

OFFICE OF CAPITAL WRITS

ANNUAL FINANCIAL REPORT

For The Year Ended August 31, 2011

BRAD D. LEVENSON
DIRECTOR

TABLE OF CONTENTS

| | | |
|-----|--|----|
| A. | LETTER OF TRANSMITAL | 3 |
| B. | GENERAL PURPOSE FINANCIAL STATEMENTS | |
| 1. | Combined Balance Sheet / Statement of Net Assets – Governmental Funds | 4 |
| 2. | Combined Balance Sheet / Statement of Revenues, Expenditures and Changes in Fund Balances / Statement of Activities – Governmental Funds | 6 |
| C. | NOTES TO THE FINANCIAL STATEMENTS | |
| 1. | Summary of Significant Accounting Policies | 8 |
| 2. | Capital Assets | 13 |
| 3. | Deposits, Investments, & Repurchase Agreements | 14 |
| 4. | Short-Term Debt | 14 |
| 5. | Long-Term Liabilities | 14 |
| 6. | Bonded Indebtedness | 15 |
| 7. | Derivative Instruments | 15 |
| 8. | Leases | 15 |
| 9. | Pension Plans | 15 |
| 10. | Deferred Compensation | 15 |
| 11. | Post-Employment Health Care and Life Insurance Benefits | 15 |
| 12. | Interfund Balances/Activities | 16 |
| 13. | Continuance Subject to Review | 17 |
| 14. | Adjustments to Fund Balances/Net Assets | 17 |
| 15. | Contingencies and Commitments | 17 |
| 16. | Subsequent Events | 17 |
| 17. | Risk Management | 17 |
| 18. | Management Discussion and Analysis (MD&A) | 18 |
| 19. | The Financial Reporting Entity | 18 |
| 20. | Stewardship, Compliance and Accountability | 18 |
| 21. | N/A | 18 |
| 22. | Donor-Restricted Endowments | 18 |
| 23. | Extraordinary and Special Items | 18 |
| 24. | Disaggregation of Receivable and Payable Balances | 18 |
| 25. | Termination Benefits | 18 |
| 26. | Segment Information | 18 |
| D. | COMBINING STATEMENTS | |
| 1. | Combining Balance – All General and Consolidated Funds | 19 |
| 2. | Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – All General and Consolidated Funds | 20 |



OFFICE OF CAPITAL WRITS

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BRAD D. LEVENSON
Director

November 18, 2011

Honorable Rick Perry, Governor
Honorable Susan Combs, Texas Comptroller
John O'Brien, Director, Legislative Budget Board
John Keel, CPA, State Auditor

Dear Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Office of Capital Writs for the fiscal year which ended August 31, 2011, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact our Senior Accountant, Carol Harper, at (512) 463-8520.

Sincerely,

A handwritten signature in blue ink that reads "Brad D. Levenson". The signature is stylized and includes a long horizontal flourish at the end.

Brad D. Levenson
Director

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

**Exhibit I — Combined Balance Sheet/Statement of Net Assets — Governmental Funds
August 31, 2011**

| | Governmental Funds (Exhibit A-1) | Governmental Funds Total | Capital Assets Adjustments |
|--|---|-------------------------------------|---------------------------------------|
| ASSETS | | | |
| Current Assets: | | | |
| Cash (Note 3) | | | |
| Legislative Appropriations | 72,651.55 | 72,651.55 | |
| Due From Other Agencies (Note 12) | 63,590.26 | 63,590.26 | |
| Interfund Receivables (Note 12) | 726.60 | 726.60 | |
| Consumable Inventories | 2,314.16 | 2,314.16 | |
| Prepaid Items | 7,803.70 | 7,803.70 | |
| Other Current Assets | | | |
| Non-Current Assets: | | | |
| Capital Assets (Note 2): | | | |
| Depreciable Furniture & Equipment | | | 8,693.27 |
| Less Accumulated Depreciation | | | (1,448.76) |
| Other Non-Current Assets | | | |
| Total Assets | \$ 147,086.27 | \$ 147,086.27 | \$ 7,244.51 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Current Liabilities: | | | |
| Payables from: | | | |
| Accounts | \$ 43,257.32 | \$ 43,257.32 | \$ |
| Payroll | 71,839.89 | 71,839.89 | |
| Interfund Payable (Note 12) | 726.60 | 726.60 | |
| Employees' Compensable Leave (Note 5) | | | |
| Other Current Liabilities | | | |
| Non-Current Liabilities | | | |
| Employees' Compensable Leave (Note 5) | | | |
| Other Non-Current Liabilities | | | |
| Total Liabilities | 115,823.81 | 115,823.81 | |
| Fund Financial Statement | | | |
| Fund Balances (Deficits): | | | |
| Nonspendable | 10,117.86 | | |
| Assigned | 21,144.60 | 21,144.60 | |
| Unassigned | | | |
| Total Fund Balances | 31,262.46 | 21,144.60 | |
| Total Liabilities and Fund Balances | \$ 147,086.27 | \$ 136,968.41 | |
| Government-Wide Statement of Net Assets | | | |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | | | 7,244.51 |
| Unrestricted | | | |
| Total Net Assets | | | \$ 7,244.51 |

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

| Long-Term Liabilities Adjustments | Other Adjustments | Statement of Net Assets |
|--|------------------------------|------------------------------------|
| | | 72,651.55 |
| | | 63,590.26 |
| | | 726.60 |
| | | 2,314.16 |
| | | 7,803.70 |
| | | 8,693.27 |
| | | (1,448.76) |
| \$ 0 | \$ 0 | \$ 154,330.78 |
| | | |
| | | 43,257.32 |
| | | 71,839.89 |
| | | 726.60 |
| 28,546.77 | | 28,546.77 |
| | | |
| 28,546.77 | | 144,370.58 |
| | | |
| | | 10,117.86 |
| | | 21,144.60 |
| | | 31,262.46 |
| | | |
| | | 7,244.51 |
| (28,546.77) | | (28,546.77) |
| \$ (28,546.77) | \$ 0 | \$ 9,960.20 |

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

**Exhibit II — Combined Statement of Revenues, Expenditures
and Changes in Fund Balances/Statement of Activities —
Governmental Funds
For the Fiscal Year Ended August 31, 2011**

| | <u>General Funds (Exhibit A- 2)</u> | <u>Governmental Funds Total</u> | <u>Capital Assets Adjustments</u> |
|---|---|-------------------------------------|---------------------------------------|
| REVENUES | | | |
| Legislative Appropriations | | | |
| Original Appropriations (GR) | \$ (37,089.00) | \$ (37,089.00) | \$ 0 |
| Additional Appropriations (GR) | 46,766.38 | 46,766.38 | |
| Total Revenues | <u>9,677.38</u> | <u>9,677.38</u> | <u>0</u> |
| EXPENDITURES | | | |
| Salaries and Wages | 527,991.16 | 527,991.16 | |
| Payroll Related Costs | 98,676.75 | 98,676.75 | |
| Professional Fees and Services | 52,731.59 | 52,731.59 | |
| Travel | 25,224.99 | 25,224.99 | |
| Materials and Supplies | 60,613.06 | 60,613.06 | |
| Communication and Utilities | 22,958.61 | 22,958.61 | |
| Repairs and Maintenance | 1,017.79 | 1,017.79 | |
| Rentals and Leases | 52,039.98 | 52,039.98 | |
| Printing and Reproduction | 621.64 | 621.64 | |
| Other Expenditures | 34,105.42 | 34,105.42 | |
| Capital Outlay | 8,693.27 | 8,693.27 | (8,693.27) |
| Depreciation and Amortization Expense | | | 1,448.76 |
| Total Expenditures/Expenses | <u>884,674.26</u> | <u>884,674.26</u> | <u>(7,244.51)</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(874,996.88)</u> | <u>(874,996.88)</u> | <u>7,244.51</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfer In | 460,433.20 | 460,433.20 | |
| Operating Transfer Out | | | |
| Legislative Transfer In | 494,520.00 | 494,520.00 | |
| Total Other Financing Sources (Uses) | <u>954,953.20</u> | <u>954,953.20</u> | <u>0</u> |
| Net Change in Fund Balances/Net Assets | <u>79,956.32</u> | <u>79,956.32</u> | <u>7,244.51</u> |
| Fund Financial Statement - Fund Balances | | | |
| Fund Balances, September 1, 2010, as Restated Restatements | | | |
| Fund Balances, September 1, 2010, as Restated | <u>0</u> | <u>0</u> | |
| Appropriations Lapsed | (48,693.86) | (48,693.86) | |
| Fund Balances, August 31, 2011 | <u>\$ 31,262.46</u> | <u>\$ 31,262.46</u> | |
| Government-Wide Statement of Net Assets | | | |
| Net Assets/Net Change in Net Assets | | <u>31,262.46</u> | <u>7,244.51</u> |
| Net Assets, September 1, 2010 Restatements | | | |
| Net Assets, September 1, 2010, as Restated | | | <u>0</u> |
| Net Assets, August 31, 2011 | | <u>\$ 31,262.46</u> | <u>\$ 7,244.51</u> |

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

| <u>Long-Term Liabilities Adjustments</u> | <u>Other Adjustments</u> | <u>Statement of Activities</u> |
|--|------------------------------|------------------------------------|
| \$ 0 | \$ 0 | \$ (37,089.00) |
| | | 46,766.38 |
| <u>0</u> | <u>0</u> | <u>9,677.38</u> |
| 28,546.77 | | 556,537.93 |
| | | 98,676.75 |
| | | 52,731.59 |
| | | 25,224.99 |
| | | 60,613.06 |
| | | 22,958.61 |
| | | 1,017.79 |
| | | 52,039.98 |
| | | 621.64 |
| | | 34,105.42 |
| | | 1,448.76 |
| <u>28,546.77</u> | <u>0</u> | <u>905,976.52</u> |
| <u>(28,546.77)</u> | <u>0</u> | <u>(896,299.14)</u> |
| | | 460,433.20 |
| | | 494,520.00 |
| <u>0</u> | <u>0</u> | <u>954,953.20</u> |
| <u>(28,546.77)</u> | <u>0</u> | <u>58,654.06</u> |
| | | <u>0</u> |
| | | <u>(48,693.86)</u> |
| <u>(28,546.77)</u> | <u>0</u> | <u>9,960.20</u> |
| <u>0</u> | <u>0</u> | <u>0</u> |
| <u>\$ (28,546.77)</u> | <u>\$ 0</u> | <u>\$ 9,960.20</u> |

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Office of Capital Writs is an agency of the state of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' *Reporting Requirements for Annual Financial Reports of State Agencies*.

The Office of Capital Writs was created by the Eighty-first Texas Legislature. The agency, which began operation on September 1, 2010, is a post-conviction office charged with representing death sentenced persons in state post-conviction habeas corpus and related proceedings. The mission of the Office of Capital Writs is to advocate on behalf of its clients and to safeguard their rights through high quality legal representation.

Due to the statewide requirements embedded in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the state of *Texas Comprehensive Annual Financial Report*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units

The Office of Capital Writs does not have any blended component units.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPES AND GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

General Fund - The general fund is used to account for all financial resources of the state except those required to be accounted for in another fund.

Capital Asset Adjustment Fund Type – Capital Assets Adjustment Fund Type is used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type – The long-term liabilities adjustment fund is used to convert governmental fund types' debt from modified accrual to full accrual.

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

FIDUCIARY FUND TYPES

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund or a private purpose trust fund is used.

Agency Funds – Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end. The state of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for fund financial statements prepared on the modified accrual basis. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. This includes capital assets, accumulated depreciation, unpaid employee compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity is recognized in these fund types.

D. BUDGET AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET ASSETS

ASSETS

Inventories and Prepaid Items – Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally using the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Capital Assets – Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year are capitalized. These assets are capitalized at cost or, if purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all “exhaustible” assets. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

LIABILITIES

Accounts Payable – Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees’ Compensable Leave Balances – Employees’ compensable leave balances represent the liability that becomes “due” upon the occurrence of relevant events such as resignations, retirements and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets. These obligations are normally paid from the same funding source from which each employee’s salary or wage compensation was paid.

FUND BALANCES/NET ASSETS

The difference between fund assets and liabilities is “net assets” on the government-wide, proprietary and fiduciary fund statements, and the “fund balance” is the difference between fund assets and liabilities on the governmental fund statements.

Fund Balance Components – Fund balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

- Nonspendable fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

- Restricted fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.
- Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state’s highest level of decision making authority.
- Assigned fund balance includes amounts constrained by the state’s intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Invested In Capital Assets, Net Of Related Debt – Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Assets – Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets – Unrestricted net assets consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management but can be removed or modified.

F. INTERFUND TRANSACTIONS AND BALANCES

The agency has the following types of transactions between funds:

1. Transfers: Legally required transfers that are reported when incurred as “transfers in” by the recipient fund and as “transfers out” by the disbursing fund.
2. Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.

3. Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter, the balance is classified as "current." Balances for repayment due in two (or more) years are classified as "noncurrent." The composition of the agency's interfund activities and balances, if any, are presented in Note 12.
4. Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

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UNAUDITED
OFFICE OF CAPITAL WRITS (215)

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2011, is presented below:

| | Balance 9/1/10 | Adjustments | Reclassifications Completed CIP | Reclassifications Inc-Int'agy Trans |
|--|-------------------|-------------|------------------------------------|--|
| GOVERNMENTAL ACTIVITIES | | | | |
| Non-depreciable or Non-amortizable Assets | | | | |
| Other Capital Assets | | | | |
| Total Non-depreciable or Non-amortizable Assets | 0 | 0 | 0 | 0 |
| Depreciable Assets | | | | |
| Furniture and Equipment | | | | |
| Other Capital Assets | | | | |
| Total Depreciable Assets at Historical Cost | 0 | 0 | 0 | 0 |
| Less Accumulated Depreciation for: | | | | |
| Furniture and Equipment | | | | |
| Other Capital Assets | | | | |
| Total Accumulated Depreciation | 0 | 0 | 0 | 0 |
| Depreciable Assets, Net | 0 | 0 | 0 | 0 |
| Intangible Capital Assets - Amortizable | | | | |
| Other Intangible Capital Assets – Term | | | | |
| Total Intangible Assets at Historical Cost | 0 | 0 | 0 | 0 |
| Less Accumulated Amortization for: | | | | |
| Other Intangible Capital Assets – Term | | | | |
| Total Accumulated Amortization | 0 | 0 | 0 | 0 |
| Amortizable Assets, Net | 0 | 0 | 0 | 0 |
| Governmental Activities Capital Assets, Net | 0 | 0 | 0 | 0 |

continued

| | Reclassifications Dec-Int'agy Trans | Additions | Deletions | Balance 8/31/11 |
|--|--|-----------|-----------|--------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Non-depreciable or Non-amortizable Assets | | | | |
| Other Capital Assets | | | | 0 |
| Total Non-depreciable or Non-amortizable Assets | 0 | 0 | 0 | 0 |
| Depreciable Assets | | | | |
| Furniture and Equipment | | 8693.27 | | 8,693.27 |
| Other Capital Assets | | | | 0 |
| Total Depreciable Assets at Historical Cost | 0 | 8,693.27 | 0 | 8,693.27 |

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

| | | | | |
|------------------------------------|---|------------|---|------------|
| Less Accumulated Depreciation for: | | | | |
| Furniture and Equipment | | (1,448.76) | | (1,448.76) |
| Other Capital Assets | | | | 0 |
| Total Accumulated Depreciation | 0 | (1,448.76) | 0 | (1,448.76) |
| Depreciable Assets, Net | 0 | 7,244.51 | 0 | 7,244.51 |

Intangible Capital Assets - Amortizable

| | | | | |
|--|---|----------|---|----------|
| Other Intangible Capital Assets – Term | | | | 0 |
| Total Intangible Assets at Historical Cost | 0 | 0 | 0 | 0 |
| Less Accumulated Amortization for: | | | | |
| Other Intangible Capital Assets – Term | | | | 0 |
| Total Accumulated Amortization | 0 | 0 | 0 | 0 |
| Amortizable Assets, Net | 0 | 0 | 0 | 0 |
| Governmental Activities Capital Assets, Net | 0 | 7,244.51 | 0 | 7,244.51 |

NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

The Office of Capital Writs is not authorized by statute to make any type of investments. Therefore, there were no violations of legal provisions during the period.

DEPOSITS OF CASH IN BANK, INVESTMENTS, AND REVERSE PURCHASE AGREEMENTS

Not applicable

NOTE 4: SHORT-TERM DEBT

Not applicable

NOTE 5: LONG-TERM LIABILITIES

CHANGES IN LONG-TERM LIABILITIES

During the year ended August 31, 2011, the following changes occurred in liabilities:

| GOVERNMENTAL ACTIVITIES | Balance 09/01/10 | Additions | Deductions | Balance 08/31/11 | Amounts Due Within One Yr |
|----------------------------|---------------------|--------------|----------------|---------------------|------------------------------|
| Compensable Leave | \$ 0.00 | \$ 38,974.99 | \$ (10,428.22) | \$ 28,546.77 | \$ 28,546.77 |
| Total | \$ 0.00 | \$ 38,974.99 | \$ (10,428.22) | \$ 28,546.77 | \$ 28,546.77 |

Employees' Compensable Leave – A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. Both an expense and liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This obligation is

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

usually paid from the same funding source(s) from which the employee's salary or wage compensation was paid.

NOTE 6: BONDED INDEBTEDNESS

Not applicable

NOTE 7: DERIVATIVE INSTRUMENTS

Not Applicable

NOTE 8: LEASES

Included in the expenditures reported in the financial statements are the following amounts of rent paid or due under operating lease obligations:

| Fund Type | Amount |
|------------------|--------------------|
| General Fund | \$ <u>9,949.98</u> |

Future minimum lease rental payments under non-cancelable operating leases having an initial term in excess of one year are as follows:

| Year Ended August 31, | |
|---|---------------------|
| 2012 | \$ 3,714.36 |
| 2013 | \$ 3,714.36 |
| 2014 | \$ 3,714.36 |
| 2015 | \$ 0.00 |
| 2016 | \$ 0.00 |
| 2017 & Beyond | \$ <u>0.00</u> |
| Total Minimum Future Lease Rental Payments | \$ <u>11,143.08</u> |

NOTE 9: PENSION PLANS

Not applicable

NOTE 10: DEFERRED COMPENSATION

Not applicable

NOTE 11: POST-EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not applicable

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

NOTE 12: INTERFUND BALANCES/ACTIVITIES

As explained in Note 1 on Interfund Transactions and Balances, there are numerous types of transactions between funds and agencies. At year-end, amounts to be received or paid are reported as:

- Interfund Receivables or Interfund Payables
- Due from Other Agencies or Due to Other Agencies
- Transfers In or Transfers Out
- Legislative Transfers In or Legislative Transfers Out

Individual Balances and activity at August 31, 2011, follows:

| Interfund Receivables and Payables — Current | | | |
|---|-----------------------------|--------------------------|----------------|
| CURRENT PORTION | INTERFUND RECEIVABLE | INTERFUND PAYABLE | PURPOSE |
| GENERAL REVENUE (01) | | | |
| Appd Fund 0001, D23 Fund 0001 | 726.60 | -0- | Interfund Loan |
| Appd Fund 5073, D23 fund 5073 | -0- | 726.60 | Interfund Loan |
| TOTAL CURRENT INTERFUND RECEIVABLE/PAYABLE | \$ 726.60 | \$ 726.60 | |

| Interfund Receivables and Payables — Non-Current | | | |
|---|-----------------------------|--------------------------|----------------|
| NON-CURRENT PORTION | INTERFUND RECEIVABLE | INTERFUND PAYABLE | PURPOSE |
| GENERAL REVENUE (01) | -0- | -0- | |
| TOTAL NON-CURRENT INTERFUND RECEIVABLE/PAYABLE | -0- | -0- | |

| Legislative Transfers | | | |
|------------------------------------|--------------------------------|---------------------------------|------------------------|
| | LEGISLATIVE TRANSFER IN | LEGISLATIVE TRANSFER OUT | PURPOSE |
| GENERAL REVENUE (01) | | | |
| Appd Fund 0001, D23 Fund 0001 | | | |
| Agy 212, D23 Fund 0001 | \$ 494,520.00 | -0- | Appropriation Transfer |
| TOTAL LEGISLATIVE TRANSFERS | \$ 494,520.00 | -0- | |

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

| Due To/From Other Agencies | | | |
|---|------------------------------|--------------------------------|----------------------|
| | DUE TO OTHER AGENCIES | DUE FROM OTHER AGENCIES | PURPOSE |
| GENERAL REVENUE (01) Appd Fund 5073, D23 Fund 5073 Agy 212, D23 Fund 5073 | -0- | \$ 63,590.26 | Shared Fund Activity |
| TOTAL DUE TO/FROM OTHER AGENCIES | -0- | \$ 63,590.26 | |

| Operating Transfers In/ Out | | | |
|---|----------------------|---------------------|----------------------|
| | TRANSFER IN | TRANSFER OUT | PURPOSE |
| GENERAL REVENUE (01) Appd Fund 5073, D23 Fund 5073 Agy 212, D23 Fund 5073 | \$ 460,433.20 | -0- | Shared Fund Activity |
| TOTAL OPERATING TRANSFERS IN/OUT | \$ 460,433.20 | -0- | |

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

The Office of Capital Writs is not subject to Sunset review.

NOTE 14: ADJUSTMENTS TO FUND BALANCES/NET ASSETS

The Office of Capital Writs does not have any adjustments at this time.

NOTE 15: CONTINGENCIES AND COMMITMENTS

The Office of Capital Writs does not have any contingent liabilities or significant commitments to disclose at this time.

NOTE 16: SUBSEQUENT EVENTS

Not applicable

NOTE 17: RISK MANAGEMENT

The Office of Capital Writs assumes substantially all risks associated with tort and liability claims due to the performance of its duties. Currently there is no purchase of commercial insurance, nor is the agency involved in any risk pools with other government entities.

The agency does not have any balances or changes in claims liabilities to report.

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Not applicable

NOTE 19: THE FINANCIAL REPORTING ENTITY

Not applicable

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Not applicable

NOTE 21: N/A

NOTE 22: DONOR-RESTRICTED ENDOWMENTS

Not applicable

NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS

Not applicable

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Not applicable

NOTE 25: TERMINATION BENEFITS

Not applicable

NOTE 26: SEGMENT INFORMATION

Not applicable

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

**Exhibit A-1 — Combining Balance Sheet — All
General and Consolidated Funds
August 31, 2011**

| | <u>General</u> | <u>Consolidated</u> | |
|--------------------------------------|---------------------|---------------------|----------------------|
| | <u>Fund 1</u> | <u>Accounts</u> | |
| | <u>(0001)</u> | <u>Fund 1</u> | |
| | <u>U/F (0001)</u> | <u>(5073)</u> | <u>Total</u> |
| | <u>U/F (0001)</u> | <u>U/F (5073)</u> | <u>Total</u> |
| ASSETS | | | |
| Current Assets: | | | |
| Legislative Appropriations | 72,651.55 | | 72,651.55 |
| Due From Other Agencies | | 63,590.26 | 63,590.26 |
| Interfund Receivables | | 726.60 | 726.60 |
| Consumable Inventories | | 2,314.16 | 2,314.16 |
| Prepaid Items | 7,273.70 | 530.00 | 7,803.70 |
| Other Current Assets | | | |
| Non-Current Assets: | | | |
| Other Non-Current Assets | | | |
| Total Assets | <u>\$ 79,925.25</u> | <u>\$ 67,161.02</u> | <u>\$ 147,086.27</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Current Liabilities: | | | |
| Payables from | | | |
| Accounts | \$ 26,542.47 | \$ 16,714.85 | \$ 43,257.32 |
| Payroll | 33,554.90 | 38,284.99 | 71,839.89 |
| Interfund Payable | 726.60 | | 726.60 |
| Employees' Compensable Leave | | | |
| Non-Current Liabilities | | | |
| Employees' Compensable Leave | | | |
| Total Liabilities | <u>60,823.97</u> | <u>54,999.84</u> | <u>\$ 115,823.81</u> |
| Fund Balances (Deficits): | | | |
| Nonspendable | 7,273.70 | 2,844.16 | 10,117.86 |
| Assigned | 11,827.58 | 9,317.02 | 21,144.60 |
| Unassigned | | | |
| Total Fund Balances | <u>19,101.28</u> | <u>12,161.18</u> | <u>31,262.46</u> |
| Total Liabilities and Fund Balances | <u>\$ 79,925.25</u> | <u>\$ 67,161.02</u> | <u>\$ 147,086.27</u> |

UNAUDITED
OFFICE OF CAPITAL WRITS (215)

**Exhibit A-2 — Combining Statement of Revenues, Expenditures and
Changes in Fund Balances — All General and Consolidated Funds
For the Fiscal Year Ended August 31, 2011**

| | <u>General</u> | <u>Consolidated</u> | |
|---|---------------------|---------------------|---------------------|
| | <u>Fund 1</u> | <u>Accounts</u> | |
| | <u>(0001)</u> | <u>Fund 2</u> | |
| | <u>U/F (0001)</u> | <u>(0001)</u> | |
| | | <u>U/F (5073)</u> | <u>Total</u> |
| REVENUES | | | |
| Legislative Appropriations | | | |
| Original Appropriations (GR) | \$ (37,089.00) | \$ 0 | \$ (37,089.00) |
| Additional Appropriations (GR) | 46,766.38 | | 46,766.38 |
| Total Revenues | <u>9,677.38</u> | <u>0</u> | <u>9,677.38</u> |
| EXPENDITURES | | | |
| Salaries and Wages | 246,415.71 | 281,575.45 | 527,991.16 |
| Payroll Related Costs | 46,766.38 | 51,910.37 | 98,676.75 |
| Professional Fees and Services | 49,649.31 | 3,082.28 | 52,731.59 |
| Travel | 19,309.32 | 5,915.67 | 25,224.99 |
| Materials and Supplies | 22,924.75 | 37,688.31 | 60,613.06 |
| Communication and Utilities | 15,860.60 | 7,098.01 | 22,958.61 |
| Repairs and Maintenance | 423.95 | 593.84 | 1,017.79 |
| Rentals and Leases | 19,782.30 | 32,257.68 | 52,039.98 |
| Printing and Reproduction | 186.57 | 435.07 | 621.64 |
| Other Expenditures | 10,997.51 | 23,107.91 | 34,105.42 |
| Capital Outlay | 4,085.84 | 4,607.43 | 8,693.27 |
| Total Expenditures | <u>436,402.24</u> | <u>448,272.02</u> | <u>884,674.26</u> |
| Excess (Deficiency) of Revenues over Expenditures | <u>(426,724.86)</u> | <u>(448,272.02)</u> | <u>(874,996.88)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Operating Transfer In | | 460,433.20 | 460,433.20 |
| Legislative Transfer In | 494,520.00 | | 494,520.00 |
| Total Other Financing Sources (Uses) | <u>494,520.00</u> | <u>460,433.20</u> | <u>954,953.20</u> |
| Net Change in Fund Balances | <u>67,795.14</u> | <u>12,161.18</u> | <u>79,956.32</u> |
| Fund Financial Statement - Fund Balances | | | |
| Fund Balances, September 1, 2010 | | | 0 |
| Restatements | | | 0 |
| Fund Balances, September 1, 2010, As Restated | <u>0</u> | <u>0</u> | <u>0</u> |
| Appropriations Lapsed | (48,693.86) | | (48,693.86) |
| Fund Balances, August 31, 2011 | <u>\$ 19,101.28</u> | <u>\$ 12,161.18</u> | <u>\$ 31,262.46</u> |