	965,818
Salaries and Benefits	782,829	1,056,266	11,670,647	860,257	235,598	14,605,597
Operating	430,778	8,267,292	15,742,178	631,881	2,446,856	27,518,985
Claims	-	-	-	-	2,916,715	2,916,715
Depreciation	18,312	6,020,893	2,044,874	4,616	19,613	8,108,308
Total Operating Expenses	2,197,737	15,344,451	29,457,699	1,496,754	5,618,782	54,115,423
Operating Income (Loss)	(40,869)	3,259,493	1,119,096	399,370	495,641	5,232,731
NONOPERATING REVENUES (EXPENSES)						
Interest and Investment Income	-	-	2,549	581	336,679	339,809
Interest Expense	(38,756)	-	(189,298)	(1,416)	(19,669)	(249,139)
Loss on Sale of Capital Assets	(5,820)	(504,567)	(195,122)	-	-	(705,509)
Other	207	-	(4,350)	-	-	(4,143)
Total Nonoperating Revenues (Expenses)	(44,369)	(504,567)	(386,221)	(835)	317,010	(618,982)
Income (Loss) Before Contributions and Transfers	(85,238)	2,754,926	732,875	398,535	812,651	4,613,749
Transfers In	-	-	791,917	-	-	791,917
Transfer Out	-	-	(355,753)	-	-	(355,753)
Change in Net Assets	(85,238)	2,754,926	1,169,039	398,535	812,651	5,049,913
Total Net Assets - Beginning of Year, as Adjusted	742,494	47,365,271	6,138,932	(24,594)	181,792	54,403,895
Total Net Assets - End of Year	\$ 657,256	\$ 50,120,197	\$ 7,307,971	\$ 373,941	\$ 994,443	\$ 59,453,808

STATE OF NORTH DAKOTA

Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2004

	Central Services	Fleet Services	Information Technology	Retirement and Investment Office	Risk Management	Total
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 2,203,634	\$ 18,603,096	\$ 30,814,286	\$ 1,871,229	\$ 5,606,468	\$ 59,098,713
Receipts from Federal and Local Agencies	-	10	-	-	-	10
Receipts from Other Funds	-	1,445,663	-	-	-	1,445,663
Receipts from Others	-	-	-	-	2,472	2,472
Payments to Suppliers	(1,393,883)	(8,241,365)	(15,650,335)	(1,459,091)	(712,066)	(27,456,740)
Payments to Employees	(778,012)	(1,047,639)	(11,594,892)	-	(223,547)	(13,644,090)
Claim Payments	-	-	-	-	(2,489,185)	(2,489,185)
Payments to Others	-	-	-	-	(1,316,534)	(1,316,534)
Net Cash Provided by Operating Activities	31,739	10,759,765	3,569,059	412,138	867,608	15,640,309
Cash Flows from Noncapital Financing Activities:						
Interest Payments - Notes and Other Borrowings	(34,683)	-	-	-	-	(34,683)
Transfers In	-	-	791,917	-	-	791,917
Principal Payments On Advances from Other Funds	-	-	(355,753)	-	-	(355,753)
Other	207	-	-	-	-	207
Net Cash Provided By (Used for) Noncapital Financing Activities	(34,476)	-	436,164	-	-	401,688
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	(11,374)	(9,803,774)	(5,542,634)	(410,000)	(66,740)	(15,834,522)
Proceeds from Sale of Capital Assets	-	1,484,623	32,000	-	-	1,516,623
Proceeds from Bonds	-	-	5,961,076	-	-	5,961,076
Proceeds from Sale of Notes and Other Borrowings	-	-	433,402	-	-	433,402
Principal Payments - Notes and Other Borrowings	-	-	(1,607,092)	-	-	(1,607,092)
Interest Payments - Notes and Other Borrowings	-	-	(384,453)	-	-	(384,453)
Payment on Capital Leases	(7,592)	-	-	(3,061)	(1,280)	(11,933)
Interest Payments - Capital Leases	(4,045)	-	-	-	(496)	(4,541)
Net Cash Used for Capital and Related Financing Activities	(23,011)	(8,319,151)	(1,107,701)	(413,061)	(68,516)	(9,931,440)
Cash Flows from Investing Activities:						
Purchase of Investment Securities	-	-	-	-	(3,436,975)	(3,436,975)
Interest and Dividends on Investments	-	-	-	572	370,248	370,820
Net Cash Provided by (Used for) Investing Activities	-	-	-	572	(3,066,727)	(3,066,155)
Net Change in Cash:						
Net increase (Decrease) in Cash and Cash Equivalents	(25,748)	2,440,614	2,897,522	(351)	(2,267,635)	3,044,402
Cash and Cash Equivalents at June 30, 2003	506,392	780,745	2,284,631	133,089	3,106,738	6,811,595
Cash and Cash Equivalents at June 30, 2004	\$ 480,644	\$ 3,221,359	\$ 5,182,153	\$ 132,738	\$ 839,103	\$ 9,855,997
Reconciliation:						
Cash Deposits at the Bank of North Dakota	\$ 476,894	\$ 3,221,359	\$ 3,534,124	\$ 132,738	\$ 839,103	\$ 8,204,218
Cash and Cash Equivalents	3,750	-	-	-	-	3,750
Restricted Cash Deposits at the Bank of North Dakota	-	-	1,648,029	-	-	1,648,029
Cash and Cash Equivalents and Cash Deposits at the Bank of North Dakota	\$ 480,644	\$ 3,221,359	\$ 5,182,153	\$ 132,738	\$ 839,103	\$ 9,855,997
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:						
Operating Income (Loss)	\$ (40,869)	\$ 3,259,493	\$ 1,119,096	\$ 399,370	\$ 495,641	\$ 5,232,731
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	18,312	6,020,893	2,044,874	4,616	19,613	8,108,308
Other	(28)	-	-	-	1,348	1,320
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	20,087	(848)	21,559	3	-	40,801
Increase In Interest Receivable	-	-	-	-	(4,134)	(4,134)
(Increase) Decrease in Due From	26,029	445,663	261,399	(88,196)	(38,082)	606,813
(Increase) Decrease in Intergovernmental Receivable	650	10	(45,466)	-	-	(44,806)
Decrease in Prepaid Items	8,099	-	-	-	-	8,099
Decrease in Inventories	6,075	-	-	-	-	6,075
Increase (Decrease) in Accounts Payable	(16,886)	(84,147)	90,629	86,193	109,369	185,158
Increase In Interest Payable	3,672	-	-	-	2,422	6,094
Increase in Claims/Judgments Payable	-	-	-	-	729,939	729,939
Increase In Intergovernmental Payable	600	-	-	-	-	600
Increase in Accrued Payroll	361	6,212	43,225	-	4,680	54,478
Increase in Compensated Absences Payable	4,456	2,415	32,530	8,400	7,371	55,172
Increase in Due To	1,181	1,110,074	1,213	1,752	6,478	1,120,698
Decrease In Deferred Revenue	-	-	-	-	(467,037)	(467,037)
Total Adjustments	72,608	7,500,272	2,449,963	12,768	371,967	10,407,578
Net Cash Provided by Operating Activities	\$ 31,739	\$ 10,759,765	\$ 3,569,059	\$ 412,138	\$ 867,608	\$ 15,640,309
Noncash Transactions:						
Acquisition of Equipment Under Capital Lease	\$ 69,204	\$ -	\$ -	\$ 16,006	\$ 5,811	\$ 91,021
Net Decrease in Fair Value of Investments	-	-	-	-	(54,091)	(54,091)
Change in Securities Lending Collateral	-	-	-	-	911,104	911,104
Total Noncash Transactions	\$ 69,204	\$ -	\$ -	\$ 16,006	\$ 862,824	\$ 948,034