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**SUPPLEMENTARY  
INFORMATION**

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## Governmental Funds

Governmental funds include the General Fund, several special revenue funds, a Capital Projects Fund, a Debt Service Fund, and three permanent funds.

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's governmental funds:

- Combining Balance Sheet—Nonmajor Governmental Funds
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—Nonmajor Governmental Funds
- General Reserve Fund Activity—Budgetary General Fund

Generally accepted accounting principles (GAAP) for governments require that a Comprehensive Annual Financial Report (CAFR) include budgetary comparison schedules for "individual nonmajor special revenue funds and other governmental funds of the primary government (including its blended component units)." Such schedules would be included as supplementary information in this subsection of the CAFR if they were applicable. The State of South Carolina, however, does not prepare separate budgets for its individual special revenue funds or for its other governmental funds. Accordingly, this subsection includes no budgetary comparison schedules. (Also see the budgetary comparison schedules within the Required Supplementary Information section of this report.)

Note 1b in the notes to the financial statements describes the State's major governmental funds. The paragraphs below describe all other individual governmental funds that the State uses.

### a. Nonmajor Special Revenue Funds

Special revenue funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specified purposes. The State uses the nonmajor special revenue funds described below:

*Waste Management Fund.* This fund accounts for fees collected from consumers, generators of solid and hazardous wastes, and owners and operators of solid waste and hazardous waste storage facilities. These fees must be used for the purposes set forth in the State's Solid Waste Policy and Management Act of 1991 and to cover the State's costs in governmental actions involving uncontrolled hazardous waste sites.

*Accommodations and Local Option Sales Tax Fund.* This fund accounts for: (1) a special additional 2% sales tax on the gross proceeds on the rental of transient accommodations and (2) a special 1% sales tax applicable in some localities within the State. The State allocates these revenues to counties and municipalities in accordance with State law.

*Tobacco Settlement Revenue Management Authority Fund.* The Tobacco Settlement Revenue Management Authority was created to issue bonds that securitized future payments received under the multi-state legal settlement with the tobacco industry. The State transferred to the Authority, from its General Fund, all of its rights to the future tobacco settlement revenues. In return, the Authority transferred part of the bond proceeds to the State Tobacco Settlement Fund.

*Education Lottery Fund.* State law requires the Lottery Commission, a major discretely presented component unit, to transfer all proceeds from lottery ticket sales and other revenues net of expenses to the Education Lottery Fund. The Fund distributes these monies for education purposes and programs as stipulated in State law. These programs include tuition assistance, needs-based grants, and scholarships for the State's universities and technical colleges.

*Public Telecommunications Fund.* The Public Telecommunications Fund of the State's Office of Regulatory Staff accounts for revenues collected from telephone companies within the State and redistributed to certain telephone companies in an effort to align prices and cost recovery with costs. This program also is intended to ensure basic telephone service at affordable rates is available to all citizens. Other revenues of the Fund include telephone customer surcharges for the 911 emergency system mandated by the FCC. These monies are collected from the telephone companies and distributed to local governments for their 911 emergency telephone systems.

*Other Special Revenue Funds.* These funds, aggregated for reporting purposes, account for various other revenues that must be used for specific purposes. These funds include operations of various employment services, water recreation, agricultural boards, forest renewal programs, certain housing programs, medical and dental scholarships, energy-related programs, and certain programs administered by the Department of Probation, Parole, and Pardon Services.

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## Governmental Funds

### b. Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or in trust funds for individuals, private organizations, or other governments). Capital outlays financed from general obligation bond proceeds are accounted for through the Capital Projects Fund.

### c. Debt Service Fund

The Debt Service Fund accounts for financial resources to be used for the repayment of debt service where the document executed to acquire the debt requires that the funds be segregated from the uses of the proceeds and other operational activities.

### d. Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the State's programs—that is, for the benefit of the State or its citizenry.

*Bequests Fund.* Sometimes private citizens make bequests of specific assets within their wills to the State. Typically, these gifts provide that the State may expend the earnings, but not the principal, to support certain State agencies or certain programs within a specific State agency. The Bequests Fund accounts for these funds.

*Children's Education Endowment Fund.* This fund accounts for low-level radioactive waste fees collected from the Barnwell waste facility that are not required to be deposited to the General Fund or remitted to Barnwell County. These funds are to be used for public school facilities assistance and higher education scholarship grants.

*Wildlife Endowment Fund.* The Wildlife Endowment Fund accounts for funds received from private citizens as gifts and contributions, as well as fees for certain lifetime hunting and fishing licenses. The State may expend the earnings, but not the principal, in furthering the conservation of wildlife resources and the efficient operation of the State's Department of Natural Resources.

# Combining Balance Sheet

## NONMAJOR GOVERNMENTAL FUNDS

June 30, 2011

(Expressed in Thousands)

	<b>SPECIAL</b>				
	<b>Waste Management</b>	<b>Accommodations and Local Option Sales Tax</b>	<b>Tobacco Settlement Revenue Management Authority</b>	<b>Education Lottery</b>	<b>Public Tele- communi- cations</b>
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 163,902	\$ 142,516	\$ 5,449	\$ 59,016	\$ 7,550
Invested securities lending collateral.....	406	83	—	138	3
Receivables, net:					
Accounts.....	—	—	—	—	—
Accrued interest.....	728	98	—	411	7
Sales and other taxes.....	38	75,332	—	—	—
Loans and notes.....	—	—	—	—	—
Due from Federal government and other grantors.....	—	—	—	—	—
Due from other funds.....	165	94	—	—	—
Due from component units.....	—	—	—	34,754	—
Interfund receivables.....	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents.....	—	—	15,587	—	—
Other.....	—	—	36,425	—	—
<b>Total assets.....</b>	<b>\$ 165,239</b>	<b>\$ 218,123</b>	<b>\$ 57,461</b>	<b>\$ 94,319</b>	<b>\$ 7,560</b>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>					
<b>Liabilities:</b>					
Accounts payable.....	\$ 73	\$ 33	\$ 127	\$ 2,778	\$ 3,847
Accrued salaries and related expenditures.....	11	—	—	14	—
Retainages payable.....	—	—	—	—	—
Tax refunds payable.....	—	110	—	—	—
Intergovernmental payables.....	431	261,212	—	8,329	—
Due to other funds.....	5	297	—	29,319	133
Interfund payables.....	—	—	—	—	—
Deferred revenues.....	—	—	—	—	—
Securities lending collateral.....	951	194	—	322	8
Other liabilities.....	—	—	—	—	—
<b>Total liabilities.....</b>	<b>1,471</b>	<b>261,846</b>	<b>127</b>	<b>40,762</b>	<b>3,988</b>
<b>Fund balances (deficits):</b>					
Nonspendable.....	—	—	—	—	—
Restricted.....	163,768	—	52,012	53,557	3,572
Committed.....	—	—	—	—	—
Assigned.....	—	—	5,322	—	—
Unassigned.....	—	(43,723)	—	—	—
<b>Total fund balances (deficits).....</b>	<b>163,768</b>	<b>(43,723)</b>	<b>57,334</b>	<b>53,557</b>	<b>3,572</b>
<b>Total liabilities and fund balances.....</b>	<b>\$ 165,239</b>	<b>\$ 218,123</b>	<b>\$ 57,461</b>	<b>\$ 94,319</b>	<b>\$ 7,560</b>

**REVENUE**

**PERMANENT**

Other Special Revenue	Totals	CAPITAL PROJECTS	DEBT SERVICE	Bequests	Children's Education Endowment	Wildlife Endowment	Totals	TOTALS
\$ 86,898	\$ 465,331	\$ 116,052	\$ 14,242	\$ 1,341	\$ 10,423	\$ 3,337	\$ 15,101	\$ 610,726
152	782	255	—	4	24	12	40	1,077
2	2	—	—	—	—	—	—	2
383	1,627	453	—	10	35	30	75	2,155
554	75,924	—	6,357	—	—	—	—	82,281
14,976	14,976	—	—	—	—	—	—	14,976
—	—	1,890	—	—	—	—	—	1,890
3,732	3,991	—	—	—	—	15	15	4,006
—	34,754	—	—	—	—	—	—	34,754
1,773	1,773	8,812	—	—	—	—	—	10,585
—	15,587	—	—	—	—	—	—	15,587
—	36,425	—	—	—	—	—	—	36,425
<b>\$ 108,470</b>	<b>\$ 651,172</b>	<b>\$ 127,462</b>	<b>\$ 20,599</b>	<b>\$ 1,355</b>	<b>\$ 10,482</b>	<b>\$ 3,394</b>	<b>\$ 15,231</b>	<b>\$ 814,464</b>
\$ 6,472	\$ 13,330	\$ 915	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 14,245
100	125	3	—	—	—	12	12	140
—	—	147	—	—	—	—	—	147
—	110	—	—	—	—	—	—	110
4,670	274,642	—	—	—	—	—	—	274,642
537	30,291	4,298	—	—	—	5	5	34,594
—	—	13,810	—	—	—	—	—	13,810
4,971	4,971	15	—	—	—	—	—	4,986
358	1,833	598	—	10	56	28	94	2,525
70	70	—	—	—	—	—	—	70
<b>17,178</b>	<b>325,372</b>	<b>19,786</b>	<b>—</b>	<b>10</b>	<b>56</b>	<b>45</b>	<b>111</b>	<b>345,269</b>
11,396	11,396	8,700	—	689	9,364	2,837	12,890	32,986
79,273	352,182	—	20,599	656	1,062	512	2,230	375,011
623	623	—	—	—	—	—	—	623
—	5,322	98,976	—	—	—	—	—	104,298
—	(43,723)	—	—	—	—	—	—	(43,723)
<b>91,292</b>	<b>325,800</b>	<b>107,676</b>	<b>20,599</b>	<b>1,345</b>	<b>10,426</b>	<b>3,349</b>	<b>15,120</b>	<b>469,195</b>
<b>\$ 108,470</b>	<b>\$ 651,172</b>	<b>\$ 127,462</b>	<b>\$ 20,599</b>	<b>\$ 1,355</b>	<b>\$ 10,482</b>	<b>\$ 3,394</b>	<b>\$ 15,231</b>	<b>\$ 814,464</b>

# Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2011  
(Expressed in Thousands)

	<b>SPECIAL</b>				
	<b>Waste Management</b>	<b>Accommodations and Local Option Sales Tax</b>	<b>Tobacco Settlement Revenue Management Authority</b>	<b>Education Lottery</b>	<b>Public Tele- commun- ications</b>
<b>Revenues:</b>					
Taxes:					
Retail sales and use.....	\$ 1,821	\$ 620,898	\$ —	\$ —	\$ —
Other.....	37	7	—	—	—
Licenses, fees, and permits.....	1,332	—	—	—	80,779
Interest and other investment income.....	950	(67)	9	1,392	4
Federal.....	—	—	—	—	—
Departmental services.....	—	—	—	—	—
Contributions.....	—	—	—	275,253	—
Fines and penalties.....	—	—	—	—	—
Tobacco legal settlement.....	—	—	69,808	—	—
Other.....	417	—	—	321	5
<b>Total revenues.....</b>	<b>4,557</b>	<b>620,838</b>	<b>69,817</b>	<b>276,966</b>	<b>80,788</b>
<b>Expenditures:</b>					
Current:					
General government.....	—	—	964	2,500	78,458
Education.....	—	—	—	200,994	—
Health and environment.....	1,487	—	—	79	—
Social services.....	—	—	—	—	—
Administration of justice.....	—	—	—	67	—
Resources and economic development.....	—	—	—	—	—
Capital outlay.....	—	—	—	—	—
Debt service:					
Principal retirement.....	—	—	65,265	—	—
Interest and fiscal charges.....	—	—	6,848	—	—
Intergovernmental.....	1,820	618,554	—	50,481	—
<b>Total expenditures.....</b>	<b>3,307</b>	<b>618,554</b>	<b>73,077</b>	<b>254,121</b>	<b>78,458</b>
<b>Excess of revenues over (under) expenditures.....</b>	<b>1,250</b>	<b>2,284</b>	<b>(3,260)</b>	<b>22,845</b>	<b>2,330</b>
<b>Other financing sources (uses):</b>					
Bonds and notes issued.....	—	—	—	—	—
Transfers in.....	—	—	—	50	110
Transfers out.....	(29)	(4,032)	(1,393)	(12,665)	(345)
<b>Total other financing sources (uses).....</b>	<b>(29)</b>	<b>(4,032)</b>	<b>(1,393)</b>	<b>(12,615)</b>	<b>(235)</b>
<b>Net change in fund balances.....</b>	<b>1,221</b>	<b>(1,748)</b>	<b>(4,653)</b>	<b>10,230</b>	<b>2,095</b>
<b>Fund balances (deficits) at beginning of year (restated).....</b>	<b>162,547</b>	<b>(41,975)</b>	<b>61,987</b>	<b>43,327</b>	<b>1,477</b>
<b>Fund balances (deficits) at end of year.....</b>	<b>\$ 163,768</b>	<b>\$ (43,723)</b>	<b>\$ 57,334</b>	<b>\$ 53,557</b>	<b>\$ 3,572</b>

REVENUE				PERMANENT				
Other Special Revenue	Totals	CAPITAL PROJECTS	DEBT SERVICE	Bequests	Children's Education Endowment	Wildlife Endowment	Totals	TOTALS
\$ —	\$ 622,719	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 622,719
7,489	7,533	—	20,599	—	—	—	—	28,132
16,480	98,591	—	—	—	—	280	280	98,871
554	2,842	(3,788)	—	6	66	19	91	(855)
2,647	2,647	7,993	—	—	—	—	—	10,640
6,199	6,199	—	—	—	—	—	—	6,199
184	275,437	807	—	—	—	—	—	276,244
9,001	9,001	—	—	—	—	—	—	9,001
—	69,808	—	—	—	—	—	—	69,808
45	788	24	—	—	—	—	—	812
<b>42,599</b>	<b>1,095,565</b>	<b>5,036</b>	<b>20,599</b>	<b>6</b>	<b>66</b>	<b>299</b>	<b>371</b>	<b>1,121,571</b>
27,973	109,895	—	—	—	—	—	—	109,895
1	200,995	—	—	—	6,904	—	6,904	207,899
22	1,588	—	—	7	—	—	7	1,595
10,744	10,744	—	—	—	—	—	—	10,744
—	67	—	—	—	—	—	—	67
71	71	—	—	—	—	255	255	326
—	—	220,402	—	—	—	—	—	220,402
—	65,265	1,284	—	—	—	—	—	66,549
—	6,848	1,614	—	—	—	—	—	8,462
9,954	680,809	—	—	—	2,818	—	2,818	683,627
<b>48,765</b>	<b>1,076,282</b>	<b>223,300</b>	<b>—</b>	<b>7</b>	<b>9,722</b>	<b>255</b>	<b>9,984</b>	<b>1,309,566</b>
<b>(6,166)</b>	<b>19,283</b>	<b>(218,264)</b>	<b>20,599</b>	<b>(1)</b>	<b>(9,656)</b>	<b>44</b>	<b>(9,613)</b>	<b>(187,995)</b>
—	—	1,927	—	—	—	—	—	1,927
9,736	9,896	49,937	—	—	4,477	—	4,477	64,310
(1,890)	(20,354)	(76,313)	—	—	—	—	—	(96,667)
<b>7,846</b>	<b>(10,458)</b>	<b>(24,449)</b>	<b>—</b>	<b>—</b>	<b>4,477</b>	<b>—</b>	<b>4,477</b>	<b>(30,430)</b>
<b>1,680</b>	<b>8,825</b>	<b>(242,713)</b>	<b>20,599</b>	<b>(1)</b>	<b>(5,179)</b>	<b>44</b>	<b>(5,136)</b>	<b>(218,425)</b>
<b>89,612</b>	<b>316,975</b>	<b>350,389</b>	<b>—</b>	<b>1,346</b>	<b>15,605</b>	<b>3,305</b>	<b>20,256</b>	<b>687,620</b>
<b>\$ 91,292</b>	<b>\$ 325,800</b>	<b>\$ 107,676</b>	<b>\$ 20,599</b>	<b>\$ 1,345</b>	<b>\$ 10,426</b>	<b>\$ 3,349</b>	<b>\$ 15,120</b>	<b>\$ 469,195</b>

## General Reserve Fund Activity

### BUDGETARY GENERAL FUND

#### Last Ten Fiscal Years

Article III, Section 36, of the South Carolina Constitution establishes requirements relating to the General Reserve Fund. The reserve primarily is designed to prevent Budgetary General Fund deficits. On November 4, 1988, a Constitutional amendment was passed, which permanently changed the funding requirement for the Reserve to three percent of the Budgetary General Fund revenue of the previous fiscal year. An additional Constitutional amendment was passed to be effective for the fiscal year 2011-2012 which requires the amount to be gradually increased one-half of one percent annually until the fund is five percent of the Budgetary General Fund revenue of the previous fiscal year.

If amounts are withdrawn from the Reserve, the State Constitution requires restoration of the Reserve to full funding within three years.

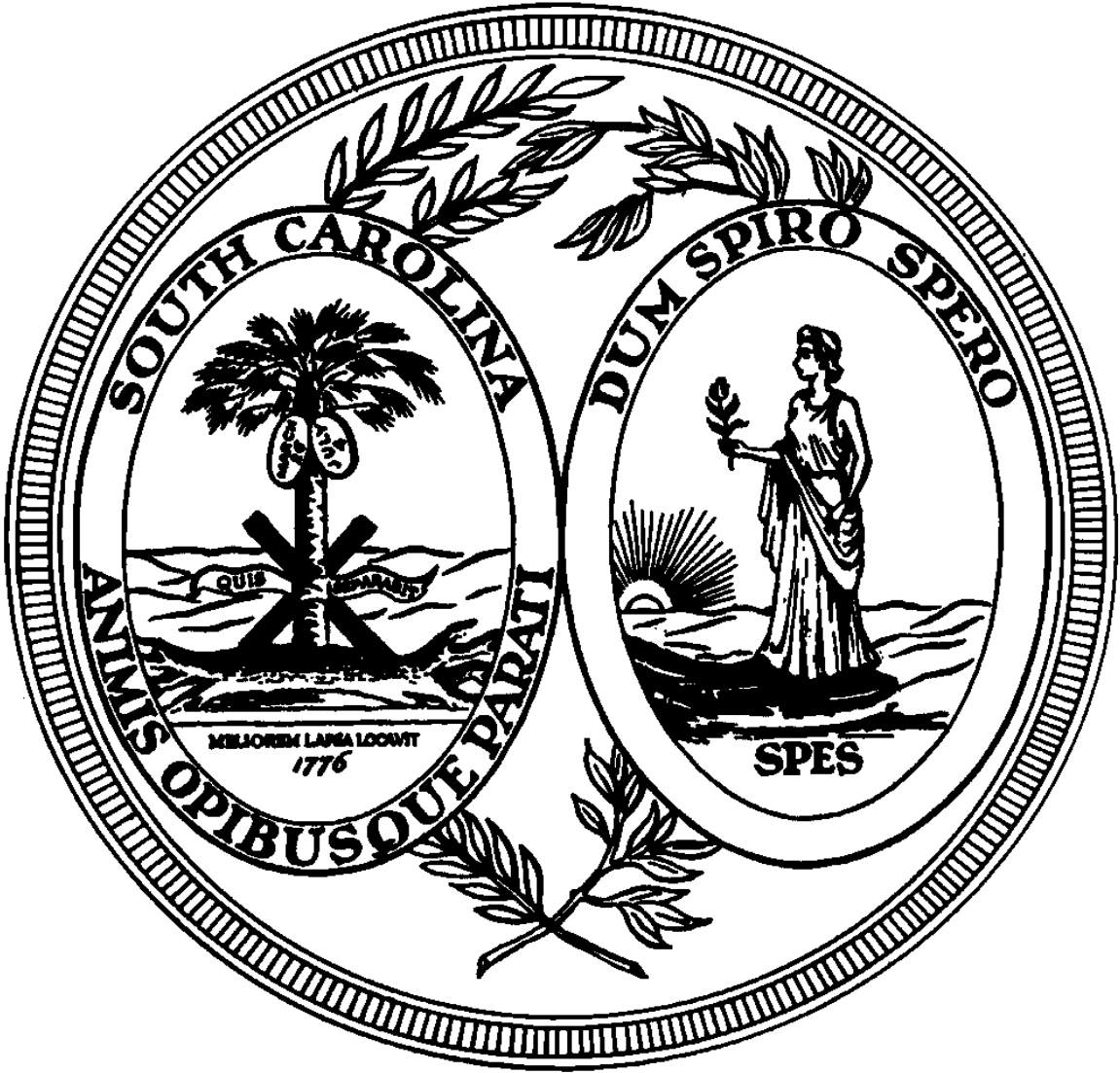
Key amounts (dollars in thousands) for the General Reserve Fund for the last ten fiscal years are:

<u>Fiscal Year Ended June 30</u>	<u>Start-of- Year Balance</u>	<u>Deposits</u>	<u>Withdrawals</u>	<u>End-of-Year Balance</u>	<u>Full-Funding Amount<sup>a</sup></u>	<u>Actual End-of- Year % Funded<sup>b</sup></u>
2002	60,523	2,286	(62,809)	—	150,202	0%
2003	—	38,797	(38,797)	—	152,410	0%
2004	—	74,455	(49,300)	25,155	147,708	17%
2005	25,155	50,000	—	75,155	149,034	50%
2006	75,155	78,333	—	153,488	153,488	100%
2007	153,488	14,244	—	167,732	167,732	100%
2008	167,732	19,049	(91,658)	95,123	186,781	51%
2009	95,123	12,974	(108,097)	—	199,755	0%
2010	—	110,883	—	110,883	191,772	58%
2011	110,883	55,442	—	166,325	166,325	100%

<sup>a</sup>Equals 3% of the Budgetary General Fund revenues for the previous fiscal year.

<sup>b</sup>Equals (End-of-Year Balance/Full-Funding Amount) expressed as a percentage.





## Proprietary Funds

Proprietary funds include enterprise and internal service funds. This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's proprietary funds:

- Combining Statement of Net Assets—Nonmajor Enterprise Funds
- Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets—Nonmajor Enterprise Funds
- Combining Statement of Cash Flows—Nonmajor Enterprise Funds
- Combining Statement of Net Assets—Internal Service Funds
- Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets—Internal Service Funds
- Combining Statement of Cash Flows—Internal Service Funds

Note 1b in the notes to the financial statements describes the State's major enterprise funds. The paragraphs below describe all nonmajor enterprise funds and the internal service funds that the State uses.

### a. Nonmajor Enterprise Funds

The State uses enterprise funds to report activities for which it charges fees to external users for goods or services if *any* of the following situations applies:

- The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
- Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges rather than with taxes or similar revenues.
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

The State uses the nonmajor enterprise funds described below.

*Patients' Compensation Fund.* This fund provides medical malpractice insurance to any public or private health care provider within the State. This fund is reported as an insurance enterprise.

*Patriots Point Development Authority Fund.* The Patriots Point Development Authority is responsible for developing and operating the Patriots Point area near Charleston, including a naval museum. The Authority is supported by user fees.

*Second Injury Fund.* This fund serves as a claims processor for insurance carriers, self-insurers, and the State Accident Fund. The fund processes claims of employees with existing permanent physical impairment who are further injured in the course of their subsequent employment.

*Tuition Prepayment Program Fund.* This fund, previously known as the PACE program, allows contributors to make payments, under the terms of a tuition prepayment contract, to cover future undergraduate tuition expenses of a designated beneficiary at a South Carolina public higher education institution. Alternatively, the benefits of this contract can be applied toward the cost of tuition, up to the weighted average tuition at South Carolina public institutions, at any accredited college or university to which the designated beneficiary has been admitted.

*The Citadel Trust, Inc., Fund.* The Citadel Trust was formed for the purpose of investing funds in order to provide scholarship and other financial assistance or support to The Citadel, a higher education institution reported in the Higher Education Fund, a major enterprise fund.

*University of South Carolina Trust Fund (the Trust).* The Trust operates exclusively for the benefit of the University of South Carolina's School of Medicine to augment and aid education, research, and service in the field of health sciences. The University of South Carolina is a higher education institution reported in the Higher Education Fund, a major enterprise fund. The Trust's fiscal year ends December 31, and the accompanying supplementary information includes the Trust's financial information for the fiscal year ended December 31, 2010.

*University Medical Associates Fund (UMA).* UMA was established to promote and support educational, medical, scientific, and research purposes of the Medical University of South Carolina (MUSC), a higher education institution reported in the Higher Education Fund, a major enterprise fund. UMA promotes the recruitment and retention of superior faculty at MUSC.

*Medical University Facilities Corporation Fund (MUFC).* MUFC was established to obtain financing for the Medical University of South Carolina to purchase land, an office building, and a parking garage.

*CHS Development Company Fund.* The Company was established to provide financing for the Medical University of South Carolina by developing and leasing property.

*Enterprise Campus Authority.* The Authority was established to provide for the management, development, and operation of the Enterprise Campus of Midlands Technical College. Midlands Technical College is a higher education institution reported in the Higher Education Fund, a major enterprise fund.

*Other Enterprise Funds.* Other enterprise activities of the State include: the Savannah Valley Development and the Public Railways Divisions of the South Carolina Department of Commerce, the Jobs-Economic Development Authority, the Canteens Fund, operation of the Columbia Farmers' Market, and enterprise operations of the Adjutant General's Office and the State Board for Technical and Comprehensive Education.

#### **b. Internal Service Funds**

The State uses the internal service funds described below to report activities that provide goods or services to other State funds, departments, agencies, component units, and/or to other governments, on a cost-reimbursement basis if the State is the predominant participant in the activity. If the State is *not* the predominant participant, it reports the activity as an enterprise fund.

*Insurance Reserve Fund.* This is a risk management/reinsurance fund. It underwrites insurance risks on public buildings and their contents and tort liability, medical malpractice, and automobile liability for public employees. State law limits the Fund's customers to certain governmental persons/entities within the State and certain associated parties.

*Employee Insurance Programs Fund.* This is a risk management fund that underwrites the group health, dental, life, accidental death and dismemberment, disability, and long-term care benefits provided to State and public school employees and retirees.

*State Accident Fund.* This is a risk management fund that provides workers' compensation benefits predominantly to State employees. Premiums are collected from State agencies.

*General Services Fund.* This fund accounts for various services provided to State and local governmental units for which user fees are charged. These services include telecommunication and computer services, rental of office buildings, janitorial services, building maintenance, and procurement services.

*Central Supplies and Equipment Fund.* This fund sells office supplies and equipment, food, and paper products to other governmental units. It also stores food and paper products for State agencies.

*Motor Pool Fund.* This fund provides daily and permanent lease assignments of vehicles to State agencies. It also maintains an inventory of automotive parts to provide maintenance of these vehicles.

*Pension Administration Fund.* This fund administers the public employee retirement systems. Revenues of the fund primarily consist of assessments charged to the pension trust funds.

*Prison Industries Fund.* This fund accounts for goods produced by inmate labor. These goods are sold primarily to State agencies.

*Other Internal Service Funds.* These funds, aggregated for reporting purposes, account for other miscellaneous activities that meet the definition of internal service funds. Such activities include provision of training programs for State employees and work activity centers of the Vocational Rehabilitation Department.

# Combining Statement of Net Assets

## NONMAJOR ENTERPRISE FUNDS

June 30, 2011

(Expressed in Thousands)

	<u>Patients'</u> <u>Compensation</u>	<u>Patriots Point</u> <u>Development</u> <u>Authority</u>	<u>Second</u> <u>Injury</u>	<u>Tuition</u> <u>Prepayment</u> <u>Program</u>	<u>The Citadel</u> <u>Trust, Inc.</u>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents.....	\$ 4,150	\$ 3,743	\$ 199	\$ 163,021	\$ 222
Investments.....	16,825	—	—	—	1,675
Invested securities lending collateral.....	—	8	101	1,015	—
Receivables, net:					
Accounts.....	—	459	—	—	3
Contributions.....	—	—	—	—	45
Participants.....	—	—	—	2,076	—
Accrued interest.....	114	—	—	—	92
Patient accounts.....	—	—	—	—	—
Due from Federal government and other grantors.....	—	—	—	—	1
Due from other funds.....	—	5	—	—	—
Inventories.....	—	296	—	—	—
Restricted assets:					
Cash and cash equivalents.....	—	—	39,654	—	1,654
Investments.....	—	—	—	—	8,709
Loans receivable.....	—	—	—	—	74
Other.....	—	—	252	—	193
Prepaid items.....	234	9	—	—	11
Other current assets.....	—	—	135	—	—
Total current assets.....	<u>21,323</u>	<u>4,520</u>	<u>40,341</u>	<u>166,112</u>	<u>12,679</u>
Long-term assets:					
Investments.....	—	—	—	—	4,351
Receivables, net:					
Accounts.....	—	—	—	—	—
Contributions.....	—	—	—	—	132
Participants.....	—	—	—	6,309	—
Interfund receivables.....	—	—	—	—	—
Restricted assets:					
Cash and cash equivalents.....	—	—	—	—	1,142
Investments.....	—	—	—	—	52,847
Loans receivable.....	—	—	—	—	92
Other.....	—	—	—	—	150
Prepaid items.....	—	—	—	—	—
Other long-term assets.....	—	—	—	—	12
Deferred charges.....	—	—	—	—	—
Non-depreciable capital assets.....	466	4,589	—	—	2,182
Depreciable capital assets, net.....	—	18,692	7	—	—
Total long-term assets.....	<u>466</u>	<u>23,281</u>	<u>7</u>	<u>6,309</u>	<u>60,908</u>
<b>Total assets.....</b>	<b><u>21,789</u></b>	<b><u>27,801</u></b>	<b><u>40,348</u></b>	<b><u>172,421</u></b>	<b><u>73,587</u></b>

<u>University of South Carolina Trust</u>	<u>University Medical Associates</u>	<u>Medical University Facilities Corporation</u>	<u>CHS Development Company</u>	<u>Enterprise Campus Authority</u>	<u>Other Enterprise</u>	<u>Totals</u>
\$ 11,920	\$ 112,380	\$ —	\$ —	\$ —	\$ 26,179	\$ 321,814
6,943	53,500	—	—	—	300	79,243
—	—	—	—	—	39	1,163
5,376	1,076	—	—	—	1,161	8,075
—	—	—	—	—	—	45
—	—	—	—	—	—	2,076
—	—	7	—	—	131	344
3,340	31,539	—	—	—	—	34,879
—	—	—	—	—	—	1
—	17,347	—	—	1,655	—	19,007
—	—	—	—	—	3,365	3,661
141	—	32	956	—	400	42,837
—	—	316	702	—	—	9,727
—	—	—	—	—	—	74
—	—	2,163	1,056	—	—	3,664
—	338	—	156	—	120	868
—	1,876	64	60	—	—	2,135
<u>27,720</u>	<u>218,056</u>	<u>2,582</u>	<u>2,930</u>	<u>1,655</u>	<u>31,695</u>	<u>529,613</u>
—	9,115	—	—	—	400	13,866
—	—	—	—	—	19	19
—	—	—	—	—	—	132
—	—	—	—	—	—	6,309
—	2,123	—	—	—	700	2,823
—	—	1,350	3,551	—	—	6,043
—	—	213	—	—	—	53,060
—	—	—	—	—	5,790	5,882
—	—	7,543	18,244	—	—	25,937
—	9,179	—	1,803	—	—	10,982
—	5,741	162	—	—	—	5,915
—	603	92	700	—	—	1,395
—	16,886	—	—	2,532	39,001	65,656
<u>12,481</u>	<u>37,332</u>	<u>—</u>	<u>—</u>	<u>5,270</u>	<u>12,183</u>	<u>85,965</u>
<u>12,481</u>	<u>80,979</u>	<u>9,360</u>	<u>24,298</u>	<u>7,802</u>	<u>58,093</u>	<u>283,984</u>
<u>40,201</u>	<u>299,035</u>	<u>11,942</u>	<u>27,228</u>	<u>9,457</u>	<u>89,788</u>	<u>813,597</u>

Continued on Next Page

# Combining Statement of Net Assets

NONMAJOR ENTERPRISE FUNDS (Continued)

June 30, 2011

(Expressed in Thousands)

	<u>Patients'</u> <u>Compensation</u>	<u>Patriots Point</u> <u>Development</u> <u>Authority</u>	<u>Second</u> <u>Injury</u>	<u>Tuition</u> <u>Prepayment</u> <u>Program</u>	<u>The Citadel</u> <u>Trust, Inc.</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable.....	\$ 11	\$ 4	\$ —	\$ —	\$ 10
Accrued salaries and related expenses.....	27	296	94	—	1
Accrued interest payable.....	—	—	—	—	—
Retainages payable.....	—	—	—	—	—
Tuition benefits payable.....	—	—	—	25,281	—
Policy claims.....	16,539	—	—	—	—
Due to other funds.....	—	17	1	—	—
Unearned revenues.....	5,250	149	—	—	—
Amounts held in custody for others.....	—	—	—	—	—
Securities lending collateral.....	1	19	234	1,020	—
Liabilities payable from restricted assets:					
Accrued interest payable.....	—	—	—	—	—
Other.....	—	—	39,906	—	—
Notes payable.....	—	—	—	—	—
Revenue bonds payable.....	—	—	—	—	—
Capital leases payable.....	—	—	—	—	—
Compensated absences payable.....	17	22	65	—	98
Other current liabilities.....	97	—	—	1,487	8
Total current liabilities.....	<u>21,942</u>	<u>507</u>	<u>40,300</u>	<u>27,788</u>	<u>117</u>
Long-term liabilities:					
Tuition benefits payable.....	—	—	—	145,790	—
Policy claims.....	105,554	—	—	—	—
Interfund payables.....	—	8,832	—	—	—
Unearned revenues.....	—	383	—	—	—
Other liabilities payable from restricted assets.....	—	—	—	—	—
Notes payable.....	—	—	—	—	—
Revenue bonds payable.....	—	—	—	—	—
Capital leases payable.....	—	—	—	—	—
Compensated absences payable.....	—	273	41	—	4
Other long-term liabilities.....	—	—	—	—	18
Total long-term liabilities.....	<u>105,554</u>	<u>9,488</u>	<u>41</u>	<u>145,790</u>	<u>22</u>
<b>Total liabilities.....</b>	<b><u>127,496</u></b>	<b><u>9,995</u></b>	<b><u>40,341</u></b>	<b><u>173,578</u></b>	<b><u>139</u></b>
<b>NET ASSETS (DEFICITS)</b>					
Invested in capital assets, net of related debt.....	466	14,581	7	—	2,182
Restricted:					
Expendable:					
Education.....	—	—	—	—	25,881
Capital projects.....	—	—	—	—	314
Debt service.....	—	—	—	—	—
Nonexpendable:					
Education.....	—	—	—	—	38,725
Unrestricted.....	(106,173)	3,225	—	(1,157)	6,346
<b>Total net assets (deficits).....</b>	<b><u>\$ (105,707)</u></b>	<b><u>\$ 17,806</u></b>	<b><u>\$ 7</u></b>	<b><u>\$ (1,157)</u></b>	<b><u>\$ 73,448</u></b>

<u>University of South Carolina Trust</u>	<u>University Medical Associates</u>	<u>Medical University Facilities Corporation</u>	<u>CHS Development Company</u>	<u>Enterprise Campus Authority</u>	<u>Other Enterprise</u>	<u>Totals</u>
\$ 6,786	\$ 4,746	\$ —	\$ —	\$ 53	\$ 614	\$ 12,224
130	17,711	—	—	—	342	18,601
—	215	120	602	—	—	937
—	—	—	—	6	—	6
—	—	—	—	—	—	25,281
—	—	—	—	—	—	16,539
—	801	—	—	—	1,184	2,003
—	—	13	—	—	62	5,474
—	—	—	—	—	288	288
—	—	—	—	—	94	1,368
—	—	—	—	—	106	106
—	—	—	—	—	—	39,906
—	3,840	1,360	1,365	—	—	6,565
6,375	—	858	—	—	—	7,233
132	—	—	—	—	—	132
626	2,301	—	—	—	439	3,568
—	3,064	—	—	—	—	4,656
<u>14,049</u>	<u>32,678</u>	<u>2,351</u>	<u>1,967</u>	<u>59</u>	<u>3,129</u>	<u>144,887</u>
—	—	—	—	—	—	145,790
—	—	—	—	—	—	105,554
—	—	—	—	—	5,795	14,627
—	—	—	—	—	—	383
—	—	—	—	—	6	6
—	17,887	3,110	24,557	—	—	45,554
—	46,811	4,954	—	—	—	51,765
426	—	—	—	—	—	426
705	1,534	—	—	—	228	2,785
198	1,961	162	—	—	—	2,339
<u>1,329</u>	<u>68,193</u>	<u>8,226</u>	<u>24,557</u>	<u>—</u>	<u>6,029</u>	<u>369,229</u>
<u>15,378</u>	<u>100,871</u>	<u>10,577</u>	<u>26,524</u>	<u>59</u>	<u>9,158</u>	<u>514,116</u>
5,547	17,452	—	—	7,802	51,184	99,221
—	—	—	—	—	—	25,881
—	—	—	—	—	—	314
142	—	1,365	704	—	—	2,211
—	—	—	—	—	—	38,725
19,134	180,712	—	—	1,596	29,446	133,129
<u>\$ 24,823</u>	<u>\$ 198,164</u>	<u>\$ 1,365</u>	<u>\$ 704</u>	<u>\$ 9,398</u>	<u>\$ 80,630</u>	<u>\$ 299,481</u>

# Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

## NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program	The Citadel Trust, Inc.
<b>Operating revenues:</b>					
Charges for services.....	\$ 18,271	\$ 8,959	\$ 1,473	\$ 927	\$ —
Contributions.....	—	—	—	665	—
Interest and other investment income.....	—	—	—	10,808	11,501
Operating revenues pledged for revenue bonds.....	—	—	—	—	—
Federal operating grants and contracts.....	—	—	—	—	—
Other operating revenues.....	—	—	—	—	—
<b>Total operating revenues.....</b>	<b>18,271</b>	<b>8,959</b>	<b>1,473</b>	<b>12,400</b>	<b>11,501</b>
<b>Operating expenses:</b>					
General operations and administration.....	1,635	7,140	1,622	—	156
Benefits and claims.....	956	—	—	—	—
Tuition plan disbursements.....	—	—	—	4,750	—
Depreciation and amortization.....	—	989	4	—	—
Other operating expenses.....	—	485	22	—	—
<b>Total operating expenses.....</b>	<b>2,591</b>	<b>8,614</b>	<b>1,648</b>	<b>4,750</b>	<b>156</b>
<b>Operating income (loss).....</b>	<b>15,680</b>	<b>345</b>	<b>(175)</b>	<b>7,650</b>	<b>11,345</b>
<b>Nonoperating revenues (expenses):</b>					
Interest income.....	150	76	171	5	—
Contributions.....	—	10	—	—	2,064
Federal grants and contracts.....	—	34	—	—	—
Local/private grants and contracts.....	—	—	—	—	393
Interest expense.....	—	—	—	—	—
Net other nonoperating revenues (expenses).....	—	—	—	—	205
<b>Total nonoperating revenues (expenses).....</b>	<b>150</b>	<b>120</b>	<b>171</b>	<b>5</b>	<b>2,662</b>
<b>Income (loss) before other revenues, expenses, and transfers.....</b>	<b>15,830</b>	<b>465</b>	<b>(4)</b>	<b>7,655</b>	<b>14,007</b>
Federal capital grants and contracts.....	—	—	—	—	—
Additions to endowments.....	—	—	—	—	1,795
Transfers in.....	—	—	—	—	—
Transfers out.....	—	(85)	—	(492)	(5,418)
<b>Change in net assets.....</b>	<b>15,830</b>	<b>380</b>	<b>(4)</b>	<b>7,163</b>	<b>10,384</b>
<b>Net assets (deficits) at beginning of year.....</b>	<b>(121,537)</b>	<b>17,426</b>	<b>11</b>	<b>(8,320)</b>	<b>63,064</b>
<b>Net assets (deficits) at end of year.....</b>	<b>\$ (105,707)</b>	<b>\$ 17,806</b>	<b>\$ 7</b>	<b>\$ (1,157)</b>	<b>\$ 73,448</b>



University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
\$ 37,806	\$ 313,729	\$ —	\$ —	\$ —	\$ 27,944	\$ 409,109
—	—	—	—	—	—	665
—	—	33	—	—	20	22,362
—	—	720	1,037	—	—	1,757
—	—	—	—	—	62	62
30,277	8,406	—	—	41	248	38,972
<b>68,083</b>	<b>322,135</b>	<b>753</b>	<b>1,037</b>	<b>41</b>	<b>28,274</b>	<b>472,927</b>
57,589	237,483	—	—	70	23,993	329,688
—	—	—	—	—	—	956
—	—	—	—	—	—	4,750
1,088	3,064	64	217	178	749	6,353
—	—	636	1,231	—	59	2,433
<b>58,677</b>	<b>240,547</b>	<b>700</b>	<b>1,448</b>	<b>248</b>	<b>24,801</b>	<b>344,180</b>
<b>9,406</b>	<b>81,588</b>	<b>53</b>	<b>(411)</b>	<b>(207)</b>	<b>3,473</b>	<b>128,747</b>
832	9,255	—	—	—	745	11,234
—	—	—	—	—	—	2,074
—	—	—	—	—	496	530
—	—	—	—	—	—	393
(365)	(4,126)	—	—	—	(280)	(4,771)
(33)	(5,540)	—	—	—	899	(4,469)
<b>434</b>	<b>(411)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,860</b>	<b>4,991</b>
<b>9,840</b>	<b>81,177</b>	<b>53</b>	<b>(411)</b>	<b>(207)</b>	<b>5,333</b>	<b>133,738</b>
—	—	—	—	—	183	183
—	—	—	—	—	—	1,795
—	—	—	691	700	200	1,591
—	(46,160)	(30)	—	—	(2,935)	(55,120)
<b>9,840</b>	<b>35,017</b>	<b>23</b>	<b>280</b>	<b>493</b>	<b>2,781</b>	<b>82,187</b>
<b>14,983</b>	<b>163,147</b>	<b>1,342</b>	<b>424</b>	<b>8,905</b>	<b>77,849</b>	<b>217,294</b>
<b>\$ 24,823</b>	<b>\$ 198,164</b>	<b>\$ 1,365</b>	<b>\$ 704</b>	<b>\$ 9,398</b>	<b>\$ 80,630</b>	<b>\$ 299,481</b>

# Combining Statement of Cash Flows

## NONMAJOR ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	Patients' Compensation	Patriots Point Development Authority	Second Injury	Tuition Prepayment Program
<b>Cash flows from operating activities:</b>				
Receipts from customers, patients, and third-party payers.....	\$ 16,618	\$ 8,960	\$ —	\$ 927
Assessments received.....	—	—	88,952	—
Tuition plan contributions received.....	—	—	—	786
Other operating cash receipts.....	—	—	—	—
Claims and benefits paid.....	(17,517)	—	(102,803)	—
Payments to suppliers for goods and services.....	(1,473)	(2,606)	(1,622)	—
Payments to employees.....	(366)	(3,738)	(3)	—
Other operating cash payments.....	—	(1,255)	(22)	(12,824)
<b>Net cash provided by (used in) operating activities.....</b>	<b>(2,738)</b>	<b>1,361</b>	<b>(15,498)</b>	<b>(11,111)</b>
<b>Cash flows from noncapital financing activities:</b>				
Principal paid on noncapital debt.....	—	—	—	—
Interest payments on noncapital debt.....	—	—	—	—
Gifts and grants for other than capital purposes.....	—	34	—	—
Other cash receipts.....	—	45	—	—
Transfers in.....	—	—	—	—
Transfers out.....	—	(85)	—	(492)
<b>Net cash provided by (used in) noncapital financing activities.....</b>	<b>—</b>	<b>(6)</b>	<b>—</b>	<b>(492)</b>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets.....	(76)	(25)	—	—
Proceeds from issuance of capital debt.....	—	—	—	—
Principal payments on capital debt.....	—	(500)	—	—
Interest payments on capital debt.....	—	—	—	—
Payment of agent and broker fees.....	—	—	—	—
Proceeds from sale or disposal of capital assets.....	—	—	—	—
Capital grants and gifts received.....	—	—	—	—
<b>Net cash used in capital and related financing activities.....</b>	<b>(76)</b>	<b>(525)</b>	<b>—</b>	<b>—</b>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments.....	24,338	—	—	243,617
Purchase of investments.....	(23,746)	—	—	(333,220)
Interest and dividends on investments.....	494	75	533	102,433
Collection of interfund receivables.....	—	—	—	—
Collection of interest on interfund receivables.....	—	—	—	—
Collection of escrow payments from borrower.....	—	—	—	—
<b>Net cash provided by (used in) investing activities.....</b>	<b>1,086</b>	<b>75</b>	<b>533</b>	<b>12,830</b>
<b>Net increase (decrease) in cash and cash equivalents.....</b>	<b>(1,728)</b>	<b>905</b>	<b>(14,965)</b>	<b>1,227</b>
<b>Cash and cash equivalents at beginning of year.....</b>	<b>5,878</b>	<b>2,838</b>	<b>54,818</b>	<b>161,794</b>
<b>Cash and cash equivalents at end of year.....</b>	<b>\$ 4,150</b>	<b>\$ 3,743</b>	<b>\$ 39,853</b>	<b>\$ 163,021</b>

The Citadel Trust, Inc.	University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
\$ —	\$ 37,536	\$ 316,019	\$ —	\$ —	\$ —	\$ 27,617	\$ 407,677
—	—	—	—	—	—	—	88,952
—	—	—	—	—	—	—	786
—	29,978	18,497	—	—	70	3,392	51,937
—	—	—	—	—	—	—	(120,320)
(79)	(20,494)	(93,038)	—	—	(70)	(19,460)	(138,842)
(77)	(39,130)	(143,232)	—	—	—	(4,392)	(190,938)
—	—	—	—	—	—	(370)	(14,471)
<b>(156)</b>	<b>7,890</b>	<b>98,246</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,787</b>	<b>84,781</b>
—	—	(1,956)	—	—	—	(1,047)	(3,003)
—	—	(1,266)	—	—	—	(302)	(1,568)
4,175	—	(9,461)	—	—	—	519	(4,733)
332	—	—	—	—	—	—	377
—	—	—	—	691	—	200	891
(5,418)	—	(46,160)	(18)	—	—	(2,935)	(55,108)
<b>(911)</b>	<b>—</b>	<b>(58,843)</b>	<b>(18)</b>	<b>691</b>	<b>—</b>	<b>(3,565)</b>	<b>(63,144)</b>
—	(215)	(9,006)	—	—	—	(24,154)	(33,476)
—	—	62,085	—	—	—	3	62,088
—	(531)	(64,019)	(2,097)	(1,300)	—	—	(68,447)
—	(364)	(1,206)	(654)	(1,269)	—	—	(3,493)
—	—	(1,313)	—	—	—	—	(1,313)
—	—	—	—	—	—	447	447
—	—	—	—	—	—	103	103
<b>—</b>	<b>(1,110)</b>	<b>(13,459)</b>	<b>(2,751)</b>	<b>(2,569)</b>	<b>—</b>	<b>(23,601)</b>	<b>(44,091)</b>
12,365	2,494	26,123	1,278	11,553	—	—	321,768
(12,561)	(3,028)	(41,046)	(1,278)	(9,021)	—	(250)	(424,150)
430	516	1,419	32	227	—	459	106,618
—	—	—	2,016	1,011	—	—	3,027
—	—	—	716	866	—	—	1,582
—	—	—	—	—	—	1,739	1,739
<b>234</b>	<b>(18)</b>	<b>(13,504)</b>	<b>2,764</b>	<b>4,636</b>	<b>—</b>	<b>1,948</b>	<b>10,584</b>
<b>(833)</b>	<b>6,762</b>	<b>12,440</b>	<b>(5)</b>	<b>2,758</b>	<b>—</b>	<b>(18,431)</b>	<b>(11,870)</b>
<b>3,851</b>	<b>5,299</b>	<b>99,940</b>	<b>1,387</b>	<b>1,749</b>	<b>—</b>	<b>45,010</b>	<b>382,564</b>
<b>\$ 3,018</b>	<b>\$ 12,061</b>	<b>\$ 112,380</b>	<b>\$ 1,382</b>	<b>\$ 4,507</b>	<b>\$ —</b>	<b>\$ 26,579</b>	<b>\$ 370,694</b>

Continued on Next Page

# Combining Statement of Cash Flows

NONMAJOR ENTERPRISE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2011  
(Expressed in Thousands)

	<u>Patients'</u> <u>Compensation</u>	<u>Patriots Point</u> <u>Development</u> <u>Authority</u>	<u>Second</u> <u>Injury</u>	<u>Tuition</u> <u>Prepayment</u> <u>Program</u>
<b>Reconciliation of operating income(loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss).....	\$ 15,680	\$ 345	\$ (175)	\$ 7,650
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization .....	—	989	4	—
Provision for bad debts.....	—	—	—	—
Net (increase) decrease in the fair value of investments.....	—	—	—	(10,808)
Amounts received for payment of claims.....	—	—	87,308	—
Payment of claims.....	—	—	(102,803)	—
Other nonoperating revenues.....	—	—	—	—
Other nonoperating expenses.....	—	—	—	—
<b>Effect of change in operating assets and liabilities:</b>				
Accounts receivable, net.....	—	84	—	121
Due from other funds.....	9	(5)	—	—
Inventories.....	—	(2)	—	—
Other assets .....	93	—	211	—
Accounts payable.....	(28)	—	—	—
Accrued salaries and related expenses.....	(8)	22	(3)	—
Tuition benefits payable.....	—	—	—	(8,074)
Policy claims.....	(16,562)	—	—	—
Due to other funds.....	—	—	—	—
Unearned revenues .....	(1,653)	(83)	—	—
Compensated absences payable .....	4	11	—	—
Other liabilities.....	(273)	—	(40)	—
<b>Net cash provided by (used in) operating activities.....</b>	<b>\$ (2,738)</b>	<b>\$ 1,361</b>	<b>\$ (15,498)</b>	<b>\$ (11,111)</b>
<b>Noncash capital, investing, and financing activities:</b>				
Disposal of capital assets.....	\$ —	\$ —	\$ —	\$ —
Borrowing under capital leases.....	—	—	—	—
Increase in fair value of investments.....	(237)	—	—	144,511
Transfers of non-financial assets.....	—	—	—	—
Other noncash activity.....	—	—	—	—
	<b>\$ (237)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 144,511</b>

The Citadel Trust, Inc.	University of South Carolina Trust	University Medical Associates	Medical University Facilities Corporation	CHS Development Company	Enterprise Campus Authority	Other Enterprise	Totals
\$ 11,345	\$ 9,406	\$ 81,588	\$ 53	\$ (411)	\$ (207)	\$ 3,473	\$ 128,747
—	1,088	3,064	64	217	178	749	6,353
—	—	23,144	—	—	(19)	—	23,125
(11,501)	—	—	—	—	—	(20)	(22,329)
—	—	—	—	—	—	—	87,308
—	—	—	—	—	—	—	(102,803)
—	—	4,992	(753)	(1,037)	—	(203)	2,999
—	—	(6)	636	1,231	—	—	1,861
—	(569)	(22,456)	—	—	8	(356)	(23,168)
—	—	5,414	—	—	—	1,294	6,712
—	—	—	—	—	—	213	211
—	—	(591)	—	—	—	1,885	1,598
—	(1,978)	2,342	—	—	—	(147)	189
—	17	—	—	—	—	(15)	13
—	—	—	—	—	—	—	(8,074)
—	—	—	—	—	—	—	(16,562)
—	—	514	—	—	40	(482)	72
—	—	—	—	—	—	29	(1,707)
—	(74)	272	—	—	—	79	292
—	—	(31)	—	—	—	288	(56)
<b>\$ (156)</b>	<b>\$ 7,890</b>	<b>\$ 98,246</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 6,787</b>	<b>\$ 84,781</b>
\$ —	\$ (33)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (33)
—	23	—	—	—	—	—	23
7,999	397	7,473	—	—	—	—	160,143
—	—	—	(12)	—	—	—	(12)
—	—	266	—	—	700	—	966
<b>\$ 7,999</b>	<b>\$ 387</b>	<b>\$ 7,739</b>	<b>\$ (12)</b>	<b>\$ —</b>	<b>\$ 700</b>	<b>\$ —</b>	<b>\$ 161,087</b>

# Combining Statement of Net Assets

## INTERNAL SERVICE FUNDS

June 30, 2011

(Expressed in Thousands)

	<u>Insurance Reserve</u>	<u>Employee Insurance Programs</u>	<u>State Accident</u>	<u>General Services</u>	<u>Central Supplies and Equipment</u>
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents.....	\$ 29,122	\$ 298,699	\$ 199,440	\$ 30,640	\$ 1,674
Invested securities lending collateral.....	1,856	736	496	4	—
Receivables, net:					
Accounts .....	12,517	26,649	63,509	592	—
Accrued interest.....	4,177	93	889	5	—
Due from other funds.....	143	39,295	236	3,600	806
Due from component units.....	—	—	—	—	—
Inventories.....	—	—	—	814	2,249
Prepaid items.....	17,741	—	10	—	—
Total current assets.....	<u>65,556</u>	<u>365,472</u>	<u>264,580</u>	<u>35,655</u>	<u>4,729</u>
Long-term assets:					
Investments.....	426,585	—	—	—	—
Accounts receivable, net.....	—	—	57	—	—
Interfund receivables.....	5,790	—	—	13,780	—
Other long-term assets.....	—	—	444	—	—
Deferred charges.....	—	—	—	78	—
Non-depreciable capital assets.....	—	—	—	6,897	—
Depreciable capital assets, net.....	16	16	29	93,049	2
Total long-term assets.....	<u>432,391</u>	<u>16</u>	<u>530</u>	<u>113,804</u>	<u>2</u>
<b>Total assets.....</b>	<b><u>497,947</u></b>	<b><u>365,488</u></b>	<b><u>265,110</u></b>	<b><u>149,459</u></b>	<b><u>4,731</u></b>

<u>Motor Pool</u>	<u>Pension Administration</u>	<u>Prison Industries</u>	<u>Other Internal Service</u>	<u>Totals</u>
\$ 14,030	\$ 2,448	\$ 1,506	\$ 215	\$ 577,774
—	6	—	—	3,098
498	—	1,881	—	105,646
—	20	—	—	5,184
2,875	—	397	23	47,375
2	—	—	—	2
30	—	3,332	—	6,425
—	—	—	—	17,751
<u>17,435</u>	<u>2,474</u>	<u>7,116</u>	<u>238</u>	<u>763,255</u>
—	—	—	—	426,585
—	—	1,172	—	1,229
—	—	—	—	19,570
—	—	—	—	444
—	—	—	—	78
—	170	—	—	7,067
5,106	443	5,286	—	103,947
<u>5,106</u>	<u>613</u>	<u>6,458</u>	<u>—</u>	<u>558,920</u>
<u>22,541</u>	<u>3,087</u>	<u>13,574</u>	<u>238</u>	<u>1,322,175</u>

# Combining Statement of Net Assets

INTERNAL SERVICE FUNDS (Continued)

June 30, 2011

(Expressed in Thousands)

	<u>Insurance Reserve</u>	<u>Employee Insurance Programs</u>	<u>State Accident</u>	<u>General Services</u>	<u>Central Supplies and Equipment</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable.....	\$ 388	\$ 629	\$ 250	\$ 3,573	\$ 110
Accrued salaries and related expenses.....	291	398	283	1,172	—
Accrued interest payable.....	—	—	—	404	—
Retainages payable.....	—	—	—	248	—
Intergovernmental payables.....	—	—	—	108	—
Policy claims.....	237,874	144,879	78,668	—	—
Due to other funds.....	307	250	4	2,542	5
Unearned revenues.....	59,921	6,138	72,693	—	—
Securities lending collateral.....	4,353	1,727	1,162	9	—
Notes payable.....	—	—	—	—	—
Revenue bonds payable.....	—	—	—	1,695	—
Limited obligation bonds payable.....	—	—	—	1,345	—
Compensated absences payable.....	146	198	269	1,120	—
Other current liabilities.....	—	—	10,133	—	—
Total current liabilities.....	<u>303,280</u>	<u>154,219</u>	<u>163,462</u>	<u>12,216</u>	<u>115</u>
Long-term liabilities:					
Policy claims.....	—	—	159,122	—	—
Interfund payables.....	—	—	—	330	555
Notes payable.....	—	—	—	—	—
Revenue bonds payable.....	—	—	—	12,681	—
Limited obligation bonds payable.....	—	—	—	3,816	—
Compensated absences payable.....	151	267	81	1,118	—
Total long-term liabilities.....	<u>151</u>	<u>267</u>	<u>159,203</u>	<u>17,945</u>	<u>555</u>
<b>Total liabilities.....</b>	<b><u>303,431</u></b>	<b><u>154,486</u></b>	<b><u>322,665</u></b>	<b><u>30,161</u></b>	<b><u>670</u></b>
<b>NET ASSETS (DEFICITS)</b>					
Invested in capital assets, net of related debt.....	16	16	29	80,487	2
Restricted:					
Expendable:					
Loan programs.....	20,000	—	—	—	—
Insurance programs.....	174,500	210,986	—	—	—
Unrestricted.....	—	—	(57,584)	38,811	4,059
<b>Total net assets (deficits).....</b>	<b><u>\$ 194,516</u></b>	<b><u>\$ 211,002</u></b>	<b><u>\$ (57,555)</u></b>	<b><u>\$ 119,298</u></b>	<b><u>\$ 4,061</u></b>



<u>Motor Pool</u>	<u>Pension Administration</u>	<u>Prison Industries</u>	<u>Other Internal Service</u>	<u>Totals</u>
\$ 4,503	\$ 388	\$ 193	\$ 3	\$ 10,037
93	813	826	8	3,884
139	—	—	—	543
—	—	—	—	248
—	—	—	—	108
—	—	—	—	461,421
40	451	401	4	4,004
—	—	—	—	138,752
—	15	—	—	7,266
1,953	—	—	—	1,953
—	—	—	—	1,695
—	—	—	—	1,345
88	720	271	11	2,823
—	—	—	—	10,133
<u>6,816</u>	<u>2,387</u>	<u>1,691</u>	<u>26</u>	<u>644,212</u>
—	—	—	—	159,122
—	—	—	—	885
1,984	—	—	—	1,984
—	—	—	—	12,681
—	—	—	—	3,816
88	719	270	12	2,706
<u>2,072</u>	<u>719</u>	<u>270</u>	<u>12</u>	<u>181,194</u>
<u><b>8,888</b></u>	<u><b>3,106</b></u>	<u><b>1,961</b></u>	<u><b>38</b></u>	<u><b>825,406</b></u>
1,169	613	5,286	—	87,618
—	—	—	—	20,000
—	—	—	—	385,486
12,484	(632)	6,327	200	3,665
<u><b>\$ 13,653</b></u>	<u><b>\$ (19)</b></u>	<u><b>\$ 11,613</b></u>	<u><b>\$ 200</b></u>	<u><b>\$ 496,769</b></u>

# Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets

## INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2011  
(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services	Central Supplies and Equipment
<b>Operating revenues:</b>					
Charges for services.....	\$ 101,156	\$ 1,771,193	\$ 83,189	\$ 59,780	\$ 4,289
Interest and other investment income.....	—	—	—	725	—
Licenses, fees, and permits.....	—	—	—	7	—
Federal operating grants and contracts.....	—	27,142	—	—	—
Other operating revenues.....	—	108,340	—	—	—
<b>Total operating revenues.....</b>	<b>101,156</b>	<b>1,906,675</b>	<b>83,189</b>	<b>60,512</b>	<b>4,289</b>
<b>Operating expenses:</b>					
General operations and administration.....	62,696	162,398	4,644	57,567	3,405
Benefits and claims.....	49,176	1,632,239	61,719	—	—
Interest.....	—	—	—	7	—
Depreciation and amortization.....	50	13	59	6,662	1
Other operating expenses.....	—	—	4,554	412	5
<b>Total operating expenses.....</b>	<b>111,922</b>	<b>1,794,650</b>	<b>70,976</b>	<b>64,648</b>	<b>3,411</b>
<b>Operating income (loss).....</b>	<b>(10,766)</b>	<b>112,025</b>	<b>12,213</b>	<b>(4,136)</b>	<b>878</b>
<b>Nonoperating revenues (expenses):</b>					
Interest income.....	12,975	6,864	4,258	2	—
Interest expense.....	—	—	—	(959)	—
Net other nonoperating revenues.....	19	—	40	1,259	1
<b>Total nonoperating revenues (expenses).....</b>	<b>12,994</b>	<b>6,864</b>	<b>4,298</b>	<b>302</b>	<b>1</b>
<b>Income (loss) before other revenues and transfers.....</b>	<b>2,228</b>	<b>118,889</b>	<b>16,511</b>	<b>(3,834)</b>	<b>879</b>
Transfers in.....	—	45	—	2,627	700
Transfers out.....	(541)	(266)	—	(7,793)	—
<b>Change in net assets.....</b>	<b>1,687</b>	<b>118,668</b>	<b>16,511</b>	<b>(9,000)</b>	<b>1,579</b>
<b>Net assets (deficits) at beginning of year.....</b>	<b>192,829</b>	<b>92,334</b>	<b>(74,066)</b>	<b>128,298</b>	<b>2,482</b>
<b>Net assets (deficits) at end of year.....</b>	<b>\$ 194,516</b>	<b>\$ 211,002</b>	<b>\$ (57,555)</b>	<b>\$ 119,298</b>	<b>\$ 4,061</b>

<b>Motor Pool</b>	<b>Pension Administration</b>	<b>Prison Industries</b>	<b>Other Internal Service</b>	<b>Totals</b>
\$ 25,913	\$ 21,231	\$ 14,941	\$ 150	\$ 2,081,842
—	—	—	—	725
—	—	63	—	70
—	—	—	—	27,142
—	—	—	—	108,340
<b>25,913</b>	<b>21,231</b>	<b>15,004</b>	<b>150</b>	<b>2,218,119</b>
16,239	20,522	21,301	245	349,017
—	5	—	—	1,743,139
—	—	—	—	7
9,773	216	344	—	17,118
—	138	145	1	5,255
<b>26,012</b>	<b>20,881</b>	<b>21,790</b>	<b>246</b>	<b>2,114,536</b>
<b>(99)</b>	<b>350</b>	<b>(6,786)</b>	<b>(96)</b>	<b>103,583</b>
—	63	—	—	24,162
(228)	—	—	—	(1,187)
700	136	9,636	1	11,792
<b>472</b>	<b>199</b>	<b>9,636</b>	<b>1</b>	<b>34,767</b>
<b>373</b>	<b>549</b>	<b>2,850</b>	<b>(95)</b>	<b>138,350</b>
2	—	—	141	3,515
(2,516)	(523)	—	(1)	(11,640)
<b>(2,141)</b>	<b>26</b>	<b>2,850</b>	<b>45</b>	<b>130,225</b>
<b>15,794</b>	<b>(45)</b>	<b>8,763</b>	<b>155</b>	<b>366,544</b>
<b>\$ 13,653</b>	<b>\$ (19)</b>	<b>\$ 11,613</b>	<b>\$ 200</b>	<b>\$ 496,769</b>

## Combining Statement of Cash Flows

## INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	Insurance Reserve	Employee Insurance Programs	State Accident	General Services
<b>Cash flows from operating activities:</b>				
Receipts from customers.....	\$ 59,610	\$ 1,353,152	\$ 15,328	\$ —
Internal activity—payments from other funds.....	48,741	433,738	70,453	59,997
Other operating cash receipts.....	—	129,114	17,434	2,122
Claims paid.....	50,075	(1,604,288)	(63,940)	—
Payments to suppliers for goods and services.....	(151,348)	(179,684)	(5,292)	(33,779)
Payments to employees.....	(3,514)	(5,562)	(3,683)	(23,151)
Internal activity—payments to other funds.....	(14)	(17,097)	(5,958)	—
<b>Net cash provided by (used in) operating activities.....</b>	<b>3,550</b>	<b>109,373</b>	<b>24,342</b>	<b>5,189</b>
<b>Cash flows from noncapital financing activities:</b>				
Principal payments received from other funds.....	1,047	—	—	7,535
Principal payments made to other funds.....	—	—	—	(1,695)
Receipt of interest from other funds.....	303	—	—	—
Transfers in.....	—	45	—	2,627
Transfers out.....	(541)	(266)	—	(7,793)
<b>Net cash provided by (used in) noncapital financing activities.....</b>	<b>809</b>	<b>(221)</b>	<b>—</b>	<b>674</b>
<b>Cash flows from capital and related financing activities:</b>				
Acquisition of capital assets.....	—	—	(14)	(2,663)
Principal payments on limited obligation bonds.....	—	—	—	(1,345)
Principal payments on capital debt.....	—	—	—	(211)
Interest payments on capital debt.....	—	—	—	(960)
<b>Net cash used in capital financing activities.....</b>	<b>—</b>	<b>—</b>	<b>(14)</b>	<b>(5,179)</b>
<b>Cash flows from investing activities:</b>				
Proceeds from sales and maturities of investments.....	52,054	—	—	—
Purchase of investments.....	(105,990)	—	—	—
Interest on investments.....	16,466	6,775	4,214	76
<b>Net cash provided by (used in) investing activities.....</b>	<b>(37,470)</b>	<b>6,775</b>	<b>4,214</b>	<b>76</b>
<b>Net increase (decrease) in cash and cash equivalents.....</b>	<b>(33,111)</b>	<b>115,927</b>	<b>28,542</b>	<b>760</b>
<b>Cash and cash equivalents at beginning of year.....</b>	<b>62,233</b>	<b>182,772</b>	<b>170,898</b>	<b>29,880</b>
<b>Cash and cash equivalents at end of year.....</b>	<b>\$ 29,122</b>	<b>\$ 298,699</b>	<b>\$ 199,440</b>	<b>\$ 30,640</b>

<u>Central Supplies and Equipment</u>	<u>Motor Pool</u>	<u>Pension Adminis- tration</u>	<u>Prison Industries</u>	<u>Other Internal Service</u>	<u>Totals</u>
\$ —	\$ —	\$ —	\$ 15,004	\$ 150	\$ 1,443,244
4,289	26,491	21,244	—	—	664,953
—	(10)	143	9,636	—	158,439
—	—	—	—	—	(1,618,153)
(3,405)	(14,441)	(6,010)	(8,896)	(77)	(402,932)
—	(1,605)	(14,734)	(15,283)	(210)	(67,742)
—	—	—	—	—	(23,069)
<b>884</b>	<b>10,435</b>	<b>643</b>	<b>461</b>	<b>(137)</b>	<b>154,740</b>
—	—	—	—	—	8,582
(445)	—	—	—	—	(2,140)
—	—	—	—	—	303
700	2	—	—	141	3,515
—	(2,516)	(523)	—	(1)	(11,640)
<b>255</b>	<b>(2,514)</b>	<b>(523)</b>	<b>—</b>	<b>140</b>	<b>(1,380)</b>
—	—	(274)	—	—	(2,951)
—	—	—	—	—	(1,345)
—	(3,631)	—	—	—	(3,842)
—	(227)	—	—	—	(1,187)
—	<b>(3,858)</b>	<b>(274)</b>	<b>—</b>	<b>—</b>	<b>(9,325)</b>
—	—	—	—	—	52,054
—	—	—	—	—	(105,990)
—	—	—	—	—	27,531
—	—	—	—	—	<b>(26,405)</b>
<b>1,139</b>	<b>4,063</b>	<b>(154)</b>	<b>461</b>	<b>3</b>	<b>117,630</b>
<b>535</b>	<b>9,967</b>	<b>2,602</b>	<b>1,045</b>	<b>212</b>	<b>460,144</b>
<b>\$ 1,674</b>	<b>\$ 14,030</b>	<b>\$ 2,448</b>	<b>\$ 1,506</b>	<b>\$ 215</b>	<b>\$ 577,774</b>

Continued on Next Page

## Combining Statement of Cash Flows

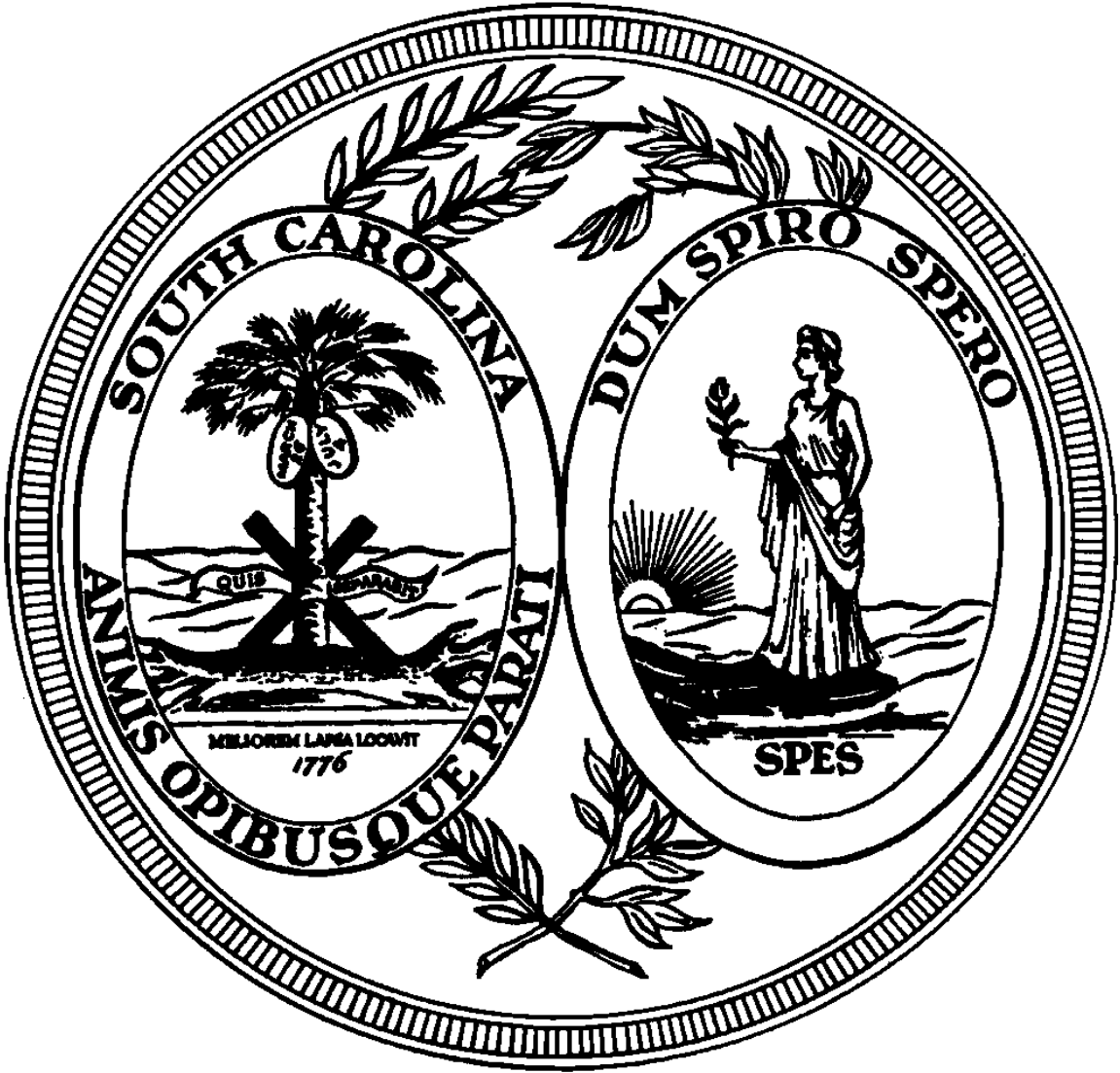
INTERNAL SERVICE FUNDS (Continued)

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	<u>Insurance Reserve</u>	<u>Employee Insurance Programs</u>	<u>State Accident</u>	<u>General Services</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss).....	\$ (10,766)	\$ 112,025	\$ 12,213	\$ (4,136)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization.....	50	13	59	6,662
Other nonoperating revenues.....	—	—	40	2,101
<b>Effect of change in operating assets and liabilities:</b>				
Accounts receivable, net.....	5,180	38,364	17,529	(387)
Accrued interest.....	—	—	—	3
Due from other funds .....	158	(22,891)	—	—
Inventories.....	—	—	—	(111)
Other assets.....	316	—	4	—
Accounts payable.....	(232)	58	9,916	1,282
Accrued salaries and related expenses.....	(1)	—	4	(84)
Accrued interest payable.....	—	—	—	(51)
Policy claims.....	7,863	(12,330)	—	—
Due to other funds.....	229	241	—	—
Unearned revenues .....	753	(6,145)	(15,423)	—
Compensated absences payable.....	—	38	—	(90)
<b>Net cash provided by (used in) operating activities.....</b>	<b>\$ 3,550</b>	<b>\$ 109,373</b>	<b>\$ 24,342</b>	<b>\$ 5,189</b>

<u>Central Supplies and Equipment</u>	<u>Motor Pool</u>	<u>Pension Adminis- tration</u>	<u>Prison Industries</u>	<u>Other Internal Service</u>	<u>Totals</u>
\$ 878	\$ (99)	\$ 350	\$ (6,786)	\$ (96)	\$ 103,583
1	9,773	216	344	—	17,118
—	62	144	9,636	—	11,983
—	578	—	(2,042)	—	59,222
—	—	13	—	—	16
700	2	—	348	(18)	(21,701)
(697)	(4)	—	447	—	(365)
—	—	—	—	—	320
1	254	(179)	(396)	—	10,704
—	—	43	(75)	(7)	(120)
—	(79)	—	—	—	(130)
—	—	—	—	—	(4,467)
1	(60)	—	(1,040)	(4)	(633)
—	—	—	—	—	(20,815)
—	8	56	25	(12)	25
<b>\$ 884</b>	<b>\$ 10,435</b>	<b>\$ 643</b>	<b>\$ 461</b>	<b>\$ (137)</b>	<b>\$ 154,740</b>



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## Fiduciary Funds

Fiduciary funds include pension and other post-employment benefit trust funds, investment trust funds, private-purpose trust funds, and agency funds. Note 1b in the notes to the financial statements provides definitions of each of these fund types.

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's fiduciary funds:

- Combining Statement of Plan Net Assets—Pension and Other Post-Employment Benefit Trust Funds
- Combining Statement of Changes in Plan Net Assets—Pension and Other Post-Employment Benefit Trust Funds
- Combining Statement of Fiduciary Net Assets—Private-Purpose Trust Funds
- Combining Statement of Changes in Fiduciary Net Assets—Private-Purpose Trust Funds
- Combining Statement of Fiduciary Net Assets—Agency Funds
- Combining Statement of Changes in Assets and Liabilities—Agency Funds

The State maintains only one investment trust fund, so no combining statements are necessary for that fund type. The paragraphs below describe all other individual fiduciary funds that the State uses.

### a. Pension and Other Post-Employment Benefit Trust Funds

*South Carolina Retirement System.* This is a multiple-employer pension system that benefits employees of the State, public schools, and political subdivisions of the State.

*Police Officers' Retirement System.* This is a multiple-employer pension system that benefits police officers and fire fighters employed by the State or its political subdivisions.

*General Assembly Retirement System.* This is a single-employer pension system that benefits members of the South Carolina General Assembly.

*Judges' and Solicitors' Retirement System.* This is a single-employer pension system that benefits the judges of the State's Supreme Court, Court of Appeals, circuit courts, family courts, and the State's circuit solicitors.

*National Guard Retirement System.* The State administers this single-employer pension system that provides a supplemental retirement benefit to members of the South Carolina National Guard. The State is a nonemployer contributor to the system.

*South Carolina Retiree Health Insurance Trust Fund.* This trust was established to fund the State's cost-sharing multiple employer post-employment health and dental benefit plans.

*Long-term Disability Insurance Trust Fund.* This trust was established to fund the State's cost-sharing multiple employer long-term disability insurance plans.

### b. Private-Purpose Trust Funds

*College Savings Plan Fund.* The Future Scholar 529 College Savings Plan (the Plan), accounted for in this fund, provides participant families a tax-advantaged method of saving for future college costs. A primary objective of both the financial advisor program and the direct program within the Plan is to provide families with flexibility and professional investment management in meeting their college savings objectives.

*Other Private-Purpose Trust Funds.* This fund accounts for monies the State has received as trustee under various trust arrangements that specify how the principal and interest earnings must be used. In each case, all of the principal and income benefit individuals, private organizations, or governments outside the State reporting entity; none of the monies may be used for State purposes. The purposes to which the resources of these funds are dedicated include scholarships, the operation of the equestrian center and activities at the Springdale Race Course (for the exclusive benefit of the Carolina Cup Racing Association, Inc., a private nonprofit corporation), and the decommissioning of a low-level radioactive waste disposal facility on behalf of Chem-Nuclear Systems, Inc., a for-profit corporation.

### c. Agency Funds

*Payroll Clearing Fund.* This fund accounts for employee deductions and contributions for the short period of time between the issuance of payroll checks and payment to the proper recipient.

*Other Agency Funds.* Balances in these funds, aggregated for presentation purposes, represent amounts held for prisoners and patients of State institutions, cash bonds, miscellaneous clearing accounts, and other deposits.

# Combining Statement of Plan Net Assets

## PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS

June 30, 2011

(Expressed in Thousands)

### PENSION TRUST

	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Retirement System
<b>ASSETS</b>					
Cash and cash equivalents.....	\$ 2,571,401	\$ 381,861	\$ 4,565	\$ 15,118	\$ 3,020
Receivables:					
Contributions.....	147,843	16,963	34	684	15
Employer long-term.....	18	8	—	—	—
Accrued interest.....	55,107	7,761	90	308	40
Unsettled investment sales.....	641,058	93,240	960	3,572	461
Other investment receivables.....	21,697	3,139	33	121	16
Total receivables.....	<u>865,723</u>	<u>121,111</u>	<u>1,117</u>	<u>4,685</u>	<u>532</u>
Due from other funds.....	6,988	604	—	92	—
Investments, at fair value:					
Short term securities.....	10,113	1,471	16	56	7
Debt-domestic.....	3,309,873	481,410	4,955	18,445	2,380
Debt-international.....	2,780,555	404,422	4,163	15,495	1,999
Equity-domestic.....	1,808,944	263,105	2,708	10,080	1,301
Equity-international.....	1,075,869	156,482	1,611	5,996	773
Alternatives.....	11,713,707	1,703,719	17,537	65,277	8,422
Financial and other.....	—	—	—	—	—
Total investments.....	<u>20,699,061</u>	<u>3,010,609</u>	<u>30,990</u>	<u>115,349</u>	<u>14,882</u>
Invested securities lending collateral.....	198,711	28,902	298	1,107	143
Capital assets, net.....	2,795	286	8	14	—
Prepaid items.....	924	132	2	4	1
<b>Total assets.....</b>	<b><u>24,345,603</u></b>	<b><u>3,543,505</u></b>	<b><u>36,980</u></b>	<b><u>136,369</u></b>	<b><u>18,578</u></b>
<b>LIABILITIES</b>					
Accounts payable.....	16,059	2,336	24	91	11
Accounts payable—unsettled investment purchases.....	1,161,046	168,870	1,738	6,470	835
Policy claims.....	—	—	—	—	—
Due to other funds.....	41,847	1,583	—	—	—
Deferred retirement benefits.....	363,373	—	—	632	—
Securities lending collateral.....	282,139	41,036	423	1,572	203
Other liabilities.....	86,110	12,147	126	452	63
<b>Total liabilities.....</b>	<b><u>1,950,574</u></b>	<b><u>225,972</u></b>	<b><u>2,311</u></b>	<b><u>9,217</u></b>	<b><u>1,112</u></b>
<b>NET ASSETS</b>					
<b>Held in trust for pension and     other post-employment benefits.....</b>	<b><u>\$ 22,395,029</u></b>	<b><u>\$ 3,317,533</u></b>	<b><u>\$ 34,669</u></b>	<b><u>\$ 127,152</u></b>	<b><u>\$ 17,466</u></b>

<b>OPEB TRUST</b>		
<b>South Carolina Retiree Health Insurance Trust Fund</b>	<b>Long-term Disability Insurance Trust Fund</b>	<b>Totals</b>
\$ 56,825	\$ 3,608	\$ 3,036,398
—	—	165,539
—	—	26
4,778	356	68,440
—	—	739,291
—	—	25,006
<u>4,778</u>	<u>356</u>	<u>998,302</u>
42,880	—	50,564
—	—	11,663
378,319	24,803	4,220,185
—	—	3,206,634
—	—	2,086,138
—	—	1,240,731
—	—	13,508,662
<u>36,959</u>	<u>5,206</u>	<u>42,165</u>
<u>415,278</u>	<u>30,009</u>	<u>24,316,178</u>
2,513	347	232,021
—	—	3,103
—	—	1,063
<u><b>522,274</b></u>	<u><b>34,320</b></u>	<u><b>28,637,629</b></u>
—	—	18,521
—	—	1,338,959
—	203	203
39,273	21	82,724
—	—	364,005
5,877	813	332,063
—	—	98,898
<u><b>45,150</b></u>	<u><b>1,037</b></u>	<u><b>2,235,373</b></u>
<u><b>\$ 477,124</b></u>	<u><b>\$ 33,283</b></u>	<u><b>\$ 26,402,256</b></u>

# Combining Statement of Changes in Plan Net Assets

## PENSION AND OTHER POST-EMPLOYMENT BENEFIT TRUST FUNDS

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

### PENSION TRUST

	South Carolina Retirement System	Police Officers' Retirement System	General Assembly Retirement System	Judges' and Solicitors' Retirement System	National Guard Retirement System
<b>Additions:</b>					
Contributions:					
Employer.....	\$ 809,175	\$ 129,351	\$ 2,414	\$ 8,414	\$ 3,904
Employee.....	562,170	79,334	624	2,209	—
Total contributions.....	1,371,345	208,685	3,038	10,623	3,904
Investment income:					
Interest income and net appreciation in investments.....	3,658,520	528,308	5,778	20,432	2,574
Securities lending income.....	1,167	168	2	6	2
Total investment income.....	3,659,687	528,476	5,780	20,438	2,576
Less investment expense:					
Investment expense.....	61,618	8,945	98	346	43
Securities lending expense.....	—	—	—	—	—
Net investment income.....	3,598,069	519,531	5,682	20,092	2,533
Assets moved between pension trust funds.....	52	1,907	1	193	—
<b>Total additions.....</b>	<b>4,969,466</b>	<b>730,123</b>	<b>8,721</b>	<b>30,908</b>	<b>6,437</b>
<b>Deductions:</b>					
Regular retirement benefits.....	1,977,325	242,872	6,528	14,518	4,011
Supplemental retirement benefits.....	832	37	—	—	—
Deferred retirement benefits.....	155,874	—	—	232	—
Refunds of retirement contributions to members.....	84,591	14,902	57	—	—
Death benefit claims.....	16,485	1,984	58	128	—
Accidental death benefits.....	—	1,534	—	—	—
Other post-employment benefits.....	—	—	—	—	—
Depreciation.....	107	11	—	—	—
Administrative expense.....	18,446	2,632	32	104	13
Assets moved between pension trust funds.....	1,914	92	147	—	—
<b>Total deductions.....</b>	<b>2,255,574</b>	<b>264,064</b>	<b>6,822</b>	<b>14,982</b>	<b>4,024</b>
<b>Change in net assets .....</b>	<b>2,713,892</b>	<b>466,059</b>	<b>1,899</b>	<b>15,926</b>	<b>2,413</b>
<b>Net assets at beginning of year.....</b>	<b>19,681,137</b>	<b>2,851,474</b>	<b>32,770</b>	<b>111,226</b>	<b>15,053</b>
<b>Net assets at end of year.....</b>	<b>\$ 22,395,029</b>	<b>\$ 3,317,533</b>	<b>\$ 34,669</b>	<b>\$ 127,152</b>	<b>\$ 17,466</b>

<b>OPEB TRUST</b>		
<b>South Carolina Retiree Health Insurance Trust Fund</b>	<b>Long-term Disability Insurance Trust Fund</b>	<b>Totals</b>
\$ 302,756	\$ 6,746	\$ 1,262,760
—	—	644,337
<u>302,756</u>	<u>6,746</u>	<u>1,907,097</u>
17,059	917	4,233,588
38	—	1,383
<u>17,097</u>	<u>917</u>	<u>4,234,971</u>
—	—	71,050
6	—	6
<u>17,091</u>	<u>917</u>	<u>4,163,915</u>
—	—	2,153
<b><u>319,847</u></b>	<b><u>7,663</u></b>	<b><u>6,073,165</u></b>
—	—	2,245,254
—	—	869
—	—	156,106
—	—	99,550
—	—	18,655
—	—	1,534
330,162	7,070	337,232
—	—	118
57	—	21,284
—	—	2,153
<b><u>330,219</u></b>	<b><u>7,070</u></b>	<b><u>2,882,755</u></b>
<b>(10,372)</b>	<b>593</b>	<b>3,190,410</b>
<b><u>487,496</u></b>	<b><u>32,690</u></b>	<b><u>23,211,846</u></b>
<b>\$ 477,124</b>	<b>\$ 33,283</b>	<b>\$ 26,402,256</b>

## Combining Statement of Fiduciary Net Assets

### PRIVATE-PURPOSE TRUST FUNDS

June 30, 2011

(Expressed in Thousands)

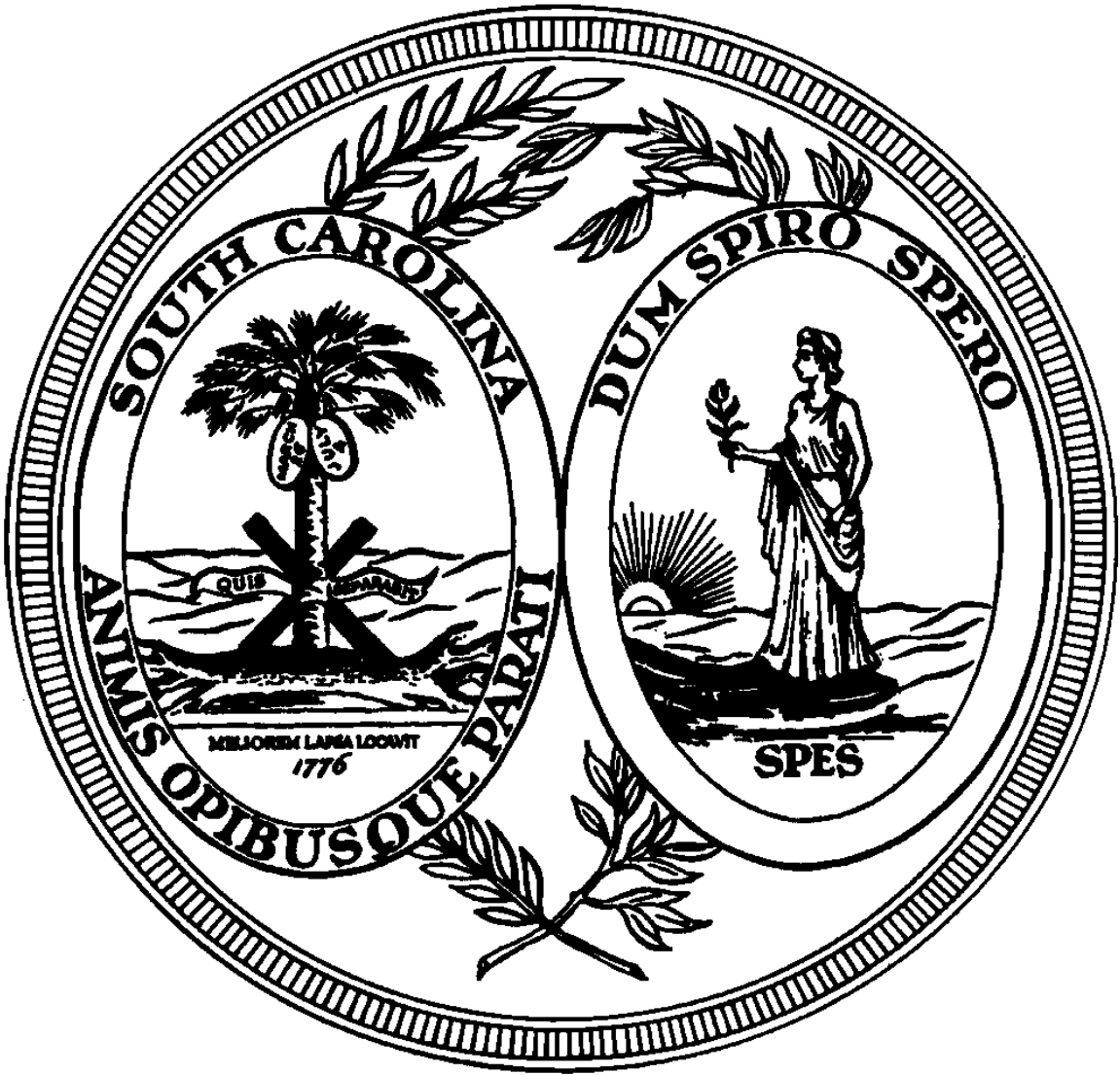
	College Savings Plan	Other Private-Purpose Trust	Totals
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ —	\$ 14,241	\$ 14,241
Receivables, net:			
Accrued interest.....	790	124	914
Unsettled investment sales.....	530	—	530
Investments.....	1,437,890	—	1,437,890
Invested securities lending collateral .....	—	47	47
Other assets.....	—	4,905	4,905
<b>Total assets.....</b>	<b>1,439,210</b>	<b>19,317</b>	<b>1,458,527</b>
<b>LIABILITIES</b>			
Accounts payable.....	1,123	164	1,287
Accounts payable—unsettled investment purchases.....	183	—	183
Securities lending collateral.....	—	110	110
<b>Total liabilities.....</b>	<b>1,306</b>	<b>274</b>	<b>1,580</b>
<b>NET ASSETS</b>			
Held in trust for other purposes.....	<b>\$ 1,437,904</b>	<b>\$ 19,043</b>	<b>\$ 1,456,947</b>

## Combining Statement of Changes in Fiduciary Net Assets

### PRIVATE-PURPOSE TRUST FUNDS

For the Fiscal Year Ended June 30, 2011  
(Expressed in Thousands)

	College Savings Plan	Other Private-Purpose Trust	Totals
<b>Additions:</b>			
Licenses, fees, and permits.....	\$ —	\$ 43	\$ 43
Tuition plan deposits.....	79,773	—	79,773
Contributions.....	—	7	7
Interest income.....	252,932	(37)	252,895
<b>Total additions.....</b>	<b>332,705</b>	<b>13</b>	<b>332,718</b>
<b>Deductions:</b>			
Administrative expense.....	9,089	2,374	11,463
Payments in accordance with trust agreements.....	—	153	153
Other expenses.....	—	80	80
<b>Total deductions.....</b>	<b>9,089</b>	<b>2,607</b>	<b>11,696</b>
<b>Change in net assets.....</b>	<b>323,616</b>	<b>(2,594)</b>	<b>321,022</b>
<b>Net assets at beginning of year .....</b>	<b>1,114,288</b>	<b>21,637</b>	<b>1,135,925</b>
<b>Net assets at end of year.....</b>	<b>\$ 1,437,904</b>	<b>\$ 19,043</b>	<b>\$ 1,456,947</b>





## Combining Statement of Assets and Liabilities

### AGENCY FUNDS

June 30, 2011

(Expressed in Thousands)

	<u>Payroll Clearing</u>	<u>Other Agency</u>	<u>Totals</u>
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 1,572	\$ 226,458	\$ 228,030
Receivables, net:			
Accounts.....	22	2,015	2,037
Accrued interest.....	—	567	567
Taxes.....	—	538	538
Due from other funds.....	43,057	11,738	54,795
Investments.....	—	22,097	22,097
Invested securities lending collateral .....	—	418	418
<b>Total assets.....</b>	<b><u>\$ 44,651</u></b>	<b><u>\$ 263,831</u></b>	<b><u>\$ 308,482</u></b>
<b>LIABILITIES</b>			
Accounts payable.....	\$ 1,623	\$ 11,992	\$ 13,615
Tax refunds payable.....	—	50	50
Intergovernmental payables.....	—	19,888	19,888
Deposits.....	—	3,000	3,000
Amounts held in custody for others.....	43,028	227,920	270,948
Securities lending collateral.....	—	981	981
<b>Total liabilities.....</b>	<b><u>\$ 44,651</u></b>	<b><u>\$ 263,831</u></b>	<b><u>\$ 308,482</u></b>

# Combining Statement of Changes in Assets and Liabilities

## AGENCY FUNDS

For the Fiscal Year Ended June 30, 2011  
(Expressed in Thousands)

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<b>PAYROLL CLEARING</b>				
<b>Assets:</b>				
Cash and cash equivalents.....	\$ 5,903	\$ 1,037,638	\$ 1,041,969	\$ 1,572
Accounts receivable.....	44	22	44	22
Due from other funds.....	50,709	43,057	50,709	43,057
<b>Total assets.....</b>	<b>\$ 56,656</b>	<b>\$ 1,080,717</b>	<b>\$ 1,092,722</b>	<b>\$ 44,651</b>
<b>Liabilities:</b>				
Accounts payable.....	\$ 13,449	\$ 1,623	\$ 13,449	\$ 1,623
Amounts held in custody for others.....	43,207	896,450	896,629	43,028
<b>Total liabilities.....</b>	<b>\$ 56,656</b>	<b>\$ 898,073</b>	<b>\$ 910,078</b>	<b>\$ 44,651</b>
 <b>OTHER AGENCY</b>				
<b>Assets:</b>				
Cash and cash equivalents.....	\$ 225,548	\$ 2,767,876	\$ 2,766,966	\$ 226,458
Accounts receivable.....	2,666	4,067	4,718	2,015
Accrued interest receivable.....	1,222	567	1,222	567
Taxes receivable.....	200	2,421	2,083	538
Due from other funds.....	5,920	24,775	18,957	11,738
Investments.....	29,023	50	6,976	22,097
Invested securities lending collateral.....	9,812	418	9,812	418
<b>Total assets.....</b>	<b>\$ 274,391</b>	<b>\$ 2,800,174</b>	<b>\$ 2,810,734</b>	<b>\$ 263,831</b>
<b>Liabilities:</b>				
Accounts payable.....	\$ 14,779	\$ 22,325	\$ 25,112	\$ 11,992
Tax refunds payable.....	3,363	50	3,363	50
Intergovernmental payables.....	12,913	20,473	13,498	19,888
Deposits.....	3,372	3,000	3,372	3,000
Amounts held in custody for others.....	229,146	2,262,245	2,263,471	227,920
Securities lending collateral.....	10,818	981	10,818	981
<b>Total liabilities.....</b>	<b>\$ 274,391</b>	<b>\$ 2,309,074</b>	<b>\$ 2,319,634</b>	<b>\$ 263,831</b>

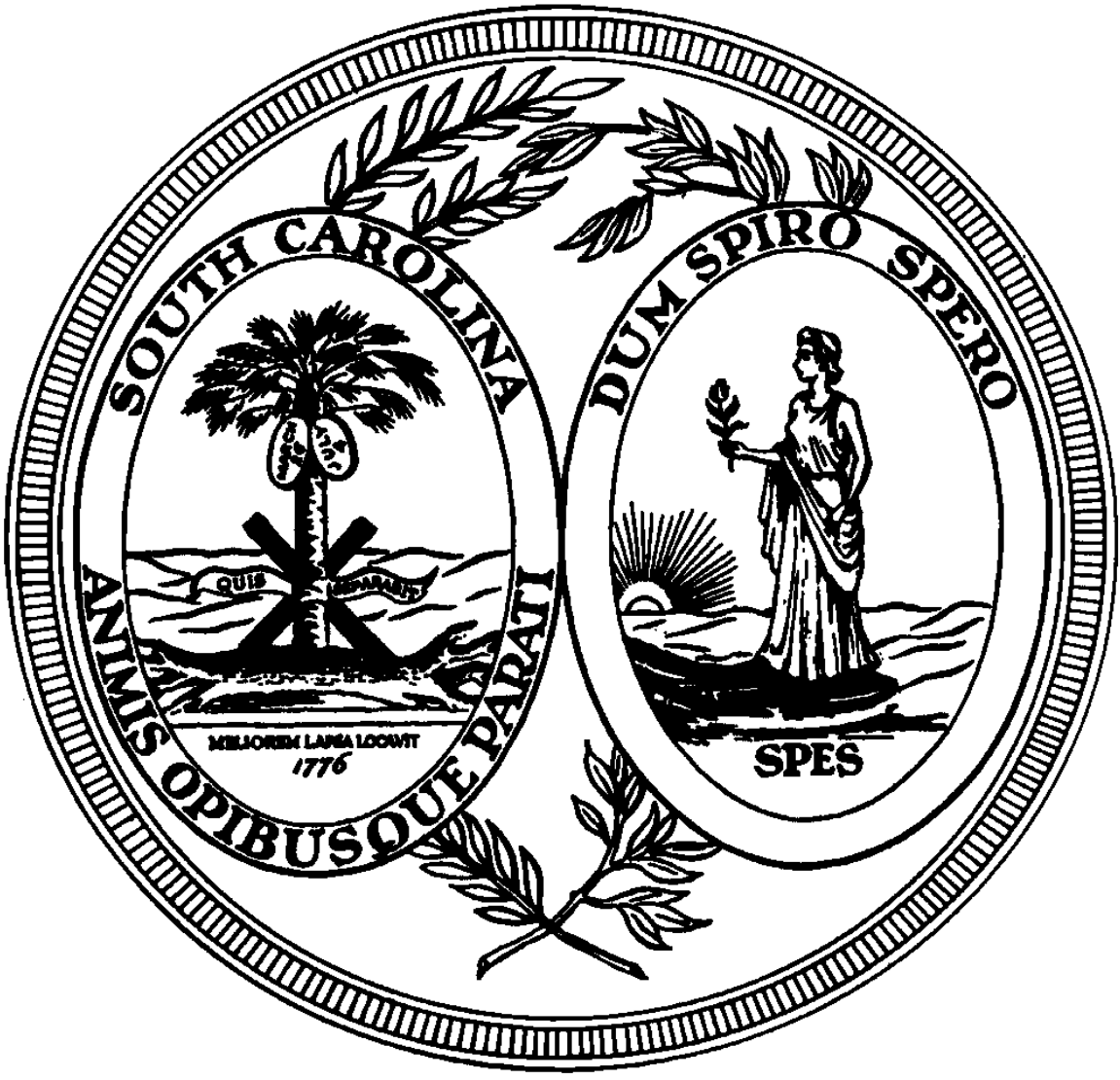
# Combining Statement of Changes in Assets and Liabilities

AGENCY FUNDS (Continued)

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets:</b>				
Cash and cash equivalents.....	\$ 231,451	\$ 3,805,514	\$ 3,808,935	\$ 228,030
Accounts receivable.....	2,710	4,089	4,762	2,037
Accrued interest receivable.....	1,222	567	1,222	567
Taxes receivable.....	200	2,421	2,083	538
Due from other funds.....	56,629	67,832	69,666	54,795
Investments.....	29,023	50	6,976	22,097
Invested securities lending collateral.....	9,812	418	9,812	418
<b>Total assets.....</b>	<b>\$ 331,047</b>	<b>\$ 3,880,891</b>	<b>\$ 3,903,456</b>	<b>\$ 308,482</b>
<b>Liabilities:</b>				
Accounts payable.....	\$ 28,228	\$ 23,948	\$ 38,561	\$ 13,615
Tax refunds payable.....	3,363	50	3,363	50
Intergovernmental payables.....	12,913	20,473	13,498	19,888
Deposits.....	3,372	3,000	3,372	3,000
Amounts held in custody for others.....	272,353	3,158,695	3,160,100	270,948
Securities lending collateral.....	10,818	981	10,818	981
<b>Total liabilities.....</b>	<b>\$ 331,047</b>	<b>\$ 3,207,147</b>	<b>\$ 3,229,712</b>	<b>\$ 308,482</b>



## Discretely Presented Component Units

Note 1a in the notes to the financial statements explains the relationship of component units to the primary government and the differences between blended component units and discretely presented component units. Note 1b in the notes to the financial statements explains that the State has designated four of its discretely presented component units as major component units. Government-wide financial statements for each of the four major component units are included in the basic financial statements (immediately preceding the notes to the financial statements).

This subsection of the Comprehensive Annual Financial Report provides the following supplementary information for the State's nonmajor discretely presented component units:

- Combining Statement of Net Assets—Nonmajor Discretely Presented Component Units
- Combining Statement of Activities—Nonmajor Discretely Presented Component Units
- Balance Sheet—South Carolina First Steps to School Readiness Board of Trustees
- Statement of Revenues, Expenditures, and Changes in Fund Balances—South Carolina First Steps to School Readiness Board of Trustees

The paragraphs below describe the State's nonmajor discretely presented component units:

*The Clemson University Foundation* is a non-profit, tax-exempt public charity that was established to raise and manage private gifts for the advancement and benefit of Clemson University.

*The University of South Carolina Educational Foundation (the Foundation)* is an eleemosynary corporation operating for the benefit and support of the University of South Carolina. The Foundation establishes and implements long-range fund raising programs to assist in the expansion and improvement of the educational functions of the University.

*The South Carolina Medical Malpractice Liability Joint Underwriting Association (the Association)* was established to provide medical malpractice insurance on a self supporting basis. The financial information presented in the accompanying supplemental information is for the Association's fiscal year ended December 31, 2010.

*The South Carolina First Steps to School Readiness Board of Trustees (First Steps)* was established in 1999 as a non-profit, tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code. The corporation was created specifically to carry out the objectives of The South Carolina First Steps to School Readiness Act and to lessen the burdens on government by overseeing the South Carolina First Steps to School Readiness initiative for improving early childhood development.

The State presents fund financial statements for First Steps, a nonmajor discretely presented component unit, because that organization does not issue separately audited financial statements of its own. First Steps uses accounting principles that apply to special revenue funds. As such, it uses the current financial resources measurement focus and the modified accrual basis of accounting.

*The Children's Trust Fund of South Carolina, Inc. (the Fund)* is a non-profit, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Fund's purpose is to stimulate innovative prevention and treatment programming to meet critical needs of South Carolina's children by awarding grants to private non-profit organizations. The financial information presented in the accompanying supplemental information is for the Fund's fiscal year ended September 30, 2010.

# Combining Statement of Net Assets

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2011

(Expressed in Thousands)

	Clemson University Foundation	University of South Carolina Educational Foundation	South Carolina Medical Liability Joint Underwriting Association	South Carolina First Steps to School Readiness Board of Trustees	Children's Trust Fund of S.C., Inc.	Totals
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents.....	\$ 1,584	\$ 4,813	\$ 10,147	\$ 2,630	\$ 113	\$ 19,287
Investments.....	—	10,746	53,599	—	869	65,214
Invested securities lending collateral.....	—	—	—	5	—	5
Receivables, net						
Accounts .....	376	261	2,543	—	18	3,198
Contributions .....	5,292	467	—	—	3	5,762
Accrued interest .....	—	—	493	23	—	516
Loans and notes .....	—	25	—	—	—	25
Due from Federal government and other grantors..	—	—	—	—	309	309
Restricted assets:						
Cash and cash equivalents.....	22,738	—	—	—	—	22,738
Prepaid items.....	—	—	—	—	16	16
Other current assets.....	177	—	108	—	—	285
Deferred charges.....	—	—	1,219	—	—	1,219
Total current assets.....	<u>30,167</u>	<u>16,312</u>	<u>68,109</u>	<u>2,658</u>	<u>1,328</u>	<u>118,574</u>
Long-term assets:						
Investments.....	455,651	296,040	—	—	—	751,691
Receivables, net:						
Accounts.....	1,667	2,102	—	—	—	3,769
Contributions.....	21,532	15,754	—	—	—	37,286
Loans and notes.....	—	30	—	—	—	30
Other long-term assets.....	12	—	—	—	19	31
Non-depreciable capital assets.....	8,971	—	—	—	—	8,971
Depreciable capital assets, net.....	<u>622</u>	<u>26</u>	<u>27</u>	<u>2</u>	<u>1</u>	<u>678</u>
Total long-term assets.....	<u>488,455</u>	<u>313,952</u>	<u>27</u>	<u>2</u>	<u>20</u>	<u>802,456</u>
<b>Total assets.....</b>	<b><u>518,622</u></b>	<b><u>330,264</u></b>	<b><u>68,136</u></b>	<b><u>2,660</u></b>	<b><u>1,348</u></b>	<b><u>921,030</u></b>

# Combining Statement of Net Assets

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS (Continued)

June 30, 2011

(Expressed in Thousands)

	<u>Clemson University Foundation</u>	<u>University of South Carolina Educational Foundation</u>	<u>South Carolina Medical Liability Joint Underwriting Association</u>	<u>South Carolina First Steps to School Readiness Board of Trustees</u>	<u>Children's Trust Fund of S.C., Inc.</u>	<u>Totals</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable.....	\$ 140	\$ 1,191	\$ 470	\$ 112	\$ 137	\$ 2,050
Accrued salaries and related expenses.....	—	—	—	51	—	51
Intergovernmental payables.....	—	—	—	—	20	20
Policy claims.....	—	—	26,000	—	—	26,000
Due to primary government.....	137,803	23,391	—	20	—	161,214
Unearned revenues and deferred credits.....	—	—	13,036	—	8	13,044
Amounts held in custody for others.....	359	—	—	—	—	359
Securities lending collateral.....	—	—	—	11	—	11
Accounts payable from restricted assets.....	470	—	—	—	—	470
Notes payable.....	—	22	—	—	—	22
Compensated absences payable.....	—	—	—	59	—	59
Other current liabilities.....	—	442	—	—	4	446
<b>Total current liabilities.....</b>	<b>138,772</b>	<b>25,046</b>	<b>39,506</b>	<b>253</b>	<b>169</b>	<b>203,746</b>
Long-term liabilities:						
Policy claims.....	—	—	114,434	—	—	114,434
Amounts held in custody for others.....	2,448	—	74	—	—	2,522
Compensated absences payable.....	—	—	—	59	24	83
Other long-term liabilities.....	5,832	2,724	—	—	—	8,556
<b>Total long-term liabilities.....</b>	<b>8,280</b>	<b>2,724</b>	<b>114,508</b>	<b>59</b>	<b>24</b>	<b>125,595</b>
<b>Total liabilities.....</b>	<b>147,052</b>	<b>27,770</b>	<b>154,014</b>	<b>312</b>	<b>193</b>	<b>329,341</b>
<b>NET ASSETS (DEFICIT)</b>						
Invested in capital assets, net of related debt.....	9,593	26	27	2	1	9,649
Restricted:						
Expendable:						
Education.....	133,728	98,630	—	215	—	232,573
Other.....	—	—	2,177	—	—	2,177
Nonexpendable, education.....	209,766	170,348	—	—	—	380,114
Unrestricted.....	18,483	33,490	(88,082)	2,131	1,154	(32,824)
<b>Total net assets (deficit).....</b>	<b>\$ 371,570</b>	<b>\$ 302,494</b>	<b>\$ (85,878)</b>	<b>\$ 2,348</b>	<b>\$ 1,155</b>	<b>\$ 591,689</b>

## Combining Statement of Activities

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS

For the Fiscal Year Ended June 30, 2011

(Expressed in Thousands)

	Expenses	Program Revenues		Net Revenue (Expense)
		Charges for Services	Operating Grants and Contributions	
Clemson University Foundation.....	\$ 20,577	\$ —	\$ 88,477	\$ 67,900
University of South Carolina Educational Foundation.....	22,517	—	76,525	54,008
South Carolina Medical Malpractice Liability Joint Underwriting Association.....	14,540	26,236	3,495	15,191
South Carolina First Steps to School Readiness Board of Trustees.....	13,083	—	12,764	(319)
Children's Trust Fund of S.C., Inc.....	2,371	—	2,411	40
<b>Totals.....</b>	<b>\$ 73,088</b>	<b>\$ 26,236</b>	<b>\$ 183,672</b>	<b>\$ 136,820</b>



<u>Net Assets (Deficit)</u> <u>Beginning of Year</u>	<u>Net Assets (Deficit)</u> <u>End of Year</u>
\$ 303,670	\$ 371,570
248,486	302,494
(101,069)	(85,878)
2,667	2,348
1,115	1,155
<b>\$ 454,869</b>	<b>\$ 591,689</b>

## Balance Sheet

SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS  
BOARD OF TRUSTEES

June 30, 2011

(Expressed in Thousands)

### ASSETS

Cash and cash equivalents.....	\$	2,630
Invested securities lending collateral.....		5
Accrued interest receivable.....		23
<b>Total assets.....</b>	<b>\$</b>	<b>2,658</b>

### LIABILITIES AND FUND BALANCE

#### Liabilities:

Accounts payable.....	\$	112
Accrued salaries and related expenditures.....		51
Due to primary government.....		20
Securities lending collateral.....		11
<b>Total liabilities.....</b>		<b>194</b>

#### Fund Balance:

Restricted for education.....		215
Assigned for education.....		2,249
<b>Total fund balance.....</b>		<b>2,464</b>
<b>Total liabilities and fund balance.....</b>	<b>\$</b>	<b>2,658</b>

### Reconciliation of the Balance Sheet to the Combining Statement of Net Assets Nonmajor Discretely Presented Component Units

**Total fund balance .....** **\$ 2,464**

Amounts reported for First Steps in the Combining Statement of  
Net Assets are different because:

Capital assets used in governmental activities are not financial  
resources and therefore are not reported in the Balance  
Sheet. These assets consist of:

Capital assets.....	\$	25
Accumulated depreciation.....		(23)
<b>Total capital assets.....</b>		<b>2</b>

Compensated absences payable are not due and payable  
in the current period and therefore are not reported in the  
Balance Sheet.....

(118)

**Net assets .....** **\$ 2,348**

**Statement of Revenues, Expenditures,  
and Changes in Fund Balance**

SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS  
BOARD OF TRUSTEES

**For the Fiscal Year Ended June 30, 2011**  
**(Expressed in Thousands)**

<b>Revenues:</b>	
Interest and other investment income.....	\$ 137
State operating grants and contracts.....	12,097
Contributions.....	<u>530</u>
<b>Total revenues.....</b>	<b><u>12,764</u></b>
<b>Expenditures:</b>	
Current: Education.....	6,988
Intergovernmental .....	<u>6,079</u>
<b>Total expenditures.....</b>	<b><u>13,067</u></b>
<b>Excess of expenditures over revenues.....</b>	<b>(303)</b>
<b>Fund balance at beginning of year.....</b>	<b><u>2,767</u></b>
<b>Fund balance at end of year.....</b>	<b><u><u>\$ 2,464</u></u></b>

**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balance to the Combining Statement of Activities**  
**Nonmajor Discretely Presented Component Units**

<b>Net change in fund balance .....</b>	<b>\$ (303)</b>
Amounts reported for First Steps in the Combining Statement of Activities are different because:	
Compensated absences expenses reported in the Combining Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental fund. Increase in compensated absences payable.....	
	<u>(16)</u>
<b>Change in net assets.....</b>	<b><u><u>\$ (319)</u></u></b>