

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, 2012  
With Report of Independent Auditors

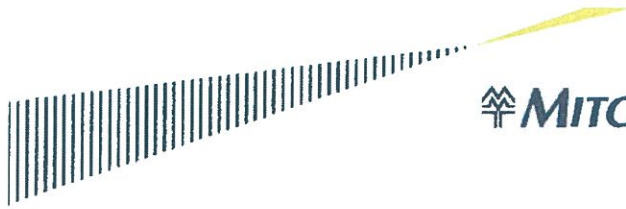
General Assembly of the Commonwealth of Pennsylvania

Statement of Financial Affairs

Fiscal Year Ended June 30, 2012

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## Report of Independent Auditors

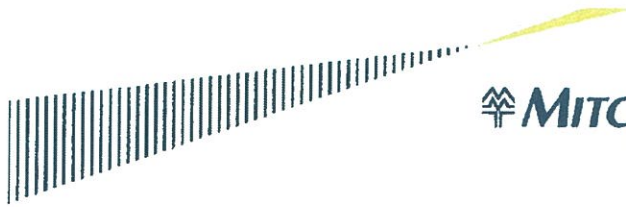
The Legislative Audit Advisory Commission of the  
Commonwealth of Pennsylvania

We have audited the accompanying statement of financial affairs of the General Assembly of the Commonwealth of Pennsylvania (General Assembly) for the fiscal year ended June 30, 2012 (financial statement). 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, 2012, on the basis of accounting as described in Note 1.



Our audit was conducted for the purpose of forming an opinion on the statement of financial affairs taken as a whole. The supplementary information included in 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the statement of financial affairs. The schedule of disbursements by category has been subjected to the auditing procedures applied in the audit of the statement of financial affairs and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the statement of financial affairs or to the statement of financial affairs itself, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects, in relation to the statement of financial affairs taken as a whole.

*Mitchell & Titus, LLP*

December 7, 2012

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

Fiscal Year Ended June 30, 2012

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Lapsed	Total Commitments	Appropriation Balance (Deficit) After Commitments
<b>Senate</b>							
Chief Clerk:							
W. Russell Faber	Salaries of 50 Senators	\$ 6,734,000	\$ 2,519,959	\$ 6,785,031	\$ -	\$ 173,295	\$ 2,295,633
	Salaries of service employees	10,300,000	3,934,053	10,436,294	-	216,678	3,381,081
	Salaries and wages of employees of the Chief Clerk	2,540,000	4,631,832	2,312,958	2,280,315	12,192	2,566,367
	Incidental expenses	2,821,000	4,056,773	2,443,044	1,049,581	156,790	3,228,358
	Senators' expenses	1,238,000	3,168,212	802,491	1,745,896	96,140	1,761,685
	Postage for Chief Clerk and Legislative Journal	-	2,691,016	833,429	1,674,236	50,620	132,731
	Legislative printing and expenses	6,867,000	33,009,519	7,658,291	13,010,620	7,382,602	11,825,006
	Pennsylvania and national flags for residents	-	10,735	10,735	-	-	-
	Legislative reapportionment expenses	-	464,952	464,952	-	-	-
<b>President:</b>							
Jim Cawley	Salaries of employees of the President of the Senate	300,000	87,120	233,130	-	6,841	147,149
<b>Floor Leader (R):</b>							
Dominic Pileggi	Computer services (R)	-	488,067	488,067	-	-	-
	Caucus operations (R)	32,500,000	11,624,865	32,369,950	3,482,676	771,499	7,500,740
	Committee and contingent expenses (R)	-	332,532	100,336	-	128,343	103,853
<b>Floor Leader (D):</b>							
Jay Costa	Computer services (D)	-	650,431	650,431	-	-	-
	Caucus operations (D)	27,500,000	15,355,898	28,476,498	3,482,676	613,590	10,283,134
	Committee and contingent expenses (D)	-	304,278	197,622	-	14,190	92,466
<b>Chairman - Appropriations Committee (R):</b>							
Jake Corman	Committee on Appropriations (R)	1,249,000	344,296	1,038,655	-	-	554,641
<b>Chairman - Appropriations Committee (D):</b>							
Vincent Hughes	Committee on Appropriations (D)	1,249,000	252,784	1,007,643	-	6,645	497,496
<b>Senate total</b>		<b>93,298,000</b>	<b>83,937,322</b>	<b>96,309,557</b>	<b>26,726,000</b>	<b>9,629,425</b>	<b>44,570,340</b>

General Assembly of the Commonwealth of Pennsylvania  
Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2012

Legislative Department or Agency	Total Appropriation	Available From Prior Year(s)	Disbursed	Lapsed	Total Commitments	Appropriation Balance (Deficit) After Commitments
<b>House of Representatives</b>						
Chief Clerk: Anthony F. Barbush	\$ 25,584,000	\$ 2,610,680	\$ 26,094,198	\$ -	\$ 703,374	\$ 1,397,108
Salaries of Representatives	14,048,000	3,776,081	13,007,609	-	292,854	4,523,618
Salaries of Bipartisan Management Committee, Chief Clerk and Comptroller	352,000	62,467	263,684	-	36,463	114,320
Mileage of Representatives, officers and employees	2,645,000	2,435,535	1,092,304	-	18,733	3,969,498
Postage for Chief Clerk and Legislative Journal	553,000	1,175,913	208,295	-	-	1,520,618
Contingent expenses	4,800,000	2,819,552	7,057,836	-	401,194	160,522
Incidental expenses	4,026,000	2,801,309	2,896,880	-	141,207	3,789,222
Representatives' expenses	12,108,000	4,753,162	11,246,366	-	9,581,426	(3,966,630)
Legislative printing and expenses	484,000	1,026,899	206,822	-	-	1,304,077
National Legislative Conference	-	12,820	12,820	-	-	-
School for new members	-	595,404	595,404	-	-	-
Legislative reapportionment expenses	-	-	-	-	-	-
<b>Speaker:</b>						
Samuel H. Smith	1,714,000	463,710	386,321	-	12,130	1,779,259
Contingent expenses	20,000	29,863	2,241	-	-	47,622
<b>Floor Leader (R):</b>						
Mike Turzai	5,725,000	16,345,620	1,232,675	8,750,000	17,997	12,069,948
Special Leadership Account (R)	-	2,246,328	2,246,328	-	-	-
Legislative Management Committee (R)	-	1,601,384	1,601,384	-	-	-
Salaries of House employees (R)	51,500,000	6,000,000	50,817,255	-	1,150,723	5,532,022
Caucus operations (R)	-	12,955,344	1,662,326	6,750,000	186,331	4,356,687
Information technology (R)	7,000	24,078	5,959	-	-	25,119
Contingent expenses	-	-	-	-	-	-
<b>Floor Leader (D):</b>						
Frank Dermody	5,725,000	17,782,215	4,495,222	3,000,000	88,858	15,923,135
Special Leadership Account (D)	-	3,709,346	3,709,346	-	-	-
Legislative Management Committee (D)	-	1,623,548	1,623,548	-	-	-
Salaries of House employees (D)	44,000,000	5,000,000	44,278,724	-	1,282,457	3,438,819
Caucus operations (D)	-	11,853,247	(781,874)	7,500,000	921,019	4,214,102
Information technology (D)	7,000	41,250	1,076	-	-	47,174
Contingent expenses	-	-	-	-	-	-
<b>Chairman - Appropriations Committee (R):</b>						
William F. Adolph, Jr.	3,052,000	8,981,311	2,262,883	3,000,000	56,984	6,713,444
Committee on Appropriations (R)	6,000	54,174	243	-	-	59,931
Contingent expenses	-	-	-	-	-	-

General Assembly of the Commonwealth of Pennsylvania  
Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2012

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Lapsed	Total Commitments	Appropriation Balance (Deficit) After Commitments
<b>House of Representatives (continued)</b>							
Chairman – Appropriations Committee (D): Joseph Markosek	Committee on Appropriations (D) Contingent expenses	\$ 3,052,000 \$ 6,000	9,232,702 \$ 8,249	1,945,902 \$ 3,605	7,000,000 \$	44,383 \$	3,294,417 10,644
Whip (R): Stan Saylor	Contingent expenses	6,000	15,051	6,966	-	-	14,085
Whip (D): Michael Hanna	Contingent expenses	6,000	14,340	2,860	-	-	17,480
Caucus Chairman (R): Sandra Major	Contingent expenses	3,000	10,681	-	-	-	13,681
Caucus Chairman (D): Dan Frankel	Contingent expenses	3,000	956	2,778	-	-	1,178
Caucus Secretary (R): Mike Veréb	Contingent expenses	3,000	1,511	1,095	-	-	3,416
Caucus Secretary (D): Jennifer Mann	Contingent expenses	3,000	7,171	4,361	-	-	5,810
Chairman – Policy Committee (R): Dave Reed	Contingent expenses	2,000	974	531	-	-	2,443
Chairman – Policy Committee (D): P. Michael Sturla	Contingent expenses	2,000	2,492	1,788	-	-	2,704
Caucus Administrator (R): Richard Stevenson	Contingent expenses	2,000	1,090	-	-	-	3,090
Caucus Administrator (D): Ron Buxton	Contingent expenses	2,000	8,964	(1)	-	-	10,965
Staff Administrator (R): Anthony Aliano	Contingent expenses	20,000	40,101	3,555	-	-	56,546

General Assembly of the Commonwealth of Pennsylvania  
Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2012

Legislative Department or Agency	Purpose of Appropriation	Total Appropriation	Available From Prior Year(s)	Disbursed	Lapsed	Total Commitments	Appropriation Balance (Deficit) After Commitments
<b>House of Representatives (continued)</b>							
Staff Administrator (D):							
Susan Schwab	Contingent expenses	\$ 20,000	\$ 74,986	\$ 18,039	\$ -	\$ -	\$ 76,947
<b>House of Representatives total</b>		\$ 179,486,000	120,200,508	178,217,354	36,000,000	14,936,133	70,533,021
<b>Legislative service agencies and miscellaneous appropriations</b>							
Legislative Reference Bureau:							
Robert W. Zech, Director	Salaries, wages and expenses	6,699,000	5,107,782	7,555,186	-	80,520	4,171,076
	Contingent expenses	17,000	116,572	26,044	-	-	107,528
	Printing of Pennsylvania Bulletin and Pennsylvania Code	701,000	1,008,616	700,688	-	-	1,008,928
	New drafting system	-	2,144,090	310,037	-	-	1,834,053
	Salaries, wages and expenses	1,318,000	3,719,717	1,331,046	-	123,947	3,582,724
<b>Legislative Budget and Finance Committee:</b>							
John R. Pippy, Chairman	Salaries, wages and expenses	17,369,000	566,302	10,199,838	-	1,112,680	6,622,784
Philip R. Durgin, Executive Director	Salaries, wages and expenses						
<b>Legislative Data Processing Committee:</b>							
Dominic Pileggi, Chairman	Salaries, wages and expenses	1,252,000	21,022	1,243,623	-	47,180	(17,781)
Kathy Sullivan, Executive Director	Salaries, wages and expenses						
Joint State Government Commission:							
Florindo J. Fabrizio, Chairman	Salaries, wages and expenses						
David S. John, Jr., Executive Director (1)	Salaries, wages and expenses						
Glenn Pasewicz, Executive Director (2)	Salaries, wages and expenses						
<b>Local Government Commission:</b>							
Robert D. Robbus, Chairman	Salaries, wages and expenses	1,010,000	399,122	1,046,825	-	207,935	155,262
Michael P. Gasbarre, Executive Director	Local government codes	11,000	10,189	(44,732)	-	-	65,921
<b>Legislative Air and Water Pollution Control Commission:</b>							
Scott E. Hutchinson, Chairman	Salaries, wages and expenses	292,000	395,148	374,114	-	8,287	304,747
Craig D. Brooks, Executive Director	Salaries, wages and expenses						
<b>Legislative Audit Advisory Commission:</b>							
Josh Shapiro, Chairman (1)	Salaries, wages and expenses	150,000	-	150,000	-	-	-
Gordon R. Dealing, Chairman (2)	Miscellaneous expenses						
<b>Legislative Office for Research Liaison:</b>							
James R. Roebuck, Jr. Chairman	Salaries, wages and expenses		20,919	18,960	-	-	1,959
Guy WR. Jensen, Deputy Executive Director	Salaries, wages and expenses						
<b>Independent Regulatory Review Commission:</b>							
Kim Kaufman, Executive Director (1)	Salaries, wages and expenses	1,680,000	415,390	1,464,380	-	25,477	605,533
David Sumner, Executive Director (2)	Salaries, wages and expenses						



General Assembly of the Commonwealth of Pennsylvania  
Statement of Financial Affairs of the General Assembly (continued)

Fiscal Year Ended June 30, 2012

Legislative Department or Agency	Purpose of Appropriation				Available From Prior Year(s)	Disbursed	Lapsed	Total Commitments	Appropriation Balance (Deficit) After Commitments
<b>Legislative service agencies and miscellaneous appropriations (continued)</b>									
Capitol Preservation Committee:									
Paul J. Clymer, Chairman									
David Craig, Executive Director									
	Capitol Renovation Committee	\$ 414,000	\$ 265,039	\$ 412,970	\$ -	\$ 13,835	\$ 252,234		
	Restoration of the Capitol	1,811,000	3,020,314	3,853,141	-	39,109	939,064		
	Restoration of North Office hearing rooms	-	128,787	-	-	-	128,787		
	Flag Conservation	-	15,113	4,220	-	-	10,893		
Independent Fiscal Office	Salaries, wages and expenses	1,909,000	-	712,108	-	51,951	1,135,941		
Matthew Knittel, Director									
Mark Ryan, Deputy Director									
Council of State Government/Eastern Regional Conference - Annual Meeting and Regional Policy Forum:									
W. Russell Faber, Chief Clerk of the Senate	Miscellaneous expenses	-	93,634	-	-	-	93,634		
Anthony F. Barbush, Chief Clerk of the House of Representatives									
Pennsylvania Legislative Reapportionment Commission:									
W. Russell Faber, Chief Clerk of the Senate	Miscellaneous expenses	2,400,000	2,391,831	1,511,383	-	146,226	3,134,222		
Commonwealth Mail Processing Center:									
W. Russell Faber, Chief Clerk of the Senate	Salaries, wages and expenses	2,894,000	80,096	1,502,335	-	-	1,471,761		
<b>Legislative service agencies and miscellaneous appropriations total</b>		<b>39,918,000</b>	<b>19,919,683</b>	<b>32,372,166</b>	<b>-</b>	<b>1,856,247</b>	<b>25,609,270</b>		
<b>Total</b>		<b>\$ 312,702,000</b>	<b>\$ 224,057,513</b>	<b>\$ 306,899,077</b>	<b>\$ 62,726,000</b>	<b>\$ 26,421,805</b>	<b>\$ 140,712,631</b>		

- (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, 2012

**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 1-A of 2011 (2011 General Appropriations Act), effective July 1, 2011, 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, 2012. 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, 2012, 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 sends the voucher transmittal to the State Treasury to 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 payment of the costs and expenses incurred. The Act mentioned in Note 2 generally provides that

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**3. Disbursements (continued)**

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

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 the above-noted advancement account cash balances at the end of the fiscal year, which are maintained in conventional checking accounts.

**4. Operating Rules and Policies**

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.

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**4. Operating Rules and Policies (continued)**

The Accounting and Operations Manual of the General Assembly contains the standards applicable to various legislative service agencies, bureaus, committees and commissions and was adopted by the Rules Committees of both the Senate and House of Representatives. House Rule 14 and the Accounting and Operations Manual of the House of Representatives (including Bipartisan Management Committee policies) and Senate Financial Operating Rules (including Committee on Management Operations policies) were adopted by the members of the respective Chamber of both the Senate and the House of Representatives. These rules and policies incorporate applicable statutory provisions and set forth the purposes for which appropriated funds can be expended. They also contain 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.

**5. Available from Prior Year(s)**

The General Appropriations Acts of 1977-2011 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. Lapses**

In fiscal year ended June 30, 2011, the Senate and House of Representatives approved the lapse of \$26,726,000 and \$36,000,000, respectively, of appropriations back to the Commonwealth's general fund; and, the actual lapse of funds occurred during fiscal year ended June 30, 2012.

**7. Appropriation Transfers**

There were three Appropriation Transfers during the fiscal year ended June 30, 2012. Act 1-A of 2011 (2011 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, 2012. Section 1774-B of Act 26 of

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**7. Appropriation Transfers (continued)**

2011 allowed the Legislative Reference Bureau to transfer funds from a 2006 appropriation to the Joint State Government Commission 2011 appropriation.

All appropriation transfers that occurred during the fiscal year ended June 30, 2012, 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, except as indicated below.

The "available from prior years(s)" balances have been increased (decreased) to reflect the following transfers as a result of Expenditure Symbol Notification Number 11-020.

<u>Appropriation Name</u>	<u>Increasing (Decreasing)</u>
Senate:	
Salaries of 50 Senators	\$ 770,000
Salaries of service employees	956,000
House:	
Caucus Operations (R)	6,000,000
Caucus Operations (D)	5,000,000
LSAs:	
New Drafting System	<u>(200,000)</u>
Net Increase	<u>12,526,000</u>

**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.

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**8. Other Available Funds (continued)**

The following table summarizes the activity for each account for the fiscal year ended June 30, 2012:

	<b>Funds Available from Prior Year</b>	<b>Net Current- Year Activity</b>	<b>Funds Available at June 30 2012</b>
Senate Benefits Account	\$ 2,146,997	\$ 1,491,574	\$ 3,638,571
House Benefits Account	3,070,864	1,072,077	4,142,941

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, 2012, 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 House Benefits Account had made disbursements of \$257,617 for benefit costs incurred as of June 30, 2012, for which payment was made subsequent to June 30, 2012. The Senate Benefits Account incurred \$14,619 as of June 30, 2012, for which payment was made subsequent to June 30, 2012.

In addition to the above mentioned benefits accounts, the Senate, House and LSAs have other funds available that are not included in the statement of financial affairs. These restricted receipt accounts are used to account for the receipt of Local Services and Earned Income Taxes for the Senate, House and LSAs to make quarterly disbursements to appropriate local tax collectors.

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**8. Other Available Funds (continued)**

The following table summarizes the activity for each account for the fiscal year ended June 30, 2012:

	Funds Available from Prior Year	Net Current- Year Activity	Funds Available at June 30 2012
Senate:			
Local Services Tax	\$ 11,489	\$ (808)	\$ 10,681
Earned Income Tax	-	44,072	44,072
Total Restricted Receipt Accounts	11,489	43,264	54,753
House:			
Local Services Tax	25,207	(1,328)	23,879
Earned Income Tax	-	88,533	88,533
Total Restricted Receipt Accounts	25,207	87,205	112,412
LSAs:			
Earned Income Tax – Legislative Reference Bureau	-	15,339	15,339
Earned Income Tax – Local Government Commission	-	2,311	2,311
Earned Income Tax – Capitol Preservation Committee	-	1,552	1,552
Earned Income Tax – Independent Fiscal Office	-	1,879	1,879
Earned Income Tax – Joint State Government Commission	-	2,496	2,496
Earned Income Tax – Legislative Budget & Finance Committee	-	2,994	2,994
Earned Income Tax – Legislative Data Processing Committee	-	6,969	6,969
Earned Income Tax – Legislative Air and Water Pollution Control Commission	-	627	627
Earned Income Tax – Independent Regulatory Review Commission	-	3,525	3,525
Total Restricted Receipt Accounts	-	37,692	37,692

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**8. Other Available Funds (continued)**

The net current-year activity represents the difference between Local Services and Earned Income Tax restricted receipts and quarterly disbursements made to local tax collectors.

The Senate and House Local Services and Earned Income Tax Accounts have made disbursements to local tax collectors of \$10,685 and \$112,081, respectively, for taxes collected as of June 30, 2012, for which payment was made subsequent to June 30, 2012.

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.

The following table summarizes the activity for each account for the fiscal year ended June 30, 2012:

	<b>Funds Available from Prior Year</b>	<b>Net Current- Year Activity</b>	<b>Funds Available at June 30 2012</b>
Legislative Reference Bureau Pennsylvania Consolidated Statutes Restricted Receipts Account	\$ 1,112,650	\$ 21,736	\$ 1,134,386
Capitol Preservation Committee Capitol Restoration Trust Fund Restricted Receipts Account	408,362	20,829	429,191

The net current-year activity for the Pennsylvania Consolidated Statutes Restricted Receipts Account represents net activity of receipts and disbursements from the publication 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.



General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**9. Appropriation Commitments**

The General Appropriations Acts of 1977-2011 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. The General Assembly reports invoices payable, accrued payroll and lease commitment amounts; however, certain other commitments such as other post-employment retirement benefits and future compensated leave payout amounts are not included in the reported commitment amounts.

The following is a summary of the commitments presented in the statement of financial affairs at June 30, 2012.

	<u>Senate</u>	<u>House</u>	<u>LSAs</u>	<u>Total</u>
Commitments:				
Invoices payable	\$ 2,272,195	\$ 3,848,670	\$ 1,555,025	\$ 7,675,890
Accrued payroll	343,143	953,738	40,136	1,337,017
Lease commitments	7,014,087	10,133,725	261,086	17,408,898
Total	<u>\$ 9,629,425</u>	<u>\$ 14,936,133</u>	<u>\$ 1,856,247</u>	<u>\$ 26,421,805</u>

**Invoices Payable**

Invoices payable represents liabilities incurred during the fiscal year, but paid by the Pennsylvania Treasury subsequent to year-end, for goods and services received and assets acquired from vendors.

**Accrued Payroll**

Accrued payroll relates to 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.

General Assembly of the Commonwealth of Pennsylvania

Notes to the Financial Statement (continued)

**9. Appropriation Commitments (continued)**

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.

## Supplemental Schedule

General Assembly of the Commonwealth of Pennsylvania

Schedule of Disbursements by Category

Fiscal Year Ended June 30, 2012

Announcements	\$ 45,888
Education	116,699
Fixed assets	5,002,430
Insurance	270,014
Leases	13,794,084
Miscellaneous/other	629,627
Payroll/benefits	248,644,115
Postage	3,195,839
Printing	939,247
Publications	956,846
Renovations/preservations	3,518,319
Repairs/maintenance	3,029,712
Services	14,822,182
Supplies	4,133,806
Transportation	4,053,163
Travel	2,763,671
Utilities	983,435
	<u>\$ 306,899,077</u>