

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, 2006

	Central Services	Fleet Services	Information Technology Department	Retirement and Investment Board	Risk Management	Total
ASSETS						
Current Assets:						
Cash Deposits at the Bank of ND	\$ 347,524	\$ 3,784,455	\$ 2,818,858	\$ 192,755	\$ 1,018,283	\$ 8,161,875
Cash and Cash Equivalents	519	-	-	-	-	519
Investments	-	-	-	-	8,341,215	8,341,215
Accounts Receivable - Net	23,907	21,056	580,346	2,436	-	627,745
Interest Receivable - Net	-	-	-	-	59,930	59,930
Intergovernmental Receivable - Net	17,131	-	47,850	-	-	64,981
Due from Other Funds	154,421	1,319,431	2,855,972	215	11,511	4,341,550
Due from Fiduciary Funds	-	-	-	60,378	-	60,378
Prepaid Items	5,325	-	-	-	48,666	53,991
Inventory	119,151	-	-	-	-	119,151
Restricted Cash at the Bank of ND	-	-	5,734,157	-	-	5,734,157
Total Current Assets	667,978	5,124,942	12,037,183	255,784	9,479,605	27,565,492
Noncurrent Assets:						
Unamortized Bond Issuance Costs	-	-	59,845	-	-	59,845
Capital Assets:						
Buildings and Equipment - Net	67,035	53,276,708	7,856,083	1,035,729	206,303	62,441,858
Total Noncurrent Assets	67,035	53,276,708	7,915,928	1,035,729	206,303	62,501,703
Total Assets	735,013	58,401,650	19,953,111	1,291,513	9,685,908	90,067,195
LIABILITIES						
Current Liabilities:						
Accounts Payable	38,293	883,420	432,580	148,595	10,828	1,513,716
Accrued Payroll	57,737	62,363	1,152,435	-	24,312	1,296,847
Securities Lending Collateral	-	-	-	-	1,522,793	1,522,793
Interest Payable	1,932	-	71,719	-	3,786	77,437
Intergovernmental Payable	-	-	472	-	-	472
Due to Other Funds	6,301	524,373	92,580	33,822	128,480	785,556
Due to Fiduciary Funds	-	-	-	34,664	-	34,664
Claims/Judgments Payable	-	-	-	-	1,498,429	1,498,429
Compensated Absences Payable	3,352	37,385	50,439	1,175	-	92,351
Capital Leases Payable	23,457	-	-	4,451	1,651	29,559
Bonds Payable	-	-	568,400	-	-	568,400
Deferred Revenue	-	-	-	-	780	780
Total Current Liabilities	131,072	1,507,541	2,368,625	222,707	3,191,059	7,421,004
Noncurrent Liabilities:						
Claims/Judgments Payable	-	-	-	-	3,042,444	3,042,444
Compensated Absences Payable	63,687	-	1,095,909	97,830	21,525	1,278,951
Notes Payable	-	-	6,000,000	-	-	6,000,000
Capital Leases Payable	15,227	-	-	1,211	-	16,438
Bonds Payable	-	-	4,828,468	-	-	4,828,468
Total Noncurrent Liabilities	78,914	-	11,924,377	99,041	3,063,969	15,166,301
Total Liabilities	209,986	1,507,541	14,293,002	321,748	6,255,028	22,587,305
NET ASSETS						
Invested in Capital Assets, Net of Related Debt	28,351	53,276,708	7,856,083	1,030,067	204,652	62,395,861
Unrestricted	496,676	3,617,401	(2,195,974)	(60,302)	3,226,228	5,084,029
Total Net Assets	\$ 525,027	\$ 56,894,109	\$ 5,660,109	\$ 969,765	\$ 3,430,880	\$ 67,479,890

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, 2006

	Central Services	Fleet Services	Information Technology Department	Retirement and Investment Board	Risk Management	Total
OPERATING REVENUES						
Sales and Services	\$ 2,116,321	\$ 23,424,959	\$ 34,453,428	\$ 1,880,345	\$ 4,128,116	\$ 66,003,169
Miscellaneous	-	53,377	-	19,417	-	72,794
Total Operating Revenues	2,116,321	23,478,336	34,453,428	1,899,762	4,128,116	66,075,963
OPERATING EXPENSES						
Cost of Sales and Services	854,348	-	-	-	-	854,348
Salaries and Benefits	803,796	1,331,156	13,406,332	957,489	290,181	16,788,954
Operating	450,407	11,808,030	21,150,877	747,651	592,497	34,749,462
Claims	-	-	-	-	3,504,365	3,504,365
Depreciation	27,155	6,344,338	2,311,279	185,935	40,223	8,908,930
Total Operating Expenses	2,135,706	19,483,524	36,868,488	1,891,075	4,427,266	64,806,059
Operating Income (Loss)	(19,385)	3,994,812	(2,415,060)	8,687	(299,150)	1,269,904
NONOPERATING REVENUES (EXPENSES)						
Interest and Investment Income	-	-	102,480	1,961	282,132	386,573
Interest Expense	(28,636)	-	(307,789)	(1,063)	(66,439)	(403,927)
(Loss) on Sale of Capital Assets	(3,312)	(372,789)	(22,745)	-	(2,492)	(401,338)
Other	618	-	16,108	-	-	16,726
Total Nonoperating Revenues (Expenses)	(31,330)	(372,789)	(211,946)	898	213,201	(401,966)
Income (Loss) Before Contributions and Transfers	(50,715)	3,622,023	(2,627,006)	9,585	(85,949)	867,938
Capital Grants and Contributions	-	223,400	-	-	-	223,400
Changes in Net Assets	(50,715)	3,845,423	(2,627,006)	9,585	(85,949)	1,091,338
Total Net Assets - Beginning of Year	575,742	53,048,686	8,287,115	960,180	3,516,829	66,388,552
Total Net Assets - End of Year	\$ 525,027	\$ 56,894,109	\$ 5,660,109	\$ 969,765	\$ 3,430,880	\$ 67,479,890

STATE OF NORTH DAKOTA

Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2006

	Central Services	Fleet Services	Information Technology	Retirement and Investment Office	Risk Management	Total
Cash Flows from Operating Activities:						
Receipts from Customers and Users	\$ 2,137,846	\$ 23,481,637	\$ 34,499,632	\$ 1,924,342	\$ 4,052,489	\$ 66,095,946
Receipts from Other Funds	-	389,486	-	-	-	389,486
Payments to Other Funds	-	190,990	-	-	-	190,990
Payments to Suppliers	(1,363,154)	(11,538,239)	(20,853,506)	(1,777,397)	(650,998)	(36,183,294)
Payments to Employees	(819,255)	(1,396,315)	(13,188,986)	-	(291,135)	(15,695,691)
Claim Payments	-	-	-	-	(1,326,613)	(1,326,613)
Payments to Others	-	-	-	-	(1,696,180)	(1,696,180)
Net Cash Provided by (Used for) Operating Activities	(44,563)	11,127,559	457,140	146,945	87,563	11,774,644
Cash Flows from Noncapital Financing Activities:						
Interest Payments - Notes and Other Borrowings	(24,659)	-	-	-	-	(24,659)
Other	617	-	-	-	-	617
Net Cash Used for Noncapital Financing Activities	(24,042)	-	-	-	-	(24,042)
Cash Flows from Capital and Related Financing Activities:						
Acquisition and Construction of Capital Assets	(7,465)	(12,515,389)	(2,023,955)	(208,500)	-	(14,755,309)
Proceeds from Sale of Capital Assets	-	2,165,680	-	-	-	2,165,680
Proceeds from Bonds	-	-	6,000,000	-	-	6,000,000
Principal Payments - Notes and Other Borrowings	-	-	(548,100)	-	-	(548,100)
Interest Payments - Notes and Other Borrowings	-	-	(236,070)	-	-	(236,070)
Payment on Capital Leases	(21,319)	-	-	(3,888)	(1,515)	(26,722)
Interest Payments - Capital Leases	(4,947)	-	-	(1,063)	(261)	(6,271)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(33,731)	(10,349,709)	3,191,875	(213,451)	(1,776)	(7,406,792)
Cash Flows from Investing Activities:						
Purchase of Investment Securities	-	-	-	-	(2,068,172)	(2,068,172)
Interest and Dividends on Investments	-	-	102,481	2,022	408,830	513,333
Net Cash Provided by (Used for) Investing Activities	-	-	102,481	2,022	(1,659,342)	(1,554,839)
Net Change in Cash:						
Net Increase (Decrease) in Cash and Cash Equivalents	(102,336)	777,850	3,751,496	(64,484)	(1,573,555)	2,788,971
Cash and Cash Equivalents at June 30, 2005	450,379	3,006,605	4,801,519	257,239	2,591,838	11,107,580
Cash and Cash Equivalents at June 30, 2006	\$ 348,043	\$ 3,784,455	\$ 8,553,015	\$ 192,755	\$ 1,018,283	\$ 13,896,551
Reconciliation:						
Cash Deposits at the Bank of North Dakota	\$ 347,524	\$ 3,784,455	\$ 2,818,858	\$ 192,755	\$ 1,018,283	\$ 8,161,875
Cash and Cash Equivalents	519	-	-	-	-	519
Restricted Cash Deposits at the Bank of North Dakota	-	-	5,734,157	-	-	5,734,157
Cash and Cash Equivalents	\$ 348,043	\$ 3,784,455	\$ 8,553,015	\$ 192,755	\$ 1,018,283	\$ 13,896,551
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:						
Operating Income (Loss)	\$ (19,385)	\$ 3,994,812	\$ (2,415,060)	\$ 8,687	\$ (299,150)	\$ 1,269,904
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	27,155	6,344,338	2,304,629	185,935	40,223	8,902,280
Amortization/Accretion	-	-	6,650	-	-	6,650
Other	800	-	-	-	633	1,433
Change in Assets and Liabilities:						
(Increase) Decrease in Accounts Receivable	(17,096)	3,301	136,099	(350)	1,455	123,409
(Increase) Decrease in Due From	14,467	389,486	(115,631)	(24,225)	23,266	287,363
Decrease in Intergovernmental Receivable	24,154	-	35,585	-	-	59,739
(Increase) Decrease in Prepaid Items	8,072	-	-	-	(48,666)	(40,594)
Decrease in Inventories	27,015	-	-	-	-	27,015
Increase (Decrease) in Accounts Payable	(94,322)	269,791	194,471	(36,228)	(104,300)	229,412
Increase in Claims/Judgments Payable	-	-	-	-	482,430	482,430
Increase In Intergovernmental Payable	-	-	472	-	-	472
Increase (Decrease) in Accrued Payroll	(10,056)	(35,685)	109,752	-	65	64,076
Increase (Decrease) in Compensated Absences Payable	(5,403)	(29,474)	107,593	17,046	(1,019)	88,743
Increase (Decrease) in Due To	36	190,990	92,580	(3,920)	7,183	286,869
Decrease In Deferred Revenue	-	-	-	-	(14,557)	(14,557)
Total Adjustments	(25,178)	7,132,747	2,872,200	138,258	386,713	10,504,740
Net Cash Provided by (Used For) Operating Activities	\$ (44,563)	\$ 11,127,559	\$ 457,140	\$ 146,945	\$ 87,563	\$ 11,774,644
Noncash Transactions:						
Net Decrease in Fair Value of investments	\$ -	\$ -	\$ -	\$ -	\$ (192,503)	\$ (192,503)
Change in Securities Lending Collateral	-	-	-	-	324,942	324,942
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ -	\$ 132,439	\$ 132,439