

Minnesota Department of Natural Resources
Division of Forestry

M.S. 16A.125, Subd 5(1) Transfer Certification Report
Fiscal Year 2004
REVISED 6/2/05

		School Susp. Fund: 860 <u>Appr: 012</u>	Univ. Susp. Fund: 610 <u>Appr: 010</u>	Trust Land Totals ⁽¹⁾ <u> </u>
12 Month Revenues	Revenues Deposited	\$12,357,169	\$294,544	\$12,651,713
	Excluded Revenues ⁽²⁾	(\$155,414)	(\$4)	(\$155,418)
	Refunds	<u>(\$832,241)</u>	<u>(\$24,176)</u>	<u>(\$856,417)</u>
	Forestry Revenue ⁽¹⁾	\$11,369,513	\$270,364	\$11,639,877
12 Month Costs	Protection	\$1,571,037	\$12,295	\$1,583,332
	Management	\$2,612,620	\$20,446	\$2,633,066
	Improvement	\$1,209,347	\$9,464	\$1,218,811
	Administration	\$517,457	\$4,050	\$521,507
	Forest Roads	<u>\$22,476</u>	<u>\$176</u>	<u>\$22,652</u>
	Certified Forestry Costs ⁽¹⁾	\$5,932,937	\$46,430	\$5,979,367
12 Month Transfers to the General Fund	M.S. 16A.125, Subd. 5(1) Transfer ⁽³⁾	\$5,932,937	\$46,430	\$5,979,367
12 Month Net to Permanent Trust Funds	Forestry Revenue minus Certified Costs	\$5,436,577	\$223,933	\$5,660,510
	Revenues Excluded from Transfer ⁽²⁾	<u>\$155,414</u>	<u>\$4</u>	<u>\$155,418</u>
	Net Revenue to Trust Funds ⁽¹⁾	\$5,591,991	\$223,937	\$5,815,928

Notes:

- (1) Totals may not add due to rounding
- (2) Revenues not associated with forest management activities
- (3) Transfer is limited to the lesser of: (a) certified costs or (b) forestry revenues

Submitted By:

Reviewed By:

Certified By:

Michael R Carroll
Director
Div of Forestry

Joseph Kurcinka
Administrator
DNR OMBS

Marsha Battles-Jenks
Exec Bdgt Officer
Dept of Finance

Date: _____

Date: _____

Date: _____

Department of Natural Resources
Division of Forestry

**Determination of MS 16A.125 Costs for Fiscal Year 2004
REVISED 6/2/05**

Forest Trust Land Acreage:

	2,516,456	Total School Trust Acres
-	150,498	Less recreation, mining and urban use acres

2,365,958	School Trust Acres subject to cost certification
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	25,891	Total University Trust Acres
-	7,375	Less recreation, mining and urban use acres

18,516	University Trust Acres subject to cost certification
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2,384,474	Total Trust Acres subject to cost certification 2,365,958 acres School + 18,516 acres University
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Protection Costs:

	\$17,738,607	Total Forestry Protection Costs
+	(\$2,579,369)	Less Recovered Costs (from billings)
	\$15,159,238	Net Forest Protection Costs to be Allocated
	\$0.664	Protection Cost Per Acre (\$15,159,239 / 22,829,589 acres protected)

\$1,571,037	School Trust Protection Costs = \$0.664 X 2,365,958 acres
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\$12,295	University Trust Protection Costs = \$0.664 X 18,516 acres
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Management Costs:

	\$4,159,631	Total Timber Sales Costs
x	52.733%	Trust Land Timber Revenue as a Percentage of Total Timber Revenue
	\$2,193,482	Timber Sales Costs to be allocated to Trust Lands
+	\$439,584	Total of Itemized Trust Land Management Costs (Lease Admin., Tbr Inventory, etc.)
	\$2,633,066	Forest Management Costs to be allocated to Trust Lands
	\$1.104254	Management Cost Per Acre (\$2,633,066 / 2,384,474 acres of trust land)

\$2,612,620	School Trust Management Costs = \$1.104 X 2,365,958 acres
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\$20,446	University Trust Management Costs = \$1.104 X 18,516 acres
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Improvement Costs:

\$2,311,305	Total Forestry Improvement Costs
x 52.733%	Trust Land Timber Harvest as a Percentage of Total Timber Harvest
<u>\$1,218,811</u>	Forest Improvement Costs to be allocated to Trust Lands
\$0.511	Improvement Cost Per Acre (\$1,218,811 / 2,384,474 acres of trust land)

\$1,209,347	School Trust Improvement Costs = \$0.511 X 2,365,958 acres
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\$9,464	University Trust Improvement Costs = \$0.511 X 18,516 acres
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Administrative Costs:

\$4,729,860	Total Forestry Administrative Costs
x 69.563%	Forestry General Fund Expenditures as a Percentage of Forestry Expenditures
<u>\$4,729,861</u>	Forestry Administrative Costs to be Allocated to Direct Management Activities
x 15.850%	Trust Land Direct Expenditures as a Percentage of Total Direct Expenditures
<u>\$521,507</u>	Forestry Administrative Costs to be Allocated to Trust Lands
\$0.219	Administrative Cost Per Acre (\$521,507 / 2,384,474 acres of trust land)

\$517,457	School Trust Administrative Costs = \$0.219 X 2,365,958 acres
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\$4,050	University Trust Administrative Costs = \$0.219 X 18,516 acres
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Forest Road Costs:

\$480,730	Total Forestry Road Costs
x 4.712%	Trust Land Acreage as a Percentage of Total Acres Served by Forest Roads
<u>\$22,652</u>	State Forest Road Costs to be allocated to Trust Lands
\$0.009	State Forest Road Cost Per Acre (\$22,652 / 2,384,474 acres of trust land)

\$22,476	School Trust Road Costs = \$0.009 X 2,365,958 acres
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\$176	University Trust Road Costs = \$0.009 X 18,516 acres
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C Determination of Management Costs for Trust Lands

1 Forest Management Cost Determination

a	Sum of Trust Land Direct Costs for Forest Mgmt (from attached MS16A.125 Forestry Costs Report)		\$376,026	
b	Management Portion of Forestry General Operations Costs	$(\$376,026 / \$31,508,133) \times \$5,325,749 =$	+	\$63,559
c	Trust Land Forest Mgmt Costs		\$439,584	
d	Forest Management Cost Per Acre	$\$439,584 / 2,384,474 \text{ Acres} =$	\$0.184	
e	School Trust Acres times Forest Mgmt Cost Per Acre	$2,365,958 \text{ Acres} \times \$0.184 =$	\$436,171	
f	University Trust Acres times Forest Mgmt Cost Per Acre	$18,516 \text{ Acres} \times \$0.184 =$	\$3,413	

2 Timber Sales Cost Determination

a	Sum of Allowable Forestry General Fund Direct Costs for Timber Sales (from attached MS16A.125 Forestry Costs Report)		\$3,558,197	
b	Timber Sales Portion of Forestry General Operations Costs	$(\$3,558,197 / \$31,508,133) \times \$5,325,749 =$	+	\$601,434
c	Total Timber Sales Costs to be Allocated		\$4,159,631	
d	Trust Land Timber Revenues as a Percent of Total Timber Revenues		X	52.733 %
e	Trust Land Portion of Timber Sales Costs		\$2,193,482	
f	Trust Land Timber Sales Cost Per Acre	$\$2,193,482 / 2,384,474 \text{ Acres} =$	\$0.920	
g	School Trust Acres times Timber Sales Cost Per Acre	$2,365,958 \text{ Acres} \times \$0.920 =$	\$2,176,449	
h	University Trust Acres times Timber Sales Cost Per Acre	$18,516 \text{ Acres} \times \$0.920 =$	\$17,033	

3 Total General Fund Forest Management Costs for Trust Lands

a	Sum of Mgmt Costs for School Trust Lands	$\$436,171 + \$2,176,449 =$	\$2,612,620
b	Sum of Mgmt Costs for University Trust Lands	$\$3,413 + \$17,033 =$	\$20,446

D Determination of Forest Improvement Costs for Trust Lands

(allocation based on proportion of total sales revenue and acres managed)

1	Sum of Allowable Forestry General Fund Forest Improvement Costs (from attached MS16A.125 Forestry Costs Report)		\$1,977,117	
2	Forest Improvement Portion of Forestry General Operations Costs	$(\$1,977,117 / \$31,508,133) \times \$5,325,749 =$	+	\$334,188
3	Total Forest Improvement Costs		\$2,311,305	
4	Trust Land Timber Revenues as a Percent of Total Timber Revenues		X	52.733 %
5	Trust Land Portion of Forest Improvement Costs		\$1,218,811	
6	Trust Land Forest Improvement Cost Per Acre	$\$1,218,811 / 2,384,474 \text{ Acres} =$	\$0.511	
7	School Trust Forest Improvement Costs	$2,365,958 \text{ Acres} \times \$0.511 =$	\$1,209,347	
8	University Trust Forest Improvement Costs	$18,516 \text{ Acres} \times \$0.511 =$	\$9,464	

Department of Natural Resources
Division of Forestry

Determination of MS 16A.125 Costs for Fiscal Year 2004
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A Base Data from Division of Lands and Minerals, Division of Forestry and Department of Finance Records

1	Acres of Permanent School Fund Land Subject to Cost Certification (from attached Current Acreage Report)		2,365,958
2	Acres of University Trust Fund Land Subject to Cost Certification (from attached Current Acreage Report)		18,516
3	Total Trust Fund Land Subject to Cost Certification		2,384,474
4	Total Acres of Land Receiving Fire Protection (from MIFC Federal Aid Report)		22,829,589
5	Trust Land Timber Revenues as a Percent of Total Timber Revenues (from attached Timber Sales Revenue Report)		52.733%
6	Total Forestry Expenditures Paid from All Funds (from attached Managers Financial Report 31)		\$56,300,014
7	Total Forestry Expenditures paid from the General Fund (from attached MS16A.125 Forestry Costs Report)		\$39,164,115
8	Forestry General Fund Expenditures as a Percent of Total Forestry Expenditures	$\$39,164,115 / \$56,300,014 =$	69.563%
9	Sum of Allowable Forestry General Operations (support) Costs (from attached MS16A.125 Forestry Costs Report)		\$7,655,982
10	General Fund Proportion of Allowable General Operations Costs	$\$7,655,982 \times 69.563\% =$	\$5,325,749
11	Total Direct Costs to which Allowable General Operations Costs are Allocated	$\$39,164,115 - \$7,655,982 =$	\$31,508,133

B Determination of Protection Costs for Trust Lands

1	Sum of Allowable Forestry General Fund Direct Costs for Protection (from attached MS16A.125 Forestry Costs Report)		\$15,173,812
2	Protection Portion of Forestry General Operations Costs	$(\$15,173,812 / \$31,508,133) \times \$5,325,749 =$	\$2,564,795
3	Fire Protection Cost Collections (Revenues) which reduce General Fund Costs (from attached Fire Revenue Report)		(\$2,579,369)
4	Net General Fund Fire Protection Costs		\$15,159,239
5	Protection Cost Per Acre	$\$15,159,239 / 22,829,589 \text{ Acres} =$	\$0.664
6	School Trust Acres Protection Cost	$2,365,958 \text{ Acres} \times \$0.664 =$	\$1,571,037
7	University Trust Acres Protection Cost	$18,516 \text{ Acres} \times \$0.664 =$	\$12,295

E Determination of Administrative Costs for Trust Lands

1	Sum of Allowable Forestry General Fund Administrative Costs (from attached MS16A.125 Forestry Costs Report)		\$4,045,977
2	Administrative Portion of Forestry General Operations Costs	$(\$4,045,977 / \$31,508,133) \times \$5,325,749 =$	<u>\$683,882</u>
3	Total Administrative Costs		\$4,729,860
4	Forestry General Fund Expenditures as a Percent of Total Forestry Expenditures		X 69.563%
5	Administrative Costs Attributed to General Fund Activities		<u>\$3,290,244</u>
6	Total Trust Land Direct Costs	$\$1,571,037 + \$12,295 + \$439,584 + \$2,193,482 + \$1,218,811 + \$22,652 =$	\$5,457,861
7	Total General Fund Direct Costs	$\$39,164,115 - \$4,729,860 =$	\$34,434,255
8	Trust Direct Costs as a Percent of Total General Fund Direct Costs	$\$5,457,861 / \$34,434,255 =$	X 15.850%
9	Trust Portion of Administrative Costs		<u>\$521,507</u>
10	Trust Land Administrative Cost Per Acre	$\$521,507 / 2,384,474 \text{ Acres} =$	\$0.219
11	School Trust Administrative Costs	$2,365,958 \text{ Acres} \times \$0.219 =$	\$517,457
12	University Trust Administrative Costs	$18,516 \text{ Acres} \times \$0.219 =$	\$4,050

F Determination of Forest Road Costs for Trust Lands

1	Sum of Allowable Forestry General Fund State Forest Road Costs (from attached MS16A.125 Forestry Costs Report)		\$411,222
2	State Forest Roads Portion of Forestry General Operations Costs	$(\$411,222 / \$31,508,133) \times \$5,325,749 =$	<u>\$69,508</u>
3	Total State Forest Road Costs		\$480,730
5	Trust Land Acreage as a Percent of Total Acres Served by Forest Roads (from Forest Road Inventory)		X 4.712%
6	State Forest Road Costs Attributed to Trust Lands		<u>\$22,652</u>
7	Trust Land Forest Road Cost Per Acre	$\$22,652 / 2,384,474 \text{ Acres} =$	\$0.009
8	School Trust Forest Road Costs	$2,365,958 \text{ Acres} \times \$0.009 =$	\$22,476
9	University Trust Forest Road Costs	$18,516 \text{ Acres} \times \$0.009 =$	\$176

Report Prepared By: _____

Date: _____

Minnesota Department of Natural Resources
MS 16A.125 Forestry General Fund Costs

FY: 2004 Expenditures As Of: 10/05/2004 (Including Salary Expenditures for Pay Periods Ending On or Before: 09/25/2004)

Excludes FRC Expenditures

<u>Activity</u>	<u>Amount Expended</u>	<u>Used for</u> <u>16A.125</u>	<u>16A.125 Cost Category</u>
0000 Uncoded	\$420,539.10	X	General Operations
2999 MISCELLANEOUS	\$28.60		
3101 Excess Property Program	\$236,755.79		
3111 Fire Prevention	\$201,633.63	X	Protection
3112 BURNING PERMIT SYSTEM	\$135,542.90	X	Protection
3113 DETECTION AND MONITORING	\$24,126.21	X	Protection
3114 PRESCRIBED BURNING	\$69,620.97	X	Protection
3115 FUELS MANAGEMENT	\$260,903.28	X	Protection
3121 Fire Presuppression	\$1,449,223.40	X	Protection
3131 FIRE SUPPRESSION, DIRECT	\$4,083,979.28	X	Protection
3141 FIRE SUPPRESSION, INDIRECT	\$3,514,980.34	X	Protection
3142 INDIRECT SUPPRESSION IMT	\$45,341.47	X	Protection
3143 INDIRECT SUPPRESSION MAC - EOC	\$1,370.88	X	Protection
3151 Fire Interagency Assignment	\$176,670.04	X	Protection
3161 MIFC Operations	\$267,012.96	X	Protection
3162 MIFC OPERATIONS LEVEL 1 -2	\$128,142.34	X	Protection
3163 MIFC OPERATIONS LEVEL 3-4	\$24,488.09	X	Protection
3171 Fire Cache Operations	\$695,985.72	X	Protection
3181 AIR SUPPORT OPERATIONS	\$659,119.68	X	Protection
3182 AIR TANKER OPERATIONS	\$409,957.56	X	Protection
3183 HELICOPTER OPERATIONS	\$1,159,406.58	X	Protection
3185 AIR OPERATIONS - SEATS	\$130,455.11	X	Protection
3186 AIR OPERATIONS - CL215	\$1,533,456.62	X	Protection
3191 Rural Fire Departments	\$172,640.57		
3201 LAW ENFORCEMENT - FIRE	\$160,453.09	X	Protection
3203 LAW ENFORCEMENT - RECREATION	\$31,415.61		
3205 SEARCH & RESCUE	\$3,507.79		
3206 NATURAL DISASTER RESPONSE	\$2,101.62		
3211 Insects & Disease, General	\$274,018.03		
3212 Insects & Disease, Trust	\$11,908.25	X	Forest Mgmt
3213 Insects & Disease, Nontrust	\$55,169.50		
3216 Insects & Disease, PFM	\$40,017.72		
3217 Insects & Disease, Urban	\$16,860.41		
3218 I&D FIRE STANDEY	\$1,653.95		
3221 Soil/Water/Air, General	\$115,924.12		
3222 Soil/Water/Air, Trust	\$7,337.14	X	Forest Mgmt
3223 Soil/Water/Air, Non-Trust	\$12,724.80		
3226 Soil/Water/Air, PFM	\$23,064.39		
3231 Culture/Aesthetic, General	\$87,826.40		
3232 Culture/Aesthetic, Trust	\$3,133.51	X	Forest Mgmt

3233	Culture/Aesthetic, Nontrust	\$34,242.27		
3261	Resource Assessment, General	\$1,168,513.43		
3262	Resource Assessment, Trust	\$159,567.80	X	Forest Mgmt
3263	Resource Assessment, Nontrust	\$176,113.94		
3264	FOREST CERTIFICATION	\$24,396.58		
3266	Resource Assessment, PFM	\$36,069.24		
3268	RESOURCE ASSESSMT - STBY	\$2,551.46		
3271	SUBSECTION PLANNING (SFRMP)	\$292,738.10		
3278	SUBSECTION PLANNING (SFRMP)	\$2,135.61		
3281	Plan/Analysis/Review, General	\$231,903.29		
3283	Plan/Analysis/Review, State	\$115,541.95	X	Tbr Sales
3286	Plan/Analysis/Review, PFM	\$339,043.34		
3288	PLAN, ANALYSIS & REVIEW - STBY	\$1,215.05		
3303	TBR SALE PREP & ADMIN, STATE	\$3,346,146.50	X	Tbr Sales
3305	TBR SALE PREP/ADMIN, CO/LOCAL	\$25,435.61		
3306	TBR SALE PREP/ADMIN, PFM	\$55,662.04		
3308	TBR SALE PREP & ADMIN - STBY	\$96,508.89	X	Tbr Sales
3322	Site Prep & Reforest, Trust	\$333,442.27	X	Improvement
3323	Site Prep & Reforest, Nontrust	\$1,214,383.25	X	Improvement
3326	Site Prep & Reforest, PFM	\$454,801.39		
3328	PREP/REGEN/TSI - FIRE STBY	\$24,161.74	X	Improvement
3332	Timber Stand Improve, Trust	\$65,481.90	X	Improvement
3333	Timber Stand Improve, Nontrust	\$308,445.24	X	Improvement
3336	Timber Stand Improve, PFM	\$38,906.75		
3342	F&W Habitat, Trust	\$15,973.27	X	Forest Mgmt
3343	F&W Habitat, Nontrust	\$24,519.17		
3346	F&W Habitat, PFM	\$18,895.38		
3348	F&W HABITAT - FIRE STBY	\$1,984.53	X	Forest Mgmt
3353	Roads and Bridges, State	\$399,106.65	X	Roads
3355	Roads and Bridges, County	\$3,352.12		
3356	Roads and Bridges, Private	\$63.48		
3358	ROADS AND BRIDGES - STBY	\$12,115.63	X	Roads
3362	CAMPGDS/DAY USE AREA, TRUST	\$3,638.31		
3363	CAMPGDS/DAY USE AREA, NONTRUST	\$14,072.16		
3368	FOR REC MGMT - FIRE STBY	\$8,926.60		
3371	Trails, Waterways And Accesses	\$512,202.38		
3382	Leases & Permits, Trust	\$82,840.25	X	Forest Mgmt
3383	Leases & Permits, Nontrust	\$79,006.87		
3388	FOR LAND MGMT - FIRE STBY	\$1,878.47		
3392	Land Own & Class, Trust	\$93,280.92	X	Forest Mgmt
3393	Land Own & Class, Nontrust	\$92,475.75		
3395	Land Own & Class, Co/Local	\$8,910.79		
3401	Forest Nursery Operations	\$31,202.63	X	Improvement
3408	NURS & TREE IMP - STBY	\$1,563.53		
3411	Forest Tree Improvement	\$24,598.13		
3421	Utilization & Marketing	\$149,783.14		
3428	UTIL & MKT - FIRE STBY	\$1,136.52		
3431	Grant/Contract Assist, Gen'l	\$25,715.42		
3435	Grant/Contract Assist, Co/Loc	\$1,772.78		

3436	Grant/Contract Assist, PFM	\$63,749.49		
3437	Grant/Contract Assist, Urban	\$49,499.37		
3441	For Mgmt Assist NEC, General	\$20,818.60		
3445	MISC ASSISTANCE NEC LOCAL GOVT	\$4,035.14		
3446	For Mgmt Assist NEC, PFM	\$56,044.99		
3447	For Mgmt Assist NEC, Urban	\$3,815.08		
3448	MISC FOR ASSIST - FIRE STBY	\$730.24		
3451	PLT & School Forests	\$69,857.63		
3467	COMM FOREST MGMT ASSIST	\$100,518.90		
3468	COMM FOR MGT ASST - FIRE STBY	\$1,210.79		
3803	FORIST PROJECT	\$219,466.58	X	General Operations
3999	Misc Pay / Multi-Purchase	\$2,248,480.27	X	General Operations
6001	HEADQUARTERS OPERATIONS	\$5.97		
7702	BIG GAME	\$224.65		
7758	FIRE ENFORCEMENT (FORESTRY)	\$41,941.45	X	Protection
8008	YEAR 2002 FLOODS & STORMS	\$9,176.12		
8009	YEAR 2004 NW FLOODING	\$7,801.48		
9102	Land Appraisals And Review	(\$3,366.00)		
9110	Taxes/Assessments/PILT	\$1,837.00		
9410	1993 SUMMER STORMS _ JUNE	\$312.33		
9413	SMART GROWTH	\$263.80		
9500	General Administration	\$5,110.23	X	Administration
9501	General Office & Clerical	\$986,314.43	X	Administration
9506	Legislation Development	\$296.65	X	Administration
9507	Legislative Affairs	\$19,691.27	X	Administration
9511	Committees / Task Forces	\$153.39		
9512	Conferences / Seminars	\$146.24		
9513	General Meetings	\$418,874.09		
9515	Staff Meetings	\$140.34		
9516	Planning	\$679.08		
9601	Accounts Payable	\$86.63	X	Administration
9602	Auditing	\$259.19	X	Administration
9605	Capital Budget Development	\$508.18	X	Administration
9606	Cost Accounting	\$5,272.32	X	Administration
9608	Fiscal / Personnel Mgt	\$1,022,685.79	X	Administration
9609	Fiscal Management	\$259.33	X	Administration
9610	Revenue Accounting	\$7,715.15	X	Administration
9650	Human Resources Management	\$576.01	X	Administration
9651	Safety And Health	\$31.38		
9654	Bargaining Unit Activities	\$5,319.77		
9655	Leave / Time Off	\$4,086,003.87	X	General Operations
9657	Training	\$2,507.12	X	General Operations
9658	Training Given	\$88,818.97	X	General Operations
9659	Training Received	\$458,753.62	X	General Operations
9701	Program Management	\$1,535.91	X	Administration
9702	Program Supervision	\$730,747.39	X	Administration
9703	Research	\$862.66		
9750	Information & Education	\$203,646.15	X	General Operations
9759	VOLUNTEER MAGAZINE	\$143.23		

9801	Database Management	\$255.15	X	General Operations
9802	Information Systems (HW/SW)	\$130,865.84	X	General Operations
9803	Geographic Info. Systems	\$277.76	X	General Operations
9850	Equipment Maintenance	\$952.58	X	Administration
9851	Facilities	\$888.56	X	Administration
9852	Facilities Maintenance	\$1,054.66	X	Administration
9854	Facility, Fleet & Equip Maint	\$1,262,022.83	X	Administration
9858	Noxious Weed Control	\$554.32		
9859	Property Management	\$2,209.11		
9965	CLASSROOM TRAINING	\$346.92		
9999	Override / Misc. Trans.	\$15,828.22	X	General Operations
A160	LIFE-CYCLE MAINTENANCE	\$312.80		
D476	MIGRATION SURVEY	\$63.99		

Total for this Report:

\$39,164,114.98

Sorted By: Actv

Selected By: FY/Org/Rpt_Mo/Fund