## STATEMENT OF NET ASSETS

June 30, 2006 *Exhibit A-1*

*(Dollars in Thousands)*

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Component Units |
| **Assets** | | | | |
| Cash and cash equivalents (Note 3) | $ 4,674,651 | $ 451,447 | $ 5,126,098 | $ 2,601,756 |
| Investments (Note 3) | 1,041,445 | 57,453 | 1,098,898 | 3,548,020 |
| Securities lending collateral (Note 3) | 5,367,553 | 266,780 | 5,634,333 | — |
| Receivables, net (Note 4) | 3,394,647 | 406,921 | 3,801,568 | 927,829 |
| Due from component units (Note 17) | 12,758 | — | 12,758 | 58,817 |
| Due from primary government (Note 17) | — | — | — | 143,726 |
| Internal balances | 13,620 | (13,620) | — | — |
| Inventories | 182,467 | 501 | 182,968 | 76,556 |
| Prepaid items | 14,439 | 2,213 | 16,652 | 15,677 |
| Advances to component units (Note 17) | 25,364 | — | 25,364 | — |
| Notes receivable, net (Note 4) | 342,149 | 545,570 | 887,719 | 3,787,120 |
| Endowment investments (Note 3) | 57,741 | — | 57,741 | 2,096,982 |
| Investment in joint venture | — | — | — | 8,319 |
| Deferred charges | — | 107 | 107 | 23,725 |
| Securities held in trust | 43,911 | — | 43,911 | — |
| Pension assets (Note 11) | 471 | — | 471 | — |
| Capital assets-nondepreciable (Note 5) | 11,218,229 | 5,440 | 11,223,669 | 1,871,530 |
| Capital assets-depreciable, net (Note 5) | 17,941,006 | 47,589 | 17,988,595 | 6,873,809 |
| Total Assets | 44,330,451 | 1,770,401 | 46,100,852 | 22,033,866 |
| **Liabilities** | | | | |
| Accounts payable and accrued liabilities | 1,296,093 | 44,072 | 1,340,165 | 608,306 |
| Medical claims payable | 983,145 | — | 983,145 | 4,917 |
| Unemployment benefits payable | — | 17,792 | 17,792 | — |
| Tax refunds payable | 1,183,801 | — | 1,183,801 | — |
| Obligations under securities lending | 5,367,553 | 266,780 | 5,634,333 | — |
| Interest payable | 87,542 | 33 | 87,575 | 51,457 |
| Short-term debt (Note 6) | — | — | — | 139,582 |
| Due to component units (Note 17) | 143,726 | — | 143,726 | 58,817 |
| Due to primary government (Note 17) | — | — | — | 12,758 |
| Unearned revenue | 498,444 | 16,957 | 515,401 | 132,376 |
| Advance from primary government (Note 17) | — | — | — | 25,364 |
| Obligations under reverse repurchase agreements | — | — | — | 4,615 |
| Deposits payable | 60 | 28 | 88 | 11,700 |
| Funds held for others | 54,538 | — | 54,538 | 679,255 |
| Long-term liabilities (Note 7): | | | | |
| Due within one year | 549,362 | 587 | 549,949 | 972,610 |
| Due in more than one year | 6,732,287 | 13,477 | 6,745,764 | 6,140,929 |
| Total Liabilities | 16,896,551 | 359,726 | 17,256,277 | 8,842,686 |
| **Net Assets** | | | | |
| Invested in capital assets, net of related debt | 28,035,283 | 44,196 | 28,079,479 | 6,332,775 |
| Restricted for: | | | | |
| Nonexpendable: | | | | |
| Environment and natural resources | 56,645 | — | 56,645 | — |
| Higher education | 527 | — | 527 | 1,420,268 |
| Health and human services | 200 | — | 200 | — |
| Expendable: | | | | |
| Primary and secondary education | 7,332 | — | 7,332 | — |
| Higher education | 540,069 | — | 540,069 | 2,475,959 |
| Health and human services | 153,023 | — | 153,023 | 5,798 |
| Economic development | 1,831 | — | 1,831 | 381,801 |
| Environment and natural resources | 34,348 | — | 34,348 | — |
| Public safety, corrections, and regulation | 54,093 | — | 54,093 | — |
| Transportation | 11,864 | — | 11,864 | — |
| Unemployment compensation | — | 507,477 | 507,477 | — |
| EPA revolving loan | — | 775,269 | 775,269 | — |
| Other purposes | 30,670 | 3,731 | 34,401 | 32 |
| Unrestricted | (1,491,985) | 80,002 | (1,411,983) | 2,574,547 |
| Total Net Assets | $ 27,433,900 | $ 1,410,675 | $ 28,844,575 | $ 13,191,180 |

*The accompanying Notes to the Financial Statements are an integral part of this statement.*