TEXAS STATE BOARD OF PHARMACY

ANNUAL FINANCIAL REPORT

For The Year Ended August 31, 2016

Gay Dodson, R.Ph.
Executive Director

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TEXAS STATE BOARD OF PHARMACY

November 20, 2016

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the annual financial report of the Texas State Board of Pharmacy for the year ended Aug. 31, 2016, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report* (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Jane Bennett at 512-305-8017.

Sincerely,

Gay Dodson, R.Ph.
Executive Director

333 Guadalupe Street Suite 3-600 Austin, Texas 78701-3943 512-305-8000(voice) 512-305-8082(fax) www.pharmacy.texas.gov

UNAUDITED

TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT I
COMBINED BALANCE SHEET/ STATEMENT OF NET ASSETS - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2016

	GOVERNMENTAL FUNDS Fund 0001 (Exh A-1)	CAPITAL ASSETS ADJUSTMENTS
ASSETS		
Current Assets:		
Cash and Cash Equivalents		
Cash on Hand	$ 1,000.00	$
Cash in Bank	15,000.00	
Legislative Appropriations	1,228,645.70	
Consumable Inventories	12,051.59	
Total Current Assets	1,256,697.29	0.00
Non-Current Assets:		
Capital Assets:		
Depreciable		
Furniture and Equipment	$	$ 49,072.34
Less Accumulated Depreciation - Furn & Equip		(34,273.72)
Vehicles		415,045.64
Less Accumulated Depreciation - Vehicles		(234,525.94)
Total Non-Current Assets	0.00	195,318.32
TOTAL ASSETS	$ 1,256,697.29	$ 195,318.32
LIABILITIES		
Current Liabilities:		
Payables from:		
Accounts Payable	$ 94,152.49	$
Payroll Payable	736,917.54	
Due to Other Agencies (Note 12)	78.67	
Employees' Compensable Leave		
Total Current Liabilities	831,148.70	0.00
Non-Current Liabilities:		
Employees' Compensable Leave		
Total Non-Current Liabilities	0.00	0.00
TOTAL LIABILITIES	831,148.70	0.00

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LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF NET ASSETS
$	$	$ 1,000.00
		15,000.00
		1,228,645.70
		12,051.59
0.00	0.00	1,256,697.29
$	$	$ 49,072.34
		(34,273.72)
		415,045.64
		(234,525.94)
0.00	0.00	195,318.32
$ 0.00	$ 0.00	$ 1,452,015.61
$	$	$ 94,152.49
		736,917.54
		78.67
382,075.14		382,075.14
382,075.14	0.00	1,213,223.84
230,450.09		230,450.09
230,450.09	0.00	230,450.09
612,525.23	0.00	1,443,673.93

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TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT I
COMBINED BALANCE SHEET/ STATEMENT OF NET ASSETS -
GOVERNMENTAL FUNDS
For the Year Ended August 31, 2016

	GOVERNMENTAL FUNDS Fund 0001 (Exh A-1)	CAPITAL ASSETS ADJUSTMENTS
Fund Financial Statements - Fund		
	$	$
NonSpendable for Inventory	12,051.59	
Unassigned	413,497.00	0.00
TOTAL FUND BALANCES	425,548.59	0.00
TOTAL LIABILITIES AND FUND BALANCES	$ 1,256,697.29	$ 0.00
Government-wide Statement - Net Assets		
Net Assets:		
Invested in Capital Assets, Net of Related Debt		$ 195,318.32
Restricted for:		
Debt Retirement		
Employee Benefit		
Unrestricted		
Total Net Assets		$ 195,318.32

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

LONG-TERM LIABILITIES ADJUSTMENTS	OTHER ADJUSTMENTS	STATEMENT OF NET ASSETS
$	$	$
		12,051.59
0.00	0.00	413,497.00
0.00	0.00	425,548.59
$ 612,525.23	$ 0.00	$ 1,869,222.52
$	$	$ 195,318.32
		0.00
		0.00
(612,525.23)		(612,525.23)
$ (612,525.23)	$ 0.00	$ 8,341.68
		$ 1,452,015.61

TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2016
COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/

	Governmental Funds Fd 0001 (0001)	Capital Asset Adjustments
REVENUES:	$	$
Legislative Appropriations	6,400,998.00	
Additional Appropriations	1,698,111.56	
Federal Revenue	250,000.00	
Licenses and Permits	553,754.70	
Interest and Investment Income	14.71	
Settlement of Claims	9,269.66	
Other Revenue	2,400.00	
Total Revenues	8,914,548.63	0.00
EXPENDITURES:		
Salaries and Wages	5,330,450.98	
Payroll Related Costs	1,653,491.48	
Professional Fees & Services	531,406.83	
Travel	147,445.59	
Materials and Supplies	202,669.49	
Communication and Utilities	56,671.15	
Repairs and Maintenance	19,255.08	
Rentals and Leases	15,032.06	
Printing and Reproduction	19,633.95	
Other Operating Expenditures	366,205.24	
Capital Outlay	7,154.09	(7,154.09)
Depreciation Expense	0.00	70,333.56
Total Expenditures	8,349,415.94	63,179.47
EXCESS OF REVENUES OVER EXPENDITURES	565,132.69	(63,179.47)
OTHER FINANCING SOURCES (USES):		
Operating Transfers Out (Agy 902, Fd 0001)	(29,451.50)	
Legislative Transfers Out (Agy 364, Fd 0001)	(331,400.00)	
Sale of Capital Asset	3,150.00	(3,150.00)
Gain on Sale of Asset		3,150.00
Appropriations Lapsed	(69,178.39)	
Total Other Financing Sources (Uses)	(426,879.89)	0.00
NET CHANGE IN FUND BALANCES/NET ASSETS	138,252.80	(63,179.47)

UNAUDITED

Long-term Liabilities Adjustments	Statement of Activities
$	$
	6,400,998.00
	1,698,111.56
	553,754.70
	14.71
	9,269.66
	2,400.00
0.00	8,664,548.63
53,244.18	5,383,695.16
	1,653,491.48
	531,406.83
	147,445.59
	202,669.49
	56,671.15
	19,255.08
	15,032.06
	19,633.95
	366,205.24
	0.00
	70,333.56
53,244.18	8,465,839.59
(53,244.18)	198,709.04
	(29,451.50)
	(331,400.00)
	0.00
	3,150.00
	(69,178.39)
0.00	(426,879.89)
(53,244.18)	21,829.15

TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT II
COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/
STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
For the Year Ended August 31, 2016
COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES/

	Governmental Funds Fd 0001 (0001)	Capital Asset Adjustments
FUND BALANCES - Beginning	287,295.79	
Restatement	0.00	
FUND BALANCES - Ending	$ 425,548.59	
Government-wide Statement - Net Assets		
Change in Net Assets		(63,179.47)
Net Assets Beginning		258,497.79
Adjustments to Beginning Net Assets		
Net Assets Beginning as Restated and Adjusted		258,497.79
Net Assets Ending		$ 195,318.32

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

Long-term Liabilities Adjustments	Statement of Activities
	287,295.79
	0.00
	$ 309,124.94
(53,244.18)	
(559,281.05)	(300,783.26)
(559,281.05)	(300,783.26)
$ (612,525.23)	$ 8,341.68

TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT VI
COMBINED STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
For the Year Ended August 31, 2016

	AGENCY FUNDS (EXH J-1)	TOTAL
ASSETS		
Current Assets:		
Cash and Cash Equivalents		
Cash in State Treasury	$ 593.00	$ 593.00
Accounts Receivables - Fines/Probation Fees	203,980.00	203,980.00
Total Current Assets	204,573.00	204,573.00
TOTAL ASSETS	$ 204,573.00	$ 204,573.00
LIABILITIES		
Current Liabilities:		
Funds Held for Others	$ 204,573.00	$ 204,573.00
Total Current Liabilities	204,573.00	204,573.00
TOTAL LIABILITIES	204,573.00	204,573.00
Net Assets		
	$	$
TOTAL NET ASSETS	0.00	0.00
TOTAL LIABILITIES AND NET ASSETS	$ 204,573.00	$ 204,573.00

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

TEXAS STATE BOARD OF PHARMACY (515)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

Texas State Board of Pharmacy is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the State Comptroller of Public Accounts' Reporting Requirements of State Agencies.

The Texas State Board of Pharmacy is a state agency operating under the authority of Occupational Code Chapters 551-566 recodified September 1, 1999 from Tex. Rev. Civ. Stat. Ann. Art. 4542a-1. The function of the Board is to regulate the practice of pharmacy in Texas.

Due to the significant changes related to Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments,* the Comptroller of Public Accounts does not require the accompanying financial report to be in compliance with generally accepted accounting principles (GAAP). The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

<u>Blended Component Units</u>
No component units have been identified which should have been blended into an appropriate fund.

B. FUND STRUCTURE

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

GOVERNMENTAL FUND TYPES & GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

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

<u>Capital Asset Adjustment Fund Type</u>
Capital Asset Adjustment Fund Type will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

<u>Long-Term Liabilities Adjustment Fund Type</u>
Long-Term Liabilities Adjustment Fund Type will be used to convert governmental fund types' debt from modified accrual to full accrual.

FIDUCIARY FUND TYPES

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

C. BASIS OF ACCOUNTING

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

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

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual method of accounting. This includes unpaid Employee Compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, and long-term claims and judgments. The activity will be recognized in these new fund types.

D. BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

ASSETS

<u>Cash and Cash Equivalents</u>
Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

<u>Restricted Assets</u>
Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements.

<u>Inventories</u>
Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. Inventories for governmental fund types use the purchase method of accounting. The consumption method of accounting is used to account for inventories that appear in the

proprietary fund types and the government-wide statements. The cost of these items is expensed when the items are consumed.

Capital Assets
Assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost, or if any purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

LIABILITIES

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

Employees' Compensable Leave
Employees' Compensable Leave Balances represent the liability that became "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net position. The obligation is normally paid from the same funding source from which each employee's salary or wage compensation was paid.

FUND BALANCES/NET POSITION

The difference between fund assets and liabilities is "Net Assets" on the government-wide, proprietary and fiduciary fund statements, and the "Fund Balance" is the difference between fund assets and liabilities on the governmental fund statements.

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

Nonspendable fund balance includes amounts not available to be spent because they are either:

- Not in Spendable Form
  -OR-
- Legally or contractually required to be maintained intact

Restricted fund balance includes those resources that have constraints on their use through external parties - such as creditors, grantors, contributors, laws or regulations of other governments

- or by laws through constitutional provisions or enabling legislation

Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.

Assigned fund balance includes amounts constrained by the state's intent to be used for specific purposes, but the constraints do not meet the requirements to be reported as restricted or committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for exampled a a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

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

Restricted Net Position
Restricted Net Position results when constraints placed on net resources use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position
Unrestricted Net Position consists of net resources, which do not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources, which are imposed by management, but can be removed or modified.

F. INTERFUND TRANSACTIONS AND BALANCES

The agency has the following types of transactions among funds:

1) Transfers: Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.

2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current."

TEXAS STATE BOARD OF PHARMACY (515)
NOTES TO THE FINANCIAL STATEMENTS

4) Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the agency's Interfund receivables and payables at August 31, 2016, if any, is presented in Note 12.

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2016:

	Balance 9/1/15	Adjustments	Completed CIP	Inc Int'agy Trans
Governmental Activities:				
Depreciable Assets				
Furniture and Equipment	$ 72,590.29	$	$	$
Vehicles	430,566.64	0.00	0.00	0.00
Total depreciable assets	503,156.93	0.00	0.00	0.00
Less Accum Deprec for:				
Furniture and Equip	(59,709.68)			
	(184,949.46)	0.00	0.00	0.00
Total Accum Deprec	(244,659.14)	0.00	0.00	0.00
TOTAL	$ 258,497.79	$ 0.00	$ 0.00	$ 0.00

continued	Dec Int'agy Trans	Addition	Deletions	Balance 8/31/15
Governmental Activities:				
Depreciable Assets				
Furniture and Equipment	$	$ 7,154.09	$ (30,672.04)	$ 49,072.34
Vehicles	0.00	0.00	(15,521.00)	415,045.64
Total depreciable assets	0.00	7,154.09	(46,193.04)	464,117.98
Less Accum Deprec for:				
Furniture and Equip		(5,236.08)	30,672.04	(34,273.72)
Vehicles	0.00	(65,097.48)	15,521.00	(234,525.94)
Total Accum Deprec	0.00	(70,333.56)	46,193.04	(268,799.66)
TOTAL	$ 0.00	$ (63,179.47)	$ 0.00	$ 195,318.32

NOTE 3: DEPOSITS, INVESTMENTS & REPURCHASE AGREEMENTS

Texas State Board of Pharmacy is authorized by statute to make investments following the "prudent person rule". There were no significant violations of legal provisions during the period.

Deposits of Cash in Bank

As of August 31, 2016, the carrying amount of deposits was $15,000.00 as presented below.

Governmental and Business-Type Activities

Cash in Bank - Carrying Amount	$	15,000.00
Less: Certificates of Deposit included in carrying amounts and reported as Cash Equivalent		0.00
Total Cash in Bank per AFR	$	15,000.00
Government Funds Current Assets Cash in Bank	$	15,000.00
Cash in Bank per AFR	$	15,000.00

As of August 31, 2016

Governmental and Business-Type Activities	$	14,996.25

NOTE 4: SHORT TERM DEBT

Not applicable

NOTE 5: SUMMARY OF LONG-TERM LIABILITIES

Notes and Loans Payable:
The agency did not have any notes or loans payable as of August 31, 2016.

Changes In Long-Term Liabilities
During the year ended August 31, 2016, the following changes occurred in liabilities.

Governmental Activities:	Balance 9/1/15	Additions	Deductions	Balance 8/31/16	Amounts Due Within One Yr
Compensable Leave	$ 559,281.05	$ 579,890.64	$ (526,646.46)	$ 612,525.23	$ 382,075.14
TOTAL	$ 559,281.05	$ 579,890.64	$ (526,646.46)	$ 612,525.23	$ 382,075.14

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

NOTE 6: BONDED INDEBTEDNESS

Not applicable

NOTE 7: DERIVATIVE INSTRUMENTS

Not applicable

NOTE 8: LEASES

Not applicable

NOTE 9: PENSION PLANS

Not applicable

NOTE 10: DEFERRED COMPENSATION

Not applicable

NOTE 11: POST EMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not applicable

NOTE 12: INTERFUND BALANCES/ACTIVITIES

As explained in Note 1 on Interfund Transactions and Balances, there are numerous transactions between funds and agencies. At year end, amounts to be received or paid are reported as Interfund Receivables or Interfund Payables, Advances From or Advances To, or Due From or Due To Other Funds. Individual interfund receivable and payable balances at August 31, 2016 were as follows:

The agency experienced routine transfers with other state agencies, which were consistent with the activities of the fund making the transfer. Repayment of interfund balances will occur within one year from the date of the financial statement.

Individual balances and activities at August 31, 2016, follows:

	Transfer In	Transfer Out
General (01)		
Appd Fund 0001, D23 Fund 0001		
Agy 902, D23 Fund 0001	0.00	29,451.50
Total Transfers	$ 0.00	$ 29,451.50

	Legislative Transfers In	Legislative Transfers Out
General (01)		
Appd Fund 0001, D23 Fund 0001		
Agency 364, D23 Fd 0001	0.00	331,400.00
Total Legislative Transfers	$ 0.00	$ 331,400.00

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NOTES TO THE FINANCIAL STATEMENTS

		Due To		Due From
General (01)				
Appd Fund 0001, D23 Fund 0001				
Agency 503, D23 Fd 0001		78.67		0.00
Total Due To/From	$	78.67	$	0.00

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 2017, unless continued in existence by the State Legislature as provided by the Act. If abolished, the Agency may continue until September 1, 2018 to close out its operations.

NOTE 14: ADJUSTMENTS TO FUND BALANCES/NET ASSETS

Not applicable

NOTE 15: CONTINGENCIES AND COMMITMENTS

Encumbrances:
The agency encumbered $924.06 of its fiscal year 2016 remaining funds. This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods and are part of the unassigned fund balance in governmental funds.

NOTE 16: SUBSEQUENT EVENTS

Not applicable

NOTE 17: RISK MANAGEMENT

The agency is exposed to a variety of civil claims resulting from the performance of its duties. It is the agency's policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed.

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

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS/MATERIAL CHANGES TO AFR

Not applicable

TEXAS STATE BOARD OF PHARMACY (515)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19: THE FINANCIAL REPORTING ENTITY: RELATED ORGANIZATIONS

Not applicable

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Not applicable

NOTE 21: N/A

NOTE 22: DONOR-RESTRICTED ENDOWMENTS

Not applicable

NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS

Not applicable

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Not applicable

NOTE 25: TERMINATION BENEFITS

Not applicable

NOTE 26: SEGMENT INFORMATION

Not applicable

NOTE 27: SERVICE CONCESSION ARRANGEMENTS

Not applicable

NOTE 28: DEFERRED OUTFLOWS OF RESOURCES

Not applicable

NOTE 29: TROUBLED DEBT RESTRUCTURING

Not applicable

NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES

Not applicable

UNAUDITED

TEXAS STATE BOARD OF PHARMACY (515)
EXHIBIT J-1
COMBINING STATEMENT OF CHANGES IN NET ASSETS & LIABILITIES - AGENCY FUNDS
For the Year Ended August 31, 2016

	Beginning Balance 09/01/15	Additions	Deductions	Ending Balance 8/31/16
Unappropriated Receipts				
General Revenue Fund (0001) U/F (1000)				
ASSETS				
Accounts Receivable - Fines/Probation Fees	$ 315,270.00	$ 203,980.00	$ (315,270.00)	$ 203,980.00
Total Assets	315,270.00	203,980.00	(315,270.00)	203,980.00
LIABILITIES				
Funds Held for Others	315,270.00	203,980.00	(315,270.00)	203,980.00
Total Liabilities	$ 315,270.00	$ 203,980.00	$ (315,270.00)	$ 203,980.00
Child Support (0807, U/F 8070)				
ASSETS				
Cash in State Treasury	$ 0.00	$ 593.00	$ 0.00	$ 593.00
Total Assets	0.00	593.00	0.00	593.00
LIABILITIES				
Funds Held for Others	0.00	593.00	0.00	593.00
Total Liabilities	$ 0.00	$ 593.00	$ 0.00	$ 593.00
Total All Funds				
ASSETS				
Cash in State Treasury	$ 0.00	$ 593.00	$ 0.00	$ 593.00
Accounts Receivable - Fines/Probation Fees	315,270.00	203,980.00	(315,270.00)	203,980.00
Total Assets	315,270.00	204,573.00	(315,270.00)	204,573.00
LIABILITIES				
Funds Held for Others	315,270.00	204,573.00	(315,270.00)	204,573.00
Total Liabilities	$ 315,270.00	$ 204,573.00	$ (315,270.00)	$ 204,573.00

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