Audit of the Statement of Financial Affairs of the General Assembly of the Commonwealth of Pennsylvania

The Legislative Audit Advisory Commission
of the Commonwealth of Pennsylvania
Fiscal Year Ended June 30, 2009
With Report of Independent Auditors

0907-1072987-PH

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs

Fiscal Year Ended June 30, 2009

Contents

Report of Independent Auditors....1

Statement of Financial Affairs of the General Assembly....3
Notes to the Financial Statement....8

Supplemental Schedule

Schedule of Disbursements by Category....18

Ernst & Young LLP
Two Commerce Square
Suite 4000
2001 Market Street
Philadelphia, Pennsylvania 19103-7096

Tel: + 1 215 448 5000
Fax: + 1 215 448 4069
www.ey.com

Report of Independent Auditors

The Legislative Audit Advisory Commission of the
Commonwealth of Pennsylvania

We have audited the accompanying statement of financial affairs of the General Assembly for the fiscal year ended June 30, 2009. This financial statement is the responsibility of the General Assembly's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. We were not engaged to perform an audit of the General Assembly's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the General Assembly's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The statement of financial affairs of the General Assembly presents a summary of the financial transactions of the General Assembly incurred in the conduct of its financial affairs, on the budgetary basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States, as described in Note 1, and does not present transactions that would be included in financial statements presented on the accrual basis of accounting, as contemplated by accounting principles generally accepted in the United States. Accordingly, the accompanying statement is not intended to present financial position or changes in financial position in conformity with accounting principles generally accepted in the United States.

In our opinion, the statement referred to above presents fairly, in all material respects, the appropriations, disbursements, commitments and available balances of the General Assembly for the fiscal year ended June 30, 2009, on the basis of accounting as described in Note 1.

A member firm of Ernst & Young Global Limited

Our audit was conducted for the purpose of forming an opinion on the statement of financial affairs taken as a whole. The schedule of disbursements by category is presented for purposes of additional analysis and is not a required part of the statement of financial affairs. Such information has been subjected to the auditing procedures applied in our audit of the statement of financial affairs and, in our opinion, is fairly stated in all material respects in relation to the statement of financial affairs taken as whole.

Ernst & Young LLP

December 18, 2009

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs of the General Assembly

Fiscal Year Ended June 30, 2009

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Total Commitments	Appropriation Balance (Deficit) After Commitments
Senate						
Chief Clerk:						
W. Russell Faber	Salaries of 50 Senators	$ 5,626,000	$ 2,941,877	$ 5,615,849	$ 73,886	$ 2,878,142
	Salaries of service employees	9,883,000	2,134,358	8,629,717	349,503	3,038,138
	Salaries and wages of employees of the Chief Clerk	2,750,000	1,342,730	2,520,233	4,692	1,567,805
	Incidental expenses	3,184,000	3,094,148	2,222,657	161,670	3,893,821
	Senators' expenses	1,312,000	2,198,362	1,106,808	97,861	2,305,693
	Postage for Chief Clerk and Legislative Journal	1,446,000	1,737,481	970,669	110,356	2,102,456
	Legislative printing and expenses	15,187,000	32,380,584	12,427,161	8,369,568	26,770,855
	Pennsylvania and national flags for residents	24,000	40,476	32,050	776	31,650
President:						
Catherine Baker Knoll (1)	Salaries of employees of the President of the Senate	336,000	16,267	243,421	9,935	98,911
Joseph B. Scarnati III (2)	Contingent expenses	5,000	27	4,149	–	878
Floor Leader (D):						
Robert J. Mellow	Computer services (D)	3,000,000	754,974	3,288,239	70,068	396,667
	Caucus operations (D)	27,602,500	19,837,694	24,013,493	1,119,272	22,307,429
	Committee and contingent expenses (D)	324,500	502,138	207,407	12,609	606,622
Floor Leader (R):						
Dominic Pileggi	Computer services (R)	3,000,000	1,063,399	3,645,468	131,453	286,478
	Caucus operations (R)	27,602,500	15,479,012	29,910,511	1,087,770	12,083,231
	Committee and contingent expenses (R)	324,500	432,311	198,633	9,894	548,284
Chairman – Appropriations Committee (D):						
Gerald J. LaValle (1)	Committee on Appropriations (D)	100,000	1,017,174	1,079,573	1,909	35,692
Jay Costa (2)						
Chairman – Appropriations Committee (R):						
Gibson E. Armstrong (1)	Committee on Appropriations (R)	100,000	1,349,894	1,407,645	755	41,494
Jake Corman (2)						
President Pro Tempore:						
Joseph B. Scarnati, III	Contingent expenses	20,000	18,522	12,178	787	25,557
		101,827,000	86,341,428	97,535,861	11,612,764	79,019,803

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2009

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Total Commitments	Appropriation Balance (Deficit) After Commitments
House of Representatives						
Chief Clerk:						
Roger Nick	Salaries of Representatives	$ 18,972,000	$ 2,290,933	$ 18,782,798	$ 278,749	$ 2,201,386
	Salaries of Bipartisan Management Committee, Chief Clerk and Comptroller	12,647,000	2,257,812	13,115,891	244,684	1,544,237
	Mileage of Representatives, officers and employees	395,000	84,359	390,419	38,655	50,285
	Postage for Chief Clerk and Legislative Journal	2,961,000	3,833,103	4,903,708	11,685	1,878,710
	Contingent expenses	633,000	790,927	443,253	11,784	968,890
	Incidental expenses	8,730,000	2,323,658	7,885,414	562,819	2,605,425
	Representatives' expenses	5,066,000	4,692,997	5,868,716	164,318	3,725,963
	Information technology	–	6,958,352	6,958,352	–	–
	Information technology (D)	6,909,000	–	1,538,978	145,694	5,224,328
	Information technology (R)	6,909,000	–	2,200,631	649,127	4,059,242
	Legislative printing and expenses	17,471,000	3,251,706	17,631,019	14,451,851	(11,360,164)
	National Legislative Conference	520,000	1,320,146	1,118,238	1,781	720,127
	School for new members	15,000	38,025	38,026	–	14,999
	Pennsylvania and national flags for residents	24,000	28,297	19,533	(875)	33,639
Speaker:						
Dennis M. O'Brien (1)						
Keith R. McCall (2)	Salaries of Speaker's office	1,918,000	1,288,609	1,539,294	59,794	1,607,521
	Contingent expenses	20,000	10,456	25,281	–	5,175
Floor Leader (D):						
H. William DeWeese (1)	Special Leadership Account (D)	10,871,000	14,446,856	10,908,258	265,411	14,144,187
Todd Eachus (2)	Legislative Management Committee (D)	20,389,000	12,795,713	19,391,474	632,695	13,160,544
	Salaries of House employees (D)	19,962,000	6,988,962	25,631,048	717,360	602,554
	Contingent expenses	7,000	26,046	3,331	–	29,715
Floor Leader (R):						
Samuel H. Smith	Special Leadership Account (R)	8,965,000	21,577,484	18,343,541	245,653	11,953,290
	Legislative Management Committee (R)	20,389,000	4,899,515	20,147,255	508,379	4,632,881
	Salaries of House employees (R)	16,014,000	3,780,147	14,995,085	527,108	4,271,954
	Contingent expenses	7,000	6,428	294	–	13,134

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2009

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Total Commitments	Appropriation Balance (Deficit) After Commitments
House of Representatives (continued)						
Chairman – Appropriations Committee (D):						
Dwight Evans	Committee on Appropriations (D)	$ 5,655,000	$ 15,479,925	$ 3,793,430	$ 19,963	$ 17,321,532
	Contingent expenses	6,000	4,311	7,299	–	3,012
Chairman – Appropriations Committee (R):						
Mario J. Civera, Jr.	Committee on Appropriations (R)	5,655,000	10,385,845	3,628,004	21,997	12,390,844
	Contingent expenses	6,000	38,815	382	–	44,433
Whip (D):						
Keith R. McCall (1)	Contingent expenses	6,000	3,008	2,629	–	6,379
H. William Deweese (2)						
Whip (R):						
David G. Argall (1)	Contingent expenses	6,000	4,464	2,420	–	8,044
Mike Turzai (2)						
Caucus Chairman (D):						
Mark B. Cohen	Contingent expenses	3,000	2,630	2,977	–	2,653
Caucus Chairman (R):						
Sandra Major	Contingent expenses	3,000	5,884	2,018	–	6,866
Caucus Secretary (D):						
Frank Dermody (1)	Contingent expenses	3,000	5,825	1,550	–	7,275
Jennifer Mann (2)						
Caucus Secretary (R):						
Jerry Stern	Contingent expenses	3,000	2,894	608	–	5,286
Chairman – Policy Committee (D):						
Todd A. Eachus (1)	Contingent expenses	2,000	3,511	2,226	–	3,285
P. Michael Sturla (2)						
Chairman – Policy Committee (R):						
Mike Turzai (1)	Contingent expenses	2,000	2,559	2,067	–	2,492
Stan Saylor (2)						
Caucus Administrator (D):						
Dan A. Surra (1)	Contingent expenses	2,000	3,968	1,000	–	4,968
Ron Buxton (2)						
Caucus Administrator (R):						
Merle H. Phillips	Contingent expenses	2,000	2,375	3,385	–	990

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2009

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Total Commitments	Appropriation Balance (Deficit) After Commitments
House of Representatives (continued)						
Staff Administrator (D):						
Patti Lees	Contingent expenses	$ 20,000	$ 38,300	$ 14,051	$ –	$ 44,249
Staff Administrator (R):						
Anthony Aliano	Contingent expenses	20,000	88,567	13,594	–	94,973
		191,188,000	119,763,412	199,357,477	19,558,632	92,035,303
Legislative service agencies and miscellaneous appropriations						
Legislative Reference Bureau:						
Robert W. Zech, Director	Salaries, wages and expenses	7,499,000	6,937,618	7,286,566	50,669	7,099,383
	Contingent expenses	20,000	71,517	8,173	–	83,344
	Printing of Pennsylvania Bulletin and Pennsylvania Code	785,000	564,008	882,147	–	466,861
	New drafting system	–	5,235,581	978,021	–	4,257,560
Legislative Budget and Finance Committee:						
John R. Pippy, Chairman						
Philip R. Durgin, Executive Director	Salaries, wages and expenses	2,221,000	3,282,154	2,262,653	38,384	3,202,117
Legislative Data Processing Committee:						
Kathy Sullivan, Executive Director	Salaries, wages and expenses	3,702,000	3,981,371	4,390,126	179,922	3,113,323
Joint State Government Commission:						
Roger A. Madigan, Chairman (1)						
Florindo J. Fabrizio, Chairman (2)						
David L. Hostetter, Executive Director	Salaries, wages and expenses	1,772,000	1,007,680	2,093,372	75,819	610,489
Local Government Commission:						
Robert D. Robbins, Chairman	Salaries, wages and expenses	1,344,000	291,421	1,187,376	472,185	(24,140)
Michael P. Gasbarre, Executive Director	Local government codes	28,000	173,372	112,645	–	88,727
Legislative Air and Water Pollution Control Commission:						
Scott E. Hutchinson, Chairman						
Craig D. Brooks, Executive Director	Salaries, wages and expenses	492,000	468,318	474,569	40,204	445,545
Legislative Audit Advisory Commission:						
Josh Shapiro, Chairman	Salaries, wages and expenses	176,000	219,744	227,850	–	167,894
Legislative Office for Research Liaison:						
James R. Roebuck, Jr. Chairman						
Dr. Michael King, Executive Director	Miscellaneous expenses	776,000	64,855	731,010	11,258	98,587
Independent Regulatory Review Commission:						
Kim Kaufman, Executive Director	Salaries, wages and expenses	2,123,000	1,152,350	2,347,162	81,339	846,849

General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2009

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Total Commitments	Appropriation Balance (Deficit) After Commitments
Legislative service agencies and miscellaneous appropriations (continued)						
Capitol Preservation Committee:						
Paul I. Clymer, Chairman	Capitol Renovation Committee	$ 888,000	$ 667,302	$ 892,471	$ 21,283	$ 641,548
	Restoration of the Capitol	4,096,000	7,526,716	4,023,678	(72,272)	7,671,310
	Restoration of North Office hearing rooms	–	128,787	–	–	128,787
	Biographical Dictionary	194,000	–	194,000	–	–
	Rare Books Conservation	395,000	–	395,000	–	–
	Flag Conservation	59,000	190,997	50,204	1,253	198,540
Council of State Government/Eastern Regional Conference – Annual Meeting and Regional Policy Forum:						
W. Russell Faber, Chief Clerk of the Senate						
Roger Nick, Chief Clerk of the House of Representatives	Miscellaneous expenses	1,049,000	227,634	638,096	–	638,538
Pennsylvania Legislative Policy Database:						
W. Russell Faber, Chief Clerk of the Senate						
Roger Nick, Chief Clerk of the House of Representatives	Miscellaneous expenses	217,000	110,000	110,000	–	217,000
Commonwealth Mail Processing Center:						
W. Russell Faber, Chief Clerk of the Senate	Miscellaneous expenses	1,283,000	374	826,596	3,422	453,356
		29,119,000	32,301,799	30,111,715	903,466	30,405,618
		$ 322,134,000	$ 238,406,639	$ 327,005,053	$ 32,074,862	$ 201,460,724

(1) Beginning of the fiscal year
(2) End of the fiscal year

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement

June 30, 2009

1. Basis of Presentation

The General Assembly of the Commonwealth of Pennsylvania prepares its financial statement on the budgetary basis of accounting, which is essentially a cash basis modified for appropriations and certain commitments as discussed in Note 9. Accordingly, the accompanying financial statement is not intended to present changes in net assets in conformity with accounting principles generally accepted in the United States.

2. Appropriations

Act 38-A of 2008 (2008 General Appropriations Act), which became effective July 1, 2008, specifies the amounts of monies appropriated to the various legislative departments and agencies of the General Assembly for the payment of the salaries, wages, and other costs and expenses incurred in the conduct of their activities, and for the purposes set forth in the Act, or other acts, for the fiscal year ended June 30, 2009. The Act provides that the monies so appropriated are to be used for the payment of costs and expenses incurred during the fiscal year ended June 30, 2009, and for payment of those costs and expenses remaining unpaid at the close of the preceding fiscal year. The Act also provides that the monies so appropriated shall be continuing appropriations.

3. Disbursements

The monies appropriated to the legislative departments and agencies of the General Assembly are disbursed by two methods.

Disbursements are made primarily by using the voucher transmittal method under which the department or agency must prepare and submit to the State Treasury a voucher transmittal form requesting payment to the payees shown and in the amounts listed on the transmittal. The department or agency includes all necessary bills, invoices, or other supporting documents with the voucher transmittal to enable the State Treasury to approve the request for payment and prepare the checks payable to the payees listed.

The remaining disbursements are made by using the advance appropriation method. Under this method, the department or agency requests the State Treasury to prepare a check payable to an officer or an employee of the department or agency in an amount specified on an advancement transmittal form submitted to the State Treasury. The checks are deposited in, and the bills are paid from, a checking account opened in a commercial bank by the officer or employee. Under this method, the legislative department or agency obtains the funds appropriated to it prior to the

3. Disbursements (continued)

payment of the costs and expenses incurred. The Act mentioned in Note 2 generally provides that any department or agency that receives monies under an advance appropriation must maintain in its files an accounting of the disbursement of such funds, together with supporting documents. The advance appropriation method is used for the following disbursements:

Senate
Incidental expenses

House of Representatives
Legislative Management Committee (R) and (D)
Special Leadership Account (R) and (D)
Committee on Appropriations (R) and (D)
Contingent expenses

Legislative Reference Bureau
Contingent expenses

Capitol Preservation Committee
Capitol Renovation Committee

Current-year budgetary disbursements as presented in the statement of financial affairs of the General Assembly have been adjusted by immaterial amounts for changes in voucher timing differences (i.e., processed prior to the fiscal year-end, but paid subsequent to the fiscal year-end) and changes in leadership advancement account cash balances at the end of the fiscal year, which are maintained in conventional checking accounts.

4. The Accounting and Operations Manual of the General Assembly, Senate Financial Operating Rules and the Accounting and Operations Manual of the House of Representatives

The financial affairs of the General Assembly and the related service agencies comprise primarily the receipts and disbursements of monies appropriated to them in the annual appropriations acts and amendments thereto. In the appropriations acts, the descriptions of the purposes for which the monies are appropriated vary from specific to very general. As a result, the General Assembly and the related service agencies have supplemented the appropriations acts with rules and manuals containing more specific detail about the purposes for which appropriated monies could be disbursed and descriptions of the type and manner of documentation of such disbursements.

4. The Accounting and Operations Manual of the General Assembly, Senate Financial Operating Rules and the Accounting and Operations Manual of the House of Representatives (continued)

The Accounting and Operations Manual of the General Assembly was adopted by the rules committees of both the Senate and the House of Representatives. The Accounting and Operations Manual of the General Assembly incorporates applicable statutory provisions and sets forth the purposes for which appropriated funds can be expended. It also contains standards of documentation for disbursements and descriptions of the record-keeping procedures to be used in preparing and maintaining an accounting record of the disbursement of the appropriated funds. For fiscal years ended through June 30, 1979, the Accounting and Operations Manual of the General Assembly was amended as necessary to reflect changes in applicable aspects of the annual appropriations acts, other acts and the rules of both the Senate and the House of Representatives.

The Senate Financial Operating Rules governing disbursements, adopted in June 1979 and updated periodically, had the effect of superseding the provisions of the Accounting and Operations Manual of the General Assembly. Accordingly, the Senate Financial Operating Rules became the primary standard governing the Senate's financial affairs and by which compliance must be determined during the independent auditors' post-disbursement audit examination. The House of Representatives adopted an amended Accounting and Operations Manual of the House of Representatives on January 5, 2001, from which date the corresponding standards for the conduct and examination of the financial affairs of the House of Representatives are provided by the Accounting and Operations Manual of the House of Representatives, as amended. The corresponding standards for the conduct and examination of the financial affairs of the various legislative service agencies, bureaus, committees and commissions continue to be provided by the Accounting and Operations Manual of the General Assembly, as amended.

5. Available from Prior Year(s)

The General Appropriations Acts of 1977-2008 and amendments thereto provide that appropriations to the various legislative departments and agencies of the General Assembly are continuing appropriations. Therefore, appropriations unexpended at the end of an appropriation period are available in the subsequent appropriation period.

6. Appropriation Adjustments

Act 2-A of 2006 (2006 General Appropriations Act) was the original bill enacting legislative appropriations for the 2006-2007 appropriation year. On December 17, 2008, Expenditure Symbol Notification Number 08-144 adjusted the original 2006 General Appropriations Act as follows:

Purpose of Appropriation	Increasing/ Decreasing Adjustment
Senate:	
Committee on Appropriations (R)	$ (1,749,867)
Committee on Appropriations (D)	(228,567)
Legislative Printing Expenses	(10,250,000)
Computer Services (D)	(2,386,237)

The "available from prior years(s)" balances have been increased/decreased to reflect the above appropriation adjustment as a result of Expenditure Symbol Notification Number 08-144.

Act 8-A of 2007 (2007 General Appropriations Act) was the original bill enacting legislative appropriations for the 2007-2008 appropriation year. On July 4, 2008 and December 17, 2008, Expenditure Symbol Notification Number 08-090 and 08-144, respectively, adjusted the original 2007 General Appropriations Act as follows:

Purpose of Appropriation	Increasing/ Decreasing Adjustment
House:	
Legislative printing and expenses	$ 529,000
Senate:	
Employees of the Chief Clerk	(199,988)
Committee on Appropriations (R)	(3,189,890)
Committee on Appropriations (D)	(2,134,505)
Computer Services (D)	(3,134,367)
Computer Services (R)	(2,056,499)
Caucus Operations (D)	12,733,671
Caucus Operations (R)	12,596,249

6. Appropriation Adjustments (continued)

The "available from prior years(s)" balances have been increased/decreased to reflect the above appropriation adjustment as a result of Expenditure Symbol Notification Number 08-090 and 08-144, respectively.

Act 38-A of 2008 (2008 General Appropriations Act) was the original bill enacting legislative appropriations for the 2008-2009 appropriation year. On December 17, 2008, Expenditure Symbol Notification Number 08-144 adjusted the original 2008 General Appropriations Act as follows:

Purpose of Appropriation	Increasing/ Decreasing Adjustment
Senate:	
Employees of the Chief Clerk	$(3,172,000)
Committee on Appropriations (R)	(4,736,500)
Committee on Appropriations (D)	(4,736,500)
Legislative Printing and Expenses	(1,000,000)
Computer Services (D)	(2,280,500)
Computer Services (R)	(2,280,500)
Salaried Officers and Employees	1,000,000
Caucus Operations (D)	8,603,000
Caucus Operations (R)	8,603,000

The "total appropriation" balances have been increased/decreased to reflect the above appropriation adjustment as a result of Expenditure Symbol Notification Number 08-144.

7. Appropriation Transfers

Act 38-A of 2008 (2008 General Appropriations Act) allowed the Bipartisan Management Committee of the House of Representatives and the Committee on Management Operations of the Senate to transfer funds between appropriations made in this Act or any other fiscal year for the House of Representatives and Senate, respectively, remaining unexpended and unencumbered as of the effective date of this Act as each committee deemed necessary. Such power to transfer appropriations was limited to the fiscal year ended June 30, 2009.

7. Appropriation Transfers (continued)

All appropriation transfers that occurred during the fiscal year ended June 30, 2009, are recorded as a disbursement in the "Disbursed" amount for the respective transferring appropriation, and as a reduction of disbursements in the "Disbursed" amount for the respective appropriation to which the funds were transferred.

8. Other Available Funds

In addition to the appropriations using the advancement method of disbursement, the Senate and the House of Representatives also maintain conventional checking accounts for the payment of certain member and employee benefits. Funds are disbursed from various appropriations for deposit into these accounts and payment of the benefit expenses.

The following table summarizes the activity for each account for the fiscal year ended June 30, 2009:

	Funds Available from Prior Year	Net Current-Year Activity	Funds Available at June 30 2009
Senate Benefits Account	$ 1,058,772	$(588,514)	$ 470,258
House Benefits Account	5,814,600	(777,174)	5,037,426

The net current-year activity represents the difference between deposits from other appropriations and health insurance rebates received and disbursements made for benefits. The funds available from prior year and at June 30, 2009, for the Senate Benefits Account and House Benefits Account, represent the respective ending balances in the conventional checking accounts. These funds are available for payment of benefits but are not reflected in the statement of financial affairs. The disbursements from the appropriations for deposit in these accounts are reflected in the "Disbursed" amount for the respective appropriations in the statement of financial affairs.

The Senate and House Benefits Accounts have made disbursements of $1,511,845 and $219,176, respectively, for benefit costs incurred as of June 30, 2009, for which payment was made subsequent to June 30, 2009.

8. Other Available Funds (continued)

In addition to the above mentioned benefits accounts, the Senate and House have other funds available that are not included in the statement of financial affairs. On March 7, 2008, Expenditure Symbol Notification Number 08-020 established a Local Services Tax appropriation for both the Senate and House. These restricted receipt accounts are used to account for the receipt of Local Services Taxes for the Senate and the House to make quarterly disbursements to appropriate local tax collectors.

The following table summarizes the activity for each account for the fiscal year ended June 30, 2009:

	Funds Available from Prior Year	Net Current-Year Activity	Funds Available at June 30 2009
Senate:			
Local Services Tax:			
Restricted Receipt Account	$ 11,064	$ (414)	$ 10,650
House:			
Local Services Tax:			
Restricted Receipt Account	22,779	2,938	25,717

The net current-year activity represents the difference between Local Services Tax receipts from other appropriations and quarterly disbursements made to local tax collectors.

The Senate and House Local Services Tax Accounts have made disbursements to local tax collectors of $10,624 and $25,596, respectively, for taxes collected as of June 30, 2009, for which payment was made subsequent to June 30, 2009.

Two related service agencies also have funds available that are not included in the statement of financial affairs. These agencies are the Legislative Reference Bureau and the Capitol Preservation Committee. Each maintains a restricted receipts account, which is used to account for monies received from sources other than the state treasury.

8. Other Available Funds (continued)

The following table summarizes the activity for each account for the fiscal year ended June 30, 2009:

	Funds Available from Prior Year	Net Current-Year Activity	Funds Available at June 30 2009
Legislative Reference Bureau			
Pennsylvania Consolidated Statutes			
Restricted Receipts Account	$ 1,030,395	$ 28,501	$ 1,058,896
Capitol Preservation Committee			
Capitol Restoration Trust Fund			
Restricted Receipts Account	202,433	112,515	314,948

The net current-year activity for the Pennsylvania Consolidated Statutes Restricted Receipts Account represents net activity of receipts and disbursements from the sale and purchase of pamphlet laws and consolidated statutes. The net current-year activity for the Capitol Restoration Trust Fund Restricted Receipts Account represents contributions from the general public and disbursements for flags, flag preservation laboratory expenses and other items of historical significance that are subject to Committee approval.

9. Appropriation Commitments

The General Appropriations Acts of 1977-2008 and amendments thereto provide that appropriations to the various legislative departments and agencies of the General Assembly are continuing appropriations. Therefore, appropriations unexpended at the end of an appropriation period are available in the subsequent appropriation period. However, various commitments relate to the continuing appropriation balance.

Beginning in fiscal year ended June 30, 2007, the General Assembly began presenting certain commitment amounts to enhance the presentation of the statement of financial affairs and provide a better analysis of uncommitted funds available at the end of the fiscal year. Certain other commitments such as other post-employment retirement benefits and future compensated leave payout amounts are not included in the reported commitment amounts.

9. Appropriation Commitments (continued)

The following is a summary of the commitments presented in the statement of financial affairs at June 30, 2009.

	Senate	House	LSAs	Total
Commitments:				
Accounts payable	$ 2,051,750	$ 6,075,427	$ 200,490	$ 8,327,667
Accrued payroll	1,658,644	–	130,250	1,788,894
Lease commitments	7,902,370	13,483,205	572,726	21,958,301
Total	$ 11,612,764	$ 19,558,632	$ 903,466	$ 32,074,862

Accounts Payable

Accounts payable represents amounts the General Assembly owes to vendors for goods and services received and assets acquired.

Accrued Payroll

Accrued payroll represents wages the General Assembly owes its employees for work performed.

Lease Commitments

Lease commitments are regular payments over a specified number of years under long-term contracts entered into by the General Assembly for the use of various assets.

The commitment amounts reported in the statement of financial affairs are included for the purpose of showing certain budgetary basis commitments and are not intended to present financial position or changes in financial position in conformity with accounting principles generally accepted in the United States.

10. Contingencies

During the fiscal year ended June 30, 2007, the Attorney General's Office initiated an investigation into the propriety of supplemental payroll (bonus) payments made to certain General Assembly employees during the 2006-2007 fiscal year and other activities of certain employees.

10. Contingencies (continued)

This investigation is ongoing, and the impact of the investigation, if any, is not expected to have a material effect on the statement of financial affairs of the General Assembly for the fiscal year ended June 30, 2009.

11. Subsequent Event

From July 1, 2009 through October 9, 2009, the Commonwealth operated without a budget necessitating the General Assembly's use of $84.5 million of the June 30, 2009 Appropriation Balance After Commitments. Upon adoption of the budget, these funds were replenished through appropriations for the new fiscal year ending June 30, 2010.

Supplemental Schedule

General Assembly of the Commonwealth of Pennsylvania

Schedule of Disbursements by Category

	Year Ended June 30, 2009
Announcements	$ 306,415
Education	213,062
Fixed Assets	11,453,842
Insurance	105,142
Leases	11,972,554
Miscellaneous/Other	1,233,409
Payroll/Benefits	235,370,296
Postage	7,977,392
Printing	2,289,186
Publications	1,061,386
Renovations/Preservations	6,520,441
Repairs/Maintenance	4,295,991
Services	26,422,740
Supplies	8,742,428
Transportation	4,073,578
Travel	3,790,191
Utilities	1,177,000
	$ 327,005,053