INTERNAL SERVICE FUNDS

The internal service funds are maintained to account for the operations of State agencies that provide services to other State agencies, component units, or other governmental units on a cost reimbursement basis.

The following activities are included in the internal service funds:

Workers' Compensation Program

State Property Fire Insurance Fund
Self-insurance fund for State agencies and certain component units

Central Governmental Services:
Department of Administration:
Motor Fleet Management
Courier Service
Temporary Solutions

Office of the Governor:
Centralized Computing Services
State Telecommunications Services

Department of Administration:
Administration of State and Federal Surplus Property

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS

June 30, 2002

(Dollars in Thousands)

	Workers' Compensation Program	State Property Fire Insurance	Motor Fleet Management	Courier Service	Temporary Solutions
ASSETS					
Current Assets:					
Cash and cash equivalents	$ 1,254	$ 15,434	$ 14,573	$ 6	$ 1,761
Investments	—	21,033	—	—	—
Securities lending collateral	—	20,820	—	—	—
Receivables:					
Accounts receivable, net	620	—	2,807	264	530
Interest receivable	—	59	—	—	—
Premiums receivable	—	21	—	—	—
Due from fiduciary funds	—	—	—	—	—
Due from other funds	1,264	—	3,629	3	161
Due from component units	—	—	628	—	—
Inventories	—	—	156	—	—
Prepaid items	—	—	—	—	—
Total current assets	3,138	57,367	21,793	273	2,452
Noncurrent Assets:					
Receivables:					
Accounts receivable, net	—	—	—	—	—
Capital assets, net	—	—	58,701	—	6
Total noncurrent assets	—	—	58,701	—	6
Total Assets	3,138	57,367	80,494	273	2,458
LIABILITIES					
Current Liabilities:					
Accounts payable and accrued liabilities:					
Accounts payable	—	—	1,930	6	1
Accrued payroll	—	—	—	16	377
Claims payable	—	232	—	—	—
Obligations under securities lending	—	20,820	—	—	—
Due to other funds	—	266	492	655	4
Due to component units	—	601	—	—	—
Deferred revenue	—	2,540	—	—	—
Accrued vacation leave - current	—	13	10	1	3
Total current liabilities	—	24,472	2,432	678	385
Noncurrent Liabilities:					
Accrued vacation leave	—	100	86	63	17
Total noncurrent liabilities	—	100	86	63	17
Total Liabilities	—	24,572	2,518	741	402
NET ASSETS					
Invested in capital assets, net of related debt	—	—	58,701	—	6
Unrestricted	3,138	32,795	19,275	(468)	2,050
Total Net Assets	$ 3,138	$ 32,795	$ 77,976	$ (468)	$ 2,056

Exhibit E-1

Centralized Computing Services	State Telecommu-nications Services	Surplus Property	*Totals*
$ 25,871	$ 1,763	$ 2,710	$ 63,372
—	—	—	21,033
—	—	—	20,820
8,861	11,012	32	24,126
—	—	—	59
—	—	—	21
1	7	—	8
6,159	5,201	611	17,028
421	582	—	1,631
121	—	1	278
6,908	—	—	6,908
48,342	18,565	3,354	155,284
1	—	—	1
22,463	5,977	165	87,312
22,464	5,977	165	87,313
70,806	24,542	3,519	242,597
473	279	117	2,806
41	34	1	469
—	—	—	232
—	—	—	20,820
1,938	336	1,018	4,709
—	—	—	601
—	—	—	2,540
111	52	11	201
2,563	701	1,147	32,378
1,034	344	59	1,703
1,034	344	59	1,703
3,597	1,045	1,206	34,081
22,463	5,977	165	87,312
44,746	17,520	2,148	121,204
$ 67,209	$ 23,497	$ 2,313	$ 208,516

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2002

(Dollars in Thousands)

	Workers' Compensation Program	State Property Fire Insurance	Motor Fleet Management	Courier Service	Temporary Solutions
Operating Revenues:					
Sales and services, net	$ 26,105	$ —	$ 27,691	$ 2,206	$ 6,648
Rental and lease earnings	—	—	—	—	—
Insurance premiums	—	15,189	—	—	—
Miscellaneous	—	—	55	1	—
Total operating revenues	26,105	15,189	27,746	2,207	6,648
Operating Expenses:					
Personal services	—	1,364	1,883	1,539	6,478
Supplies and materials	—	5	7,110	41	4
Services	25,704	133	2,480	507	55
Cost of goods sold	—	—	1,087	—	—
Depreciation/amortization	—	—	17,344	1	2
Claims	—	1,032	—	—	—
Insurance and bonding	—	11,844	2,414	—	—
Other	—	76	20	7	31
Total operating expenses	25,704	14,454	32,338	2,095	6,570
Operating income (loss)	401	735	(4,592)	112	78
Nonoperating Revenues (Expenses):					
Investment earnings	—	3,273	—	—	—
Insurance recoveries	—	—	365	—	—
Gain (loss) on sale of equipment	—	—	(426)	—	—
Miscellaneous	—	(420)	—	—	—
Total nonoperating revenues (expenses)	—	2,853	(61)	—	—
Income (loss) before contributions and transfers	401	3,588	(4,653)	112	78
Capital contributions, net	—	—	7	—	—
Transfers in	—	—	—	—	—
Transfers out	—	(1,000)	(3,200)	—	—
Change in net assets	401	2,588	(7,846)	112	78
Net assets — July 1, as restated	2,737	30,207	85,822	(580)	1,978
Net assets — June 30	$ 3,138	$ 32,795	$ 77,976	$ (468)	$ 2,056

Exhibit E-2

Centralized Computing Services	State Telecommu-nications Services	Surplus Property	*Totals*
$ 79,786	$ 70,997	$ 1,610	$ 215,043
1,245	—	—	1,245
—	—	—	15,189
—	214	20	290
81,031	71,211	1,630	231,767
17,809	9,067	1,107	39,247
548	235	117	8,060
13,746	53,330	618	96,573
341	—	—	1,428
8,501	2,093	55	27,996
—	—	—	1,032
142	48	19	14,467
23,032	8,339	12	31,517
64,119	73,112	1,928	220,320
16,912	(1,901)	(298)	11,447
—	—	—	3,273
—	—	—	365
338	—	—	(88)
2	15	—	(403)
340	15	—	3,147
17,252	(1,886)	(298)	14,594
—	—	—	7
—	2,163	—	2,163
(5,935)	(7,961)	—	(18,096)
11,317	(7,684)	(298)	(1,332)
55,892	31,181	2,611	209,848
$ 67,209	$ 23,497	$ 2,313	$ 208,516

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2002

(Dollars in Thousands)

	Workers' Compensation Program	State Property Fire Insurance	Motor Fleet Management	Courier Service	Temporary Solutions
Cash Flows from Operating Activities:					
Receipts from customers	$ 4,921	$ 5,434	$ 3,642	$ 634	$ —
Receipts from other funds	20,981	10,987	22,380	1,631	7,052
Payments to suppliers	(25,703)	(12,057)	(8,891)	(231)	(21)
Payments to employees	—	(1,358)	(1,883)	(1,533)	(6,690)
Payments for benefits and claims	—	(598)	—	—	—
Payments to other funds	—	(138)	(2,964)	(490)	(35)
Other receipts (payments)	—	128	33	(5)	(31)
Net Cash Flows Provided (Used) by Operating Activities	199	2,398	12,317	6	275
Cash Provided From (Used For) Noncapital Financing Activities:					
Transfers from other funds	—	—	—	—	—
Transfers to other funds	—	(1,000)	(3,200)	—	—
Total cash provided from (used for) noncapital financing activities	—	(1,000)	(3,200)	—	—
Cash Provided From (Used For) Capital Financing Activities:					
Acquisition and construction of capital assets	—	—	(10,303)	—	—
Proceeds from the sale of capital assets	—	—	836	—	—
Insurance recoveries	—	—	365	—	—
Total cash provided from (used for) capital financing activities	—	—	(9,102)	—	—
Cash Provided From (Used For) Investment Activities:					
Redemptions from State Treasurer investment pool	—	3,000	—	—	—
Investment earnings	—	760	—	—	—
Total cash provided from (used for) investment activities	—	3,760	—	—	—
Net increase (decrease) in cash and cash equivalents	199	5,158	15	6	275
Cash and cash equivalents at July 1	1,055	10,276	14,558	—	1,486
Cash and cash equivalents at June 30	$ 1,254	$ 15,434	$ 14,573	$ 6	$ 1,761
Reconciliation of Operating Income to Net Cash Provided From (Used For) Operating Activities:					
Operating income (loss)	$ 401	$ 735	$ (4,592)	$ 112	$ 78
Adjustments to reconcile operating income to net cash flows from operating activities:					
Depreciation/amortization	—	—	17,344	1	2
Restatements and adjustments to cash	—	1,409	—	—	—
Nonoperating miscellaneous income/expense	—	—	—	—	—
(Increases) decreases in assets:					
Receivables	(40)	68	(814)	59	256
Due from other funds	(162)	—	(568)	1	147
Due from fiduciary funds	—	—	—	—	—
Due from component units	—	—	(289)	—	—
Inventories	—	—	(21)	—	—
Prepaid items	—	—	—	—	—
Increases (decreases) in liabilities:					
Accounts payable and accrued liabilities	—	(40)	1,108	1	(210)
Due to other funds	—	(750)	148	(169)	3
Due to component units	—	(302)	—	—	—
Accrued vacation leave	—	113	1	1	(1)
Deferred revenue	—	1,165	—	—	—
Total cash provided from (used for) operations	$ 199	$ 2,398	$ 12,317	$ 6	$ 275
Noncash Investing, Capital, and Financing Activities:					
Noncash distributions from the State Treasurer Long-Term Investment Portfolio	$ —	$ 1,517	$ —	$ —	$ —
Change in construction in progress as a result of accrual					
Assets acquired through the assumption of a liability	—	20,820	—	—	—
Change in fair value of investments	—	418	—	—	—

Exhibit E-3

Centralized Computing Services	State Telecommu-nications Services	Surplus Property	*Totals*
$ 1,038	$ 23,469	$ 511	$ 39,649
77,848	45,640	1,267	187,786
(27,875)	(60,348)	(335)	(135,461)
(17,942)	(9,152)	(1,114)	(39,672)
—	—	—	(598)
(8,470)	(1,619)	(1,869)	(15,585)
(325)	81	8	(111)
24,274	(1,929)	(1,532)	36,008
—	2,083	—	2,083
(5,855)	(7,961)	—	(18,016)
(5,855)	(5,878)	—	(15,933)
(5,072)	(2,570)	(15)	(17,960)
1	—	—	837
—	—	—	365
(5,071)	(2,570)	(15)	(16,758)
—	—	—	3,000
—	—	—	760
—	—	—	3,760
13,348	(10,377)	(1,547)	7,077
12,523	12,140	4,257	56,295
$ 25,871	$ 1,763	$ 2,710	$ 63,372
$ 16,912	$ (1,901)	$ (298)	$ 11,447
8,501	2,093	55	27,996
—	—	—	1,409
2	15	—	17
(453)	(2,157)	9	(3,072)
(1,310)	289	162	(1,441)
(1)	(7)	—	(8)
(380)	(14)	—	(683)
27	—	(1)	5
3,395	545	—	3,940
(996)	(753)	(373)	(1,263)
(1,313)	25	(1,081)	(3,137)
—	—	—	(302)
(110)	(64)	(5)	(65)
—	—	—	1,165
$ 24,274	$ (1,929)	$ (1,532)	$ 36,008
$ —	$ —	$ —	$ 1,517
—	—	—	20,820
—	—	—	418