

# STATE OF NORTH DAKOTA

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## ***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.

### 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.

### 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.

### 288\275 (912) - Risk Management Fund

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.

# STATE OF NORTH DAKOTA

## Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2012

	Central Services	Fleet Services	Information Technology	Risk Management	Total
<b>Cash Flows from Operating Activities:</b>					
Receipts from Customers and Users	\$ 3,566,309	\$ 28,545,576	\$ 53,030,278	\$ 5,820,284	\$ 90,962,447
Receipts from Other Funds	-	7,897	-	-	7,897
Payments to Other Funds	-	(104,947)	-	-	(104,947)
Payments to Suppliers	(1,909,660)	(19,155,540)	(24,344,949)	(672,999)	(46,083,148)
Payments to Employees	(840,623)	(2,084,368)	(21,632,904)	(426,038)	(24,983,933)
Claim Payments	-	-	-	(335,713)	(335,713)
Payments to Others	-	-	-	(3,913,258)	(3,913,258)
Net Cash Provided by Operating Activities	816,026	7,208,618	7,052,425	472,276	15,549,345
<b>Cash Flows from Noncapital Financing Activities:</b>					
Interest Payments - Notes and Other Borrowings	(448)	-	-	-	(448)
Transfers In from Other Funds	-	296,293	-	-	296,293
Collection of Advances to Other Funds	-	11,000,000	-	-	11,000,000
Other	27,691	-	-	-	27,691
Net Cash Provided by Noncapital Financing Activities	27,243	11,296,293	-	-	11,323,536
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and Construction of Capital Assets	(24,500)	(19,900,871)	(4,613,599)	-	(24,538,970)
Proceeds from Sale of Capital Assets	-	3,634,066	-	-	3,634,066
Principal Payments - Notes and Other Borrowings	-	-	(694,550)	-	(694,550)
Interest Payments - Notes and Other Borrowings	-	-	(89,028)	-	(89,028)
Payment on Capital Leases	(94,072)	-	-	(1,573)	(95,645)
Interest Payments - Capital Leases	(13,999)	-	-	(62)	(14,061)
Net Cash Used for Capital and Related Financing Activities	(132,571)	(16,266,805)	(5,397,177)	(1,635)	(21,798,188)
<b>Cash Flows from Investing Activities:</b>					
Purchase of Investment Securities	-	-	-	(1,807,277)	(1,807,277)
Interest and Dividends on Investments	-	-	-	383,642	383,642
Net Cash Used for Investing Activities	-	-	-	(1,423,635)	(1,423,635)
<b>Net Change in Cash:</b>					
Net Increase (Decrease) in Cash and Cash Equivalents	710,698	2,238,106	1,655,248	(952,994)	3,651,058
Cash and Cash Equivalents at June 30, 2011	839,146	444,847	6,025,344	3,658,414	10,967,751
Cash and Cash Equivalents at June 30, 2012	\$ 1,549,844	\$ 2,682,953	\$ 7,680,592	\$ 2,705,420	\$ 14,618,809
<b>Reconciliation:</b>					
Cash Deposits at the Bank of North Dakota	\$ 1,542,852	\$ 2,028,407	\$ 7,680,592	\$ 2,704,416	\$ 13,956,267
Cash and Cash Equivalents	6,992	654,546	-	1,004	662,542
Cash and Cash Equivalents	\$ 1,549,844	\$ 2,682,953	\$ 7,680,592	\$ 2,705,420	\$ 14,618,809
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used for) Operating Activities:</b>					
Operating Income (Loss)	\$ 783,995	\$ (588,356)	\$ 1,067,319	\$ (223,384)	\$ 1,039,574
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation	88,100	8,539,603	4,894,132	15,954	13,537,789
Amortization/Accretion	-	-	6,649	-	6,649
Other	(26,549)	-	-	-	(26,549)
Change in Assets and Liabilities:					
Decrease in Accounts Receivable	988	34,840	52,805	-	88,633
(Increase) Decrease in Due From	30,972	-	(366,167)	1,182	(334,013)
(Increase) Decrease in Intergovernmental Receivable	(43,760)	(104,947)	75,195	-	(73,512)
(Increase) Decrease in Prepaid Items	-	(26,144)	628,101	-	601,957
Decrease in Inventories	5,765	-	-	-	5,765
Increase (Decrease) in Accounts Payable	(16,086)	(669,013)	321,829	(1,080)	(364,350)
Increase in Claims/Judgments Payable	-	-	-	697,385	697,385
Increase in Intergovernmental Payable	-	7,897	113	-	8,010
Increase (Decrease) in Accrued Payroll	(2,466)	7,618	224,514	(3,617)	226,049
Increase (Decrease) in Compensated Absences Payable	(3,088)	7,120	172,363	(5,746)	170,649
Decrease in Due To	(1,845)	-	(24,428)	(8,418)	(34,691)
Total Adjustments	32,031	7,796,974	5,985,106	695,660	14,509,771
<b>Net Cash Provided by Operating Activities</b>	\$ 816,026	\$ 7,208,618	\$ 7,052,425	\$ 472,276	\$ 15,549,345
<b>Noncash Transactions:</b>					
Net Increase in Fair Value of Investments	\$ -	\$ -	\$ -	\$ 250,121	\$ 250,121
Decrease in Securities Lending Collateral	-	-	-	(153)	(153)
Total Noncash Transactions	\$ -	\$ -	\$ -	\$ 249,968	\$ 249,968

# 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, 2012

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
<b>OPERATING REVENUES</b>					
Sales and Services	\$ 3,580,907	\$ 28,477,452	\$ 53,268,445	\$ 5,820,284	\$ 91,147,088
Miscellaneous	-	33,284	-	-	33,284
Total Operating Revenues	3,580,907	28,510,736	53,268,445	5,820,284	91,180,372
<b>OPERATING EXPENSES</b>					
Cost of Sales and Services	1,335,950	-	-	-	1,335,950
Salaries and Benefits	910,262	2,099,106	22,029,781	416,675	25,455,824
Operating	462,600	18,460,382	25,270,564	660,510	44,854,056
Claims	-	-	-	4,950,529	4,950,529
Depreciation	88,100	8,539,603	4,900,781	15,954	13,544,438
Total Operating Expenses	2,796,912	29,099,091	52,201,126	6,043,668	90,140,797
Operating Income (Loss)	783,995	(588,355)	1,067,319	(223,384)	1,039,575
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest and Investment Income	-	-	-	656,528	656,528
Interest Expense	(14,447)	-	(89,028)	(22,261)	(125,736)
Gain on Sale of Capital Assets	-	731,676	-	-	731,676
Other	1,142	-	16,108	-	17,250
Total Nonoperating Revenues (Expenses)	(13,305)	731,676	(72,920)	634,267	1,279,718
Income Before Contributions and Transfers	770,690	143,321	994,399	410,883	2,319,293
Capital Grants and Contributions Transfers In	-	480,193	-	-	480,193
	-	296,293	-	-	296,293
Changes in Net Assets	770,690	919,807	994,399	410,883	3,095,779
Total Net Assets - Beginning of Year	962,281	70,187,209	17,869,099	4,749,214	93,767,803
Total Net Assets - End of Year	\$ 1,732,971	\$ 71,107,016	\$ 18,863,498	\$ 5,160,097	\$ 96,863,582

# STATE OF NORTH DAKOTA

## Combining Statement of Net Assets Internal Service Funds June 30, 2012

	Central Services	Fleet Services	Information Technology Department	Risk Management	Total
<b>ASSETS</b>					
Current Assets:					
Cash Deposits at the Bank of ND	\$ 1,542,852	\$ 2,028,407	\$ 7,680,592	\$ 2,704,416	\$ 13,956,267
Cash and Cash Equivalents	6,992	654,546	-	1,004	662,542
Investments	-	-	-	9,723,321	9,723,321
Accounts Receivable - Net	28,185	48,459	192,346	-	268,990
Interest Receivable - Net	-	-	-	55,912	55,912
Intergovernmental Receivable - Net	75,858	-	122,223	-	198,081
Due from Other Funds	214,439	1,600,298	4,966,963	19,235	6,800,935
Prepaid Items	4,295	26,144	1,416,493	-	1,446,932
Inventory	85,163	-	-	-	85,163
Total Current Assets	1,957,784	4,357,854	14,378,617	12,503,888	33,198,143
Noncurrent Assets:					
Unamortized Bond Issuance Costs	-	-	19,948	-	19,948
Capital Assets:					
Depreciable, Net	169,033	81,775,743	10,954,318	32,783	92,931,877
Total Noncurrent Assets	169,033	81,775,743	10,974,266	32,783	92,951,825
Total Assets	2,126,817	86,133,597	25,352,883	12,536,671	126,149,968
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	101,592	688,347	1,230,540	215	2,020,694
Accrued Payroll	72,726	166,847	1,891,261	29,991	2,160,825
Interest Payable	-	-	-	8,250	8,250
Intergovernmental Payable	-	-	696	-	696
Due to Other Funds	6,077	14,094,311	25,474	3,928	14,129,790
Claims/Judgments Payable	-	-	-	1,861,586	1,861,586
Compensated Absences Payable	3,474	3,985	93,639	2,015	103,113
Capital Leases Payable	93,971	-	-	-	93,971
Bonds Payable	-	-	710,658	-	710,658
Total Current Liabilities	277,840	14,953,490	3,952,268	1,905,985	21,089,583
Noncurrent Liabilities:					
Claims/Judgments Payable	-	-	-	5,437,918	5,437,918
Compensated Absences Payable	66,001	73,091	1,717,552	32,671	1,889,315
Capital Leases Payable	50,005	-	-	-	50,005
Bonds Payable	-	-	819,565	-	819,565
Total Noncurrent Liabilities	116,006	73,091	2,537,117	5,470,589	8,196,803
Total Liabilities	393,846	15,026,581	6,489,385	7,376,574	29,286,386
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	25,057	81,775,743	10,954,318	32,783	92,787,901
Unrestricted	1,707,914	(10,668,727)	7,909,180	5,127,314	4,075,681
Total Net Assets	\$ 1,732,971	\$ 71,107,016	\$ 18,863,498	\$ 5,160,097	\$ 96,863,582