

Reporting

1004 - Financial Reporting: Checklist for Reports Prepared Under the CFO Act

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Abbreviations

AcSEC	Accounting Standards Executive Committee
AICPA	American Institute of Certified Public Accountants
CFO Act	Chief Financial Officers Act of 1990
COTS	commercial-off-the-shelf software
CSRS	Civil Service Retirement System
FASAB	Federal Accounting Standards Advisory Board
FASB	Financial Accounting Standards Board
FERS	Federal Employees Retirement System
FFMIA	Federal Financial Management Act
FIFO	first-in, first-out
FY	fiscal year
GAAP	generally accepted accounting principles
GDP	gross domestic product
GPRA	Government Performance and Results Act of 1993
HI	Hospital Insurance (Medicare Part A)
IMF	International Monetary Fund
Imple. Guide	Implementation Guide
IRS	Internal Revenue Service
LIFO	last-in, first-out
MD&A	Management Discussion and Analysis
MRS	Military Retirement System
NRV	net realizable value
OASDI	Old Age, Survivors, and Disability Insurance (Social Security)
OMB	Office of Management and Budget
OMB Bull.	OMB Bulletin
OPEB	Other Postemployment Benefits
ORB	Other Retirement Benefits
PP&E	property, plant, and equipment
RRB	Railroad Retirement Benefits
RSSI	Required Supplementary Stewardship Information
SFAS	Statement of Financial Accounting Standards
SFFAC	Statements of Federal Financial Accounting Concepts
SFFAS	Statements of Federal Financial Accounting Standards
SGL	U.S. Government Standard General Ledger
SMI	Supplementary Hospital Insurance (Medicare Part B)
SOP	Statement of Position
UI	unemployment insurance
UTF	Unemployment Trust Fund

Section I Overview

Introduction

The Chief Financial Officers Act of 1990 and the Government Management and Reform Act of 1994 require, among other mandates, that agencies' chief financial officers submit annual reports to their agency heads and to the Office of Management and Budget (OMB). These annual reports should contain audited financial statements of their agencies. The financial statements are to be presented in accordance with the Federal Accounting Standards Advisory Board's (FASAB) approved statements and OMB Bulletin 97-01, *Form and Content of Financial Statements*, as revised.

The checklist has been issued to assist agencies in preparing these statements and auditors in auditing them. Use of this checklist is not a requirement. Rather, it is intended to help provide for a systematic, organized, and structured approach to preparing or reviewing agency financial statements. Furthermore, it must be noted that, while the questions contained in the checklist are taken from authoritative sources, the checklist itself is not authoritative, nor is it a comprehensive guide. Preparers and auditors should also consult financial management regulations for the individual agencies, as the regulations may have specific guidance when the standards allow alternatives or management flexibility.

Checklist Organization

The checklist has 10 sections: an overview section; a section related to general items in the financial statements; a section for each of the six financial statements; and two additional sections. The six sections reflecting the financial statements are organized by the line items in financial statements to allow the user to proceed through each statement from the beginning to the end. The final two sections cover disclosures in the footnotes related to significant accounting policies and required supplementary information.

Since the financial statements are interrelated, some questions concerning line items in one financial statement may also pertain to line items in another statement. For example, the questions covering loans receivable in the balance sheet section may also include questions on the related interest income and subsidy expense appearing in the statements of financing and net cost. The questions on related line items appearing in more than one statement are covered only in the first statement in which the line item appears. In the preceding example, questions concerning interest income and subsidy expense would appear only in the balance sheet. Further, questions related to footnote disclosure would also appear only under the line item of the initial financial statement and would not be duplicated in the related financial statement except for the section on notes to the financial statements about significant accounting policies.

Except for sections I, II, VI, and IX, the first page of each section contains a list showing the number of questions in the section. This checklist has 715 questions as follows.

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Authoritative Guidance

Each question in this guide is referenced to a source. The sources cited are (1) the *Statements of Federal Financial Accounting Standards* (SFFAS) and (2) OMB Bulletin 97-01, *Form and Content of Financial Statements* (including the 1998 and 2000 revisions).

FASAB-recommended statements approved by the principals include Statements of Federal Financial Accounting Concepts (SFFAC) and Statements of Federal Financial Accounting Standards (SFFAS). The three approved accounting concept statements are #1 *Objectives of Federal Financial Reporting*, 1993, #2 *Entity and Display*, 1995, and #3 *Management's Discussion and Analysis – Concepts*, 1999. The nineteen SFFAS standards are:

1. *Accounting for Selected Assets and Liabilities*, 1993.
2. *Accounting for Direct Loans and Loan Guarantees*, 1993.
3. *Accounting for Inventory and Related Property*, 1994.
4. *Managerial Cost Accounting Concepts and Standards*, 1995.
5. *Accounting for Liabilities of the Federal Government*, 1997.
6. *Accounting for Property, Plant, and Equipment*, 1995.
7. *Accounting for Revenue and Other Financing Sources*, 1996.
8. *Supplementary Stewardship Reporting*, 1996.
9. *Deferral of the Effective Date of Managerial Cost Accounting Standards for the Federal Government in SFFAS No. 4*, 1998.
10. *Accounting for Internal Use Software*, 1998.
11. *Amendments to Accounting for Property, Plant, and Equipment - Definitional Changes*, 1998 - Amending SFFAS No. 6 and SFFAS No 8: *Accounting for Property Plant and Equipment and Supplementary Stewardship Reporting*.
12. *Recognition of Contingent Liabilities Arising from Litigation: An Amendment of SFFAS No. 5*, 1998 – *Accounting for Liabilities of the Federal Government*.
13. *Deferral of Paragraph 65.2 – Material Revenue-Related Transactions Disclosures*, 1998 – Amending SFFAS No. 7, *Accounting for Revenue and Other Financing Sources*.

14. *Amendments to Deferred Maintenance Reporting, 1999 – Amending SFFAS No. 6, Accounting for Property, Plant, and Equipment and SFFAS No. 8, Supplementary Stewardship Reporting.*
15. *Management's Discussion and Analysis, 1999.*
16. *Amendments to Accounting for Property, Plant, and Equipment – Measurement and Reporting for Multi-Use Heritage Assets, 1999 – Amending SFFAS No. 6 and SFFAS No. 8, Accounting for Property, Plant, and Equipment and Supplementary Stewardship Reporting.*
17. *Accounting for Social Insurance, 1999.*
18. *Amendments to Accounting Standards For Direct Loans and Loans Guarantees, 2000.*
19. *Technical Amendments to Accounting Standards for Direct Loans and Loan Guarantees In Statement of Federal Financial Accounting Standards No.2, 2001.*

OMB Bulletin 97-01 as amended (Jan. 7, 2000) as well as the attachment to OMB Memo M-00-05, OMB Bulletin 97-01 *Technical Amendments* as amended January 7, 2000, provide the detailed requirements for the form and content of financial statements.

How to Use This Guide

To the right of each question are two columns. The first column provides for a "yes," "no," or "NA" answer to each question. The third column provides for an explanation for the answer checked in one of the first three columns. A "yes" answer should indicate that the financial statements contain the information asked by the question. For each "yes" answer, the explanation column should include the page number or location in the financial statements where the information can be found. Also, other materials, such as accounting records, studies or working papers, or other documents, should be referenced or listed in the column where appropriate.

A "no" answer indicates that the information asked in the question is not included in the financial statements. The fourth column should provide an explanation. Examples of explanations for a "no" answer might include: (1) the federal entity is working to have the information available for the statements in subsequent years, (2) management believes that the information does not enhance the usefulness of the statements, (3) the cost of compiling the information exceeds the benefit of providing it, and (4) the items are not material. However, it must be noted that explanations 1 - 3 do not necessarily imply that the information is not needed for fair presentation and compliance with the Federal Financial Management Improvement Act (FFMIA) of 1996; only explanation 4 implies this. Also, support, such as a cost-benefit analysis, should be referenced or listed in the column, where appropriate.

An "N/A" answer might indicate that the question does not apply to the federal entity. For example, most federal agencies do not administer loan, loan guarantee, or loan insurance programs and, therefore, do not have credit program receivables and related property.

Consequently, the questions on these receivables, property, and subsidies would not apply. A simple explanation indicating that the reporting entity does not administer loan programs would appear in the explanation column of the first question in the series.

Section II General Items Related to the Financial Statements

There are 28 questions in this section. All the questions relate to the overall financial statements and are not further divided into categories.

General Items (1 – 28)	Yes, No, or N/A	Explanation
<p>1. Does the entity's annual financial statement consist of the following items?</p> <ul style="list-style-type: none"> a. management's discussion and analysis (MD&A) of the reporting entity b. financial statements and related notes c. required supplementary stewardship information d. required supplementary information e. other accompanying information that in management's judgment provides users with relevant information (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 4 & 5) 		
<p>2. Do the principal statements and notes include the following six statements?</p> <ul style="list-style-type: none"> a. Balance Sheet b. Statement of Net Cost c. Statement of Changes in Net Position d. Statement of Budgetary Resources e. Statement of Financing f. Statement of Custodial Activity (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 5) 		

Section II General Items Related to the Financial Statements

General Items (1 - 28)	Yes, No, or N/A	Explanation
<p>3. Does the entity use the following hierarchy as its sources of guidance in preparing its financial statements?</p> <ul style="list-style-type: none"> a. Statements and interpretations of the Federal Financial Accounting Standards Advisory Board (FASAB) as well as applicable AICPA and FASB pronouncements b. FASAB technical bulletins and, if specifically made applicable to federal government entities by FASAB, AICPA Industry Audit and Accounting Guides and AICPA Statements of Position c. AICPA AcSEC Practice Bulletins if specifically made applicable to federal government entities and cleared by FASAB, as well as Technical Releases of the Accounting and Auditing Policy Committee of FASAB d. accounting principles published by other authoritative standard-setting bodies <ul style="list-style-type: none"> i. in the absence of other guidance in the first three parts of this hierarchy, and ii. if the use of such accounting principles improves the meaningfulness of the financial statements <p>(OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 7; Statement on Auditing Standards (SAS) No. 91 – <i>Federal Generally Accepted Accounting Principles (GAAP) Hierarchy</i>)</p>		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
<p>4. Do the descriptions and displays meet the authoritative standard that governs the nature and purpose of the statements, the recognition and measurement of items in the statements, and the required disclosures? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p.10, item 2)</p>		
<p>5. When presenting dollar amounts in the statements and the notes, does the entity do the following?</p> <ul style="list-style-type: none"> a. round dollar amounts to the nearest whole dollar, thousand, or million based on informative value to the reporting entity b. maintain the chosen rounding level throughout the financial statements and footnotes c. adjust the individual line items for differences created by rounding so that totals equal the sum of the addends in a column (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 5) 		
<p>6. Does the entity present comparative financial statements with full footnote disclosure? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 3)</p>		
<p>7. Are immaterial but related line items combined? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 6)</p>		
<p>8. Are the statement line items, footnotes, and lines or columns that are not informative for the reporting entity excluded? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 7)</p>		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
9. Are material balances excluded from the “other” category and separately reported and designated by name? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 8)		
10. Are footnotes sequentially numbered? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 10, item 10)		
11. Do total amounts presented in the footnotes tie to the amounts presented in the body of the financial statements? (OMB Bull. 97-01, p. 10, item 10)		
<p><i>Financial statements may be aggregated or disaggregated in different ways depending upon the nature of the statements. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)</i></p>		
12. When agencies present disaggregated information for component organizations, does the total column for the entity as a whole reflect consolidated totals net of intra-entity transactions? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)		
<p><i>When a reporting entity presents its financial statements in a single column format, the statements are referred to as consolidating statements. Financial statements that use a multicolumn format to present information on an entity’s major components or lines of business as well as the consolidated amounts are referred to as consolidating statements. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)</i></p>		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
13. Are intra-entity transactions needed to arrive at the consolidated amounts presented in a column on the face of the consolidating statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)		
14. Does the reporting entity include franchise funds and other intragovernmental support revolving funds among the activities covered by its financial statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)		
15. If information about the assets, liabilities, costs, and revenues of these franchise funds and intragovernmental support revolving funds is not separately disclosed in the entity's financial statements, is this information reported as required supplementary information? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 11, item 11)		
<p><i>The Department of the Treasury will issue separate guidance providing a crosswalk from the accounts or the Standard General Ledger (SGL) to required financial statements (OMB Bulletin 97-01 as amended (Jan. 7, 2000), p. 11, item 13)</i></p>		
16. If the entity it not yet using the accounts and data elements of the SGL, are the ledger accounts and data elements used crosswalked to those of the SGL? (OMB Bulletin 97-01 as amended (Jan. 7, 2000), p. 11, item 13)		

Section II General Items Related to the Financial Statements

General Items (1 - 28)	Yes, No, or N/A	Explanation
<p>17. Does the MD&A provide a clear and concise description of the reporting entity and its mission, activities, program and financial results, and financial condition? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 12)</p>		
<p>18. Does the MD&A, at a minimum, contain sections that address the following items concerning the entity?</p> <ul style="list-style-type: none"> a. mission and organizational structure b. performance goals, objectives, and results c. financial statements d. systems controls and legal compliance e. forward-looking information, either as a separate section of MD&A or incorporated with the sections listed above f. important problems that need to be addressed and action taken or planned, either as a separate section of the MD&A or incorporated with the sections listed above (SFFAS 15, par. 2 - 4; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 12) 		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
<p>19. Does the entity's mission statement have the following attributes?</p> <ul style="list-style-type: none"> a. a clear articulation of what the entity's major programs and activities are intended to accomplish b. consistency with the entity's strategic plan? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 12) 		
<p>20. Are the entity's programs and financial results expressed in terms of objective and relevant measures that disclose the extent to which its programs are achieving their intended objectives? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 12)</p>		
<p>21. Has the entity attempted to develop and report objective measures that provide information about the cost effectiveness of programs? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 13)</p>		
<p>22. Are the reported measures of program and financial performance consistent with the agency's strategic plan? (OMB Bull. 97-01, p. 12)</p>		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
<p>23. Do the entity's performance measures meet the following criteria?</p> <ul style="list-style-type: none"> a. clearly set forth b. objective and quantifiable c. meaningful and relevant d. related to measures developed in the entity's strategic planning processes e. capable of presenting the outputs and outcomes of the programs, not just inputs or processes (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 13) 		
<p>24. Does the entity's presentation of its performance measures include the following?</p> <ul style="list-style-type: none"> a. both positive and negative results b. presentation of future and historical trends, if possible c. use of charts and graphs, whenever possible, for easy identification of trends d. explanation of the significance of trends e. comparisons of actual results to goals or benchmarks f. variations from goals and trends g. other explanatory information that helps readers understand the significance of the measures, results, and any variations from goals or plans (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 13) 		

Section II General Items Related to the Financial Statements

General Items (1 – 28)	Yes, No, or N/A	Explanation
<p>25. Does the entity explain what needs to be done and what is planned to improve financial or program performance? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 14)</p>		
<p>26. Do the performance measures presented in the MD&A include the following criteria?</p> <ul style="list-style-type: none"> a. related to program purposes and goals b. consistent with measures previously included in budget documents and other materials related to implementation of the Government Performance and Results Act (GPRA) c. linked to the programs presented in the Statement of Net Cost d. limited to the entity's most significant program and financial measures (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 14) 		

Section II General Items Related to the Financial Statements

General Items (1 - 28)	Yes, No, or N/A	Explanation
<p>27. Are the less significant program and financial measures presented as "other accompanying information?" (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 14)</p>		
<p>28. Does the entity note the following in the section on limitations of the "Financial Statements?"</p> <ul style="list-style-type: none"> a. the financial statements have been prepared to report the financial position and results of operations of the entity, pursuant to the requirements of 31 U.S.C. 3515(b) b. while the statements have been prepared from the books and records of the entity in accordance with the formats prescribed by OMB, the statements are in addition to the financial reports used to monitor and control budgetary resources that are prepared from the same books and records c. the statements should be read with the realization that they are for a component of the U.S. government¹ (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 14) 		

¹ One implication of this is that liabilities cannot be liquidated without enabling legislation.

Section III Balance Sheet

The questions related to the balance sheet are contained under 23 line items. The question numbers related to each line item follow.

	<u>Question numbers</u>
General items	1 - 4
Assets	
1. Fund Balance with Treasury	5 - 17
2. Investments	18 - 26
3. Accounts Receivable (Net)	27 - 47
4. Interest Receivable (Net)	48 - 51
5. Credit Program Receivables	52 - 92
6. Cash and Other Monetary Assets	93 - 95
7. Inventory and Related Property	96 - 112
8. Operating Materials and Supplies	113 - 120
9. Stockpile Materials	121 - 131
10. Seized Property	132 - 141
11. Forfeited Property	142 - 149
12. Goods Held Under Price Support and Stabilization Programs	150 - 163
13. General Property, Plant, and Equipment (Net)	164 - 195
14. Software	196 - 226
15. Other Assets	227 - 238
Liabilities	
16. Liabilities in General	239 - 240
17. Interest Payable	241 - 248
18. Liabilities for Loan Guarantees	249 - 262
19. Lease Liabilities	263 - 266
20. Federal Debt and Related Interest	267 - 278
21. Pensions, Other Retirement Benefits, and Postemployment Benefits	279 - 287
22. Other Liabilities	288 - 318
Net Position	
23. Unexpended Appropriations and Cumulative Results of Operations	319 - 322

Section III Balance Sheet

General Items (1 - 4)	Yes, No, or N/A	Explanation
<p><i>The Balance Sheet presents, as of a specific time, amounts of future economic benefits (assets) owned or managed by the reporting entity exclusive of items subject to stewardship reporting, amounts owed by the entity (liabilities), and amounts that comprise the difference (net position). (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 17)</i></p>		
<p>1. Does the Balance Sheet display assets, liabilities, and net position? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 15 & 16)</p>		
<p><i>Entity assets are assets that the reporting entity has authority to use in its operations. Nonentity assets are assets that are held by an entity but are not available to the entity as, for example, income tax receivables. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 17)</i></p>		
<p>2. Are entity assets separately reported from nonentity assets? (OMB Bull. 97-10 as amended (Jan. 7, 2000), pp. 15 & 17)</p>		
<p><i>Intragovernmental assets are claims of a federal entity against other federal entities; conversely, intragovernmental liabilities are claims against the entity by other federal entities. (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 17 & 22)</i></p>		
<p>3. Are intragovernmental assets and liabilities reported separately from governmental assets and liabilities that arise from transactions of the federal government or a federal government entity with nonfederal entities, the federal reserve, and government-sponsored enterprises? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 15, 17, & 22)</p>		

Section III Balance Sheet

General Items (1 - 4)	Yes, No, or N/A	Explanation
<p><i>Liabilities covered by budgetary resources are liabilities covered by realized budgetary resources as of the balance sheet date. Budgetary resources include: (1) new budget authority, (2) spending authority from offsetting collections credited to an appropriation or fund account, (3) recoveries of unexpired budget authority through downward adjustment or prior year obligations (4) unobligated balances of budgetary resources of the beginning of the year or net transfers or prior-year balances during the year, and (5) permanent indefinite appropriations or borrowing authority, which have been enacted and signed into law as of the balance sheet date and may be apportioned by OMB without further congressional action or a contingency having to be met. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)</i></p>		
<p>4. Are liabilities covered by budgetary resources separately reported from liabilities not covered by budgetary resources? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)</p>		

Section III Balance Sheet

Assets Fund Balance with Treasury (5 - 17)	Yes, No, or N/A	Explanation
<p><i>A federal entity's fund balance with the Treasury is the aggregate amount of funds in the entity's accounts with Treasury for which the entity is authorized to make expenditures and pay liabilities. From the reporting entity's perspective, a fund balance with Treasury is an asset. From the perspective of the federal government as a whole, the fund balance is neither an asset nor a liability. It instead represents a commitment to make resources available to federal or other entities. (SFFAS 1, par. 31)</i></p>		
<p>5. Is the fund balance with Treasury reported as an intragovernmental asset? (SFFAS 1, par. 31; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 15)</p>		
<p>6. Are amounts disclosed as fund balances in deposit, suspense, and clearing accounts that are not available to finance entity activities reported as nonentity assets? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)</p>		
<p>7. Is foreign currency translated into U.S. dollars at exchange rates determined by the Treasury at the financial reporting date? (SFFAS 1, par. 32; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)</p>		

Section III Balance Sheet

Assets Fund Balance with Treasury (5 - 17)	Yes, No, or N/A	Explanation
<p>8. Does the entity's fund balance with Treasury also include the following?</p> <ul style="list-style-type: none"> a. clearing account balances b. balances for direct loan and loan guarantee activities c. funds actually borrowed from Treasury under statutory authority d. the dollar equivalent of foreign currency account balances (SFFAS 1, par. 32 & 35) 		
<p>9. Does the entity's fund balance with Treasury exclude contract authority¹ or unused authority to borrow? (SFFAS 1, par. 34)</p>		
<p>10. Does the entity record an increase in its fund balance with Treasury when it does at least one of the following?</p> <ul style="list-style-type: none"> a. receives appropriations, reappropriations, continuing resolutions, appropriation restorations, and allocations b. receives transfers and reimbursements from other agencies c. borrows from the Treasury, Treasury, Federal Financing Bank, or other entity d. collects and credits amounts to its appropriations or fund accounts that the entity is authorized to spend or use to offset its expenditures (SFFAS 1, par. 33) 		

¹ Contract authority is a statutory authority under which contracts or other obligations may be entered into prior to receiving an appropriation for the payment of obligations.

Section III Balance Sheet

Assets Fund Balance with Treasury (5 - 17)	Yes, No, or N/A	Explanation
<p>11. Does the entity record a decrease in its fund balance with Treasury when at least one of the following occurs?</p> <ul style="list-style-type: none"> a. Treasury makes disbursements to pay liabilities or to purchase assets, goods, and services b. Treasury makes investments in U.S. securities. c. Treasury’s expired appropriations are cancelled. d. Treasury makes transfers and reimbursements to other entities or the Treasury. e. Treasury’s appropriations are rescinded or sequestered. (SFFAS 1, par. 36) 		
<p>12. Are any restrictions related to future uses of fund balances disclosed? (SFFAS 1, par. 38; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 44, item B)</p>		
<p>13. Are discrepancies between fund balances in Treasury's records and general ledger accounts explained and corrected, if necessary? (SFFAS 1, par. 39; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 44, item B)</p>		
<p>14. Are amounts held for special purposes (such as collections pending litigation outcome or held as an agent for others) disclosed as "other fund types?" (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 44, item A)</p>		

Section III Balance Sheet

Assets Fund Balance with Treasury (5 - 17)	Yes, No, or N/A	Explanation
15. Are fund balances representing amounts (1) obligated but not yet disbursed and (2) unobligated: disclosed separately? (SFFAS 1, par. 37 & 38)		
16. Are fund balances disclosed by fund type? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 43 & 44, item A)		
17. Are unexpended appropriations recognized as capital and included under funds with Treasury when they are made available for apportionment? (SFFAS 7, par. 71)		

Section III Balance Sheet

Assets Investments (18 - 26)	Yes, No, or N/A	Explanation
<p><i>Investments in federal securities include (a) nonmarketable par value Treasury securities, (b) market-based Treasury securities, (c) marketable Treasury securities, and (d) securities issued by other federal entities. Nonfederal securities include those issued by state and local governments, private corporations, and government-sponsored enterprises. (SFFAS 1, par. 62; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)</i></p>		
<p>18. Are investments in federal securities reported separately from investments in nonfederal securities? (SFFAS 1, par. 67; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)</p>		
<p>19. Are investments initially recorded and reported at their acquisition or amortized costs? (SFFAS 1, par. 68 & 69; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18 & pp. 46 & 47, note 4)</p>		
<p>20. Are investments acquired in exchange for nonmonetary assets recognized at the fair value of either (whichever is more determinable) the securities acquired or the assets given up? (SFFAS 1, par. 68)</p>		
<p>21. Subsequent to acquisition, are investments reported at their carrying amount adjusted for amortized premium or discount? (SFFAS 1, par. 70 - 71; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18 & pp. 46 & 47, note 4)</p>		
<p>22. Is the interest method (i.e., effective interest rate multiplied by the carrying amount) used in amortizing the premium or discount over the life of the security? (SFFAS 1, par. 71)</p>		

Section III Balance Sheet

Assets Investments (18 - 26)	Yes, No, or N/A	Explanation
23. Is the market value of market-based and marketable securities disclosed? (SFFAS 1, par. 72; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 46 & 47, note 4)		
24. Are investments grouped by type of security, such as marketable or market-based Treasury securities? (SFFAS 1, par. 72)		
25. Are investment securities, which initially were expected to be held to maturity, reported at market value in the balance sheet if they are for sale and have experienced more than a temporary reduction in value? (SFFAS 1, par. 72 & 73; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 46 & 47, note 4)		
26. Does the entity disclose any other information relative to understanding the nature of reported investments, such as permanent impairments? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 47)		

Section III Balance Sheet

Assets Accounts Receivable (Net) (27 - 47)	Yes, No, or N/A	Explanation
<p><i>Entity receivables are amounts due from other federal or nonfederal entities. Nonentity receivables are amounts that the entity is to collect on behalf of the federal government or other entities. Not included in this category are receivables related to direct or guaranteed loans, which are reported separately. (SFFAS 1, par. 43; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 47, note 5)</i></p>		
<p>27. Is a receivable recognized when a federal entity establishes a claim based on legal provisions or when goods or services are provided? (SFFAS 1, par. 41)</p>		
<p>28. If the exact amount of a receivable is unknown, is a reasonable estimate made? (SFFAS 1, par. 41)</p>		
<p>29. Are entity and nonentity accounts receivable reported separately? (SFFAS 1, par. 43; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 15 & p. 47, note 5)</p>		
<p>30. If cash has not been received at the time revenue is recognized, is a receivable recorded and allowance for bad debts, if needed, established? (SFFAS 7, par. 39 & 129 – 131)</p>		
<p>31. Is an account receivable arising from a nonexchange transaction recognized when a collecting entity establishes a specifically identifiable, measurable, and legally enforceable claim to cash or other assets? (SFFAS 7, par. 53, 61 & 62 & footnote 9; SFFAS 1, par. 41)</p>		

Section III Balance Sheet

Assets Accounts Receivable (Net) (27 - 47)	Yes, No, or N/A	Explanation
<p>32. Is a receivable associated with nonexchange revenue for taxes and duties recognized upon completion of the entity's established assessment process? (SFFAS 7, par. 53)</p>		
<p>33. Is an interentity receivable recognized when (1) a legally enforceable claim exists between a collecting entity and a recipient entity for the transfer or repayment of taxes or duties and (2) payment of such a claim is probable and measurable (SFFAS 7, par. 60)</p>		
<p>34. Are assessments recognized as accounts receivable if an enforceable claim for taxes and duties exists in the following instances?</p> <ul style="list-style-type: none"> a. tax returns filed by the taxpayer b. customs documents filed by the importer c. taxpayer agreements to assessments at the conclusion of an audit or as a substitute for a tax return (or importer agreements to supplemental assessments) d. court actions determining an assessment e. taxpayer (or importer) agreements to pay an assessment on an installment plan f. receivables determined to be currently not collectable but with future collection potential (SFFAS 7, par. 53, 54, 170, & 171) 		

Section III Balance Sheet

Assets Accounts Receivable (Net) (27 - 47)	Yes, No, or N/A	Explanation
<p><i>Compliance assessments are proposed assessments by the collecting entity in definitive amounts, but with which the taxpayer (or importer) still has the right to disagree or object. (SFFAS 7, par. 55.1)</i></p> <p><i>Preassessment works-in-process are assessments not yet officially asserted by the collecting entity that are subject to a taxpayer's right to conference in response to initial information notices. (SFFAS 7, par. 55.2)</i></p>		
<p>35. Do nonexchange-related accounts receivable for taxes and duties exclude the following?</p> <ul style="list-style-type: none"> a. amounts received or due with tax returns received after the close of the reporting period b. compliance assessments c. preassessment work-in-process amounts (SFFAS 7, par. 54) 		
<p>36. Are compliance assessments reclassified and recognized as an account receivable in the following instances?</p> <ul style="list-style-type: none"> a. the taxpayer files an amended tax return b. a protest or retention period lapses c. a court action settles the matter in the government's favor d. the taxpayer (or importer) agrees to pay or e. a compromise payment plan is accepted (SFFAS 7, par. 55.1 & 178 – 180) 		
<p>37. Is an allowance for uncollectible amounts based on an analysis of both individual accounts receivable and groups of accounts receivable as prescribed by SFFAS No. 1? (SFFAS 1, par. 44 – 51; SFFAS 7, par. 56)</p>		

Section III Balance Sheet

Assets Accounts Receivable (Net) (27 - 47)	Yes, No, or N/A	Explanation
38. Is this allowance for estimated uncollectable accounts receivables periodically adjusted to reflect the latest information? (SFFAS 1, par. 45)		
39. Are amounts for preassessment work in progress excluded from accounts receivable? (SFFAS 7, par. 55.B)		
40. Are intragovernmental ² accounts receivable reported separately from receivables from nonfederal entities? (SFFAS 1, par. 42; OMB Bull. 97-01as amended (Jan. 7, 2000), p. 15)		
41. Are losses due to uncollectable amounts measured through a systematic methodology, which is based on an analysis of both individual accounts and a group of accounts as a whole? (SFFAS 7, par. 46)		
42. Are accounts that represent significant amounts individually analyzed to determine the loss allowance? (SFFAS 1, par. 47)		
43. Is the loss estimation for individual accounts based on the following? <ul style="list-style-type: none"> a. the debtor's ability to pay b. the debtor's payment record and willingness to pay c. the probable recovery of amounts from secondary sources including liens, garnishments, cross collections, and other applicable collection tools (SFFAS 1, par. 47) 		

² Intragovernmental receivables are amounts due from other federal entities. (SFFAS 1, par. 42)

Section III Balance Sheet

Assets Accounts Receivable (Net) (27 - 47)	Yes, No, or N/A	Explanation
44. If information is not available or if the nature of the receivables does not lend itself to individual account analysis, are the potential losses assessed on a group basis? (SFFAS 1, par. 48)		
45. If potential losses are assessed on a group basis, are the receivables separated into groups of homogeneous accounts with similar risk characteristics? (SFFAS 1, par. 49 - 51)		
46. Does the reporting entity disclose the following? <ul style="list-style-type: none"> a. the major categories of account receivables by amount and type b. the methodology used to estimate the allowance for uncollectible amounts c. the dollar amount of the allowance for uncollectible accounts (SFFAS 1, par. 52; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18 & p. 47, note 5) 		
47. Are losses on receivables recognized when it is more likely than not that the receivables will not be totally collected (i.e., there is a greater than 50 percent chance of loss)? (SFFAS 1, par. 44)		

Section III Balance Sheet

Assets Interest Receivable (Net) (48 - 51)	Yes, No, or N/A	Explanation
48. Is interest earned but not received recognized as interest receivable and reported as interest receivable? (SFFAS 1, par. 53; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)		
49. Does interest receivable exclude interest on accounts receivable and investments determined to be uncollectible? (SFFAS 1, par. 54; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 18)		
50. Is interest accrued on uncollectible amounts receivable disclosed until: (1) the interest payment requirement has been officially waived or (2) the related debt has been written off? (SFFAS 1, par. 55)		
51. Is interest receivable from federal entities reported separately from interest receivable from nonfederal entities? (SFFAS 1, par. 56)		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p><i>The Federal Credit Reform Act of 1990 divides loans and loan guarantees into two groups: pre-1992 and post-1991. Pre-1992 refers to direct loan obligations or loan guarantee commitments made prior to fiscal year 1992; post-1991 refers to direct loan obligations or loan guarantee commitments made after fiscal year 1991. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 55)</i></p>		
<p>52. Is interest receivable related to pre-1992 and post-1991 direct loans and are acquired defaulted guaranteed loans reported as a component of credit program receivables and related foreclosed property? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p 18)</p>		
<p>53. Are loan amounts broken out by group (pre-1992 and post-1991) and loan program and disclosed in a note to the financial statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 49 & 50)</p>		
<p>54. Are credit program receivables considered an entity asset if at least one of the following criteria is met?</p> <ul style="list-style-type: none"> a. The entity has the authority to either determine the use of the funds collected. b. The entity is legally obligated to use the funds to meet entity obligations (e.g., loans to Treasury). (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19) 		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
55. If a loan guarantee program is generating a negative subsidy and the lender had not disbursed the loan as of the balance sheet date, does the entity record and include this amount as part of the total undelivered orders? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19 & p. 71, note 15)		
56. Are special receipt accounts for negative subsidies and downward subsidy reestimates included in the credit reporting entity's financial statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19)		
57. Are any assets in these special receipt accounts shown as nonentity assets offset by intragovernmental liabilities covered by budgetary resources? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19)		
58. Do the notes disclose other relevant and appropriate information related to direct loans and loan guarantees including the following? <ul style="list-style-type: none"> a. commitments to guarantee b. management's method for accruing interest revenue and recording interest receivable c. management's policy for accruing interest on nonperforming loans (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 58, item K) 		
<p><i>For post-1991 loans and guarantees, a subsidy expense is recognized in the year it is disbursed. For pre-1992 loans and guarantees, a loss and liability need not be recognized until it is more likely than not that a loan (either direct or guaranteed) will go into default. (SFFAS 2, par. 24 & 39)</i></p>		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
59. Are post-1991 direct loans recognized as assets at the present value (discounted at a comparable Treasury rate) of their estimated net cash inflows? (SFFAS 2, par. 22 & app. B, part I A)		
60. Is the difference between the outstanding principal of post-1991 direct loans and the present value of their net cash flows recognized as a subsidy cost allowance? (SFFAS 2, par. 22 & app. B, part I A)		
61. Are the components of the present value of post-1991 direct loans receivable (i.e., principal, interest, estimated net value of foreclosed property, and allowance for subsidy costs) disclosed? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 50 & 56, item C)		
62. When post-1991 guaranteed loans go into default, is the value of the assets related to defaulted guaranteed loans receivable ³ included in the reported credit program receivables? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 51 & 57, item E)		
63. When post-1991 loans are written off, is the unpaid principal removed from unpaid loans receivable and charged against the allowance for subsidy costs? (SFFAS 2, par. 61)		

³ That is, the sum of (1) defaulted guaranteed loans receivable gross, (2) interest receivable, and (3) foreclosed property, less the allowance for subsidy cost at present value.

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>64. Are the following components of the assets that are related to post-1991 direct and defaulted guaranteed loans receivable disclosed by loan program?</p> <ul style="list-style-type: none"> a. loans receivable, gross b. interest receivable c. estimated net realizable value of foreclosed property d. allowance for subsidy costs (present value) e. the total value of related assets (i.e., the sum of a - c less d) (OMB Bull. 97-01 as amended (Jan. 7, 2000), items C & E, pp. 50, 51, 56 item C, & 57 item E) 		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
65. Are losses of pre-1992 direct loans obligated recognized (and a corresponding allowance amount set up) when it is more likely than not that the direct loans will not be totally collected? (SFFAS 2, par. 39 & app. B, part II A)		
66. Are allowances for uncollectible pre-1992 loans reestimated each year? (SFFAS 2, par. 39)		
67. Are the following components of assets related to pre-1992 direct loans receivable disclosed by loan program? <ul style="list-style-type: none"> a. loans receivable, gross b. interest receivable c. foreclosed property d. present value allowance⁴ (if the present value method is used) e. allowance for loan losses⁵ (if the allowance method is used) (SFFAS 2, par. 39; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 49 & 56 item B) 		

⁴ Under the present value method, the nominal amount of the direct loans is reduced by an allowance equal to the difference between the nominal amount and the present value of the expected net cash flows from the loans (OMB Bull 97-01 as amended (Jan. 7, 2000), p. 55, item A, 4th par.)

⁵ Under the allowance-for-loss method, the nominal amount of the direct loans is reduced by an allowance for uncollectible amounts. (OMB Bull 97-01 as amended (Jan. 7, 2000), p. 55, item A, 4th par.)

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>68. Are the following components of defaulted guaranteed loans from pre-1992 guarantees disclosed by loan program?</p> <ul style="list-style-type: none"> a. defaulted guaranteed loans receivable, gross b. interest receivable c. the estimated net value of related foreclosed property d. the present value allowance (if the present value method is used) e. the allowance for loan losses (if the allowance for loss method is used) f. defaulted guaranteed loans receivable, net (i.e., depending on the method used: the sum of a, b, & c less d or a, b, & c less e) (OMB Bull. 97-01 as amended (Jan. 7, 2000), items D1 & D2, pp. 50, 56, & 57) 		
<p><i>A loan modification is a federal government action that directly or indirectly alters the estimated subsidy cost and the present value of outstanding loans or the liability of loan guarantees. A direct modification changes the subsidy cost by altering the terms of existing contracts or through the sale of direct loans. An indirect modification changes the subsidy costs by altering the way loans and loan guarantees are administered. A modification does not include subsidy cost reestimates, routine administrative workouts of troubled loans, and other actions permitted within existing contract terms. (SFFAS 2, par. 41- 44)</i></p>		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>69. When post-1991 loans are modified, is their existing book value changed to an amount equal to the present value (discounted at the Treasury rate in effect when the loans were first disbursed after adjusting for the interest rate re-estimate) of the loans' net cash inflows that are projected under the modified terms from the time of the modification to the loans' maturity? (SFFAS 2, par. 46 & app. B, part I D(4))</p>		
<p>70. When pre-1992 loans are directly modified do they meet the following conditions?</p> <ul style="list-style-type: none"> a. They are transferred from the liquidating account to a financing account. b. Their book value is recorded at their post-modification value (i.e., the present value of the net cash flows under post-modification terms discounted at the current Treasury rate). (SFFAS 2, par. 47 & app. B, part II B(4)) 		
<p>71. Are subsequent (direct) modifications of pre-1992 loans treated as a modification of post-1991 loans? (SFFAS 2, par. 47)</p>		
<p>72. When pre-1992 loans are indirectly modified do they meet the following conditions?</p> <ul style="list-style-type: none"> a. they are kept in a liquidating account b. their bad debt allowance is reassessed and adjusted to reflect amounts that would not be collected due to the modification (SFFAS 2, par. 47) 		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>73. Does the entity disclose the following by program in the notes to the financial statements?</p> <ul style="list-style-type: none"> a. the nature of the modification of direct loans or loan guarantees b. the discount rate used in calculating the modification expense c. the basis for recognizing a gain or loss related to the modification (SFFAS 2, par. 56 & OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 54 & 58 item K) 		
<p>74. When post-1991 and pre-1992 loans are sold is the sale treated as a direct modification? (SFFAS 2, par. 53)</p>		
<p>75. Does the agency disclose the expectation that proceeds from the sale of its loans will differ from the reported face value of the loans or the value of their related assets? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 55, item A, 5th par.)</p>		
<p><i>Foreclosed property is any asset, which is assumed to be held for sale, that is received in satisfaction of a loan receivable or as a result of payment of a claim under a guaranteed or insured loan (excluding commodities acquired under price support programs). Pre-1992 foreclosed property refers to property associated with direct loans obligated or loan guarantees committed before October 1, 1991. Post-1991 foreclosed property refers to property associated with direct loans obligated or loan guarantees committed after September 30, 1991 (SFFAS 3, par. 79 & 80)</i></p>		
<p>76. Is post-1991 foreclosed property valued at the net present value of the projected future cash flows associated with the property? (SFFAS 3, par. 81)</p>		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
77. Is pre-1992 foreclosed property recorded at cost and adjusted to the lower of cost or net realizable value? (SFFAS 3, par. 81)		
78. Is any difference between cost and net realizable value carried in a valuation allowance? (SFFAS 3, par. 81)		
79. In estimating sales proceeds, has the entity considered its historical experience in selling property as well as the nature of the sale? (SFFAS 3, par. 82)		
80. Were the estimated future cash flows of post-1991 foreclosed property (i.e., sales proceeds, rent, holding and selling expenses) or acquired loans discounted at the original (or Treasury) discount rate in effect at the time the underlying loan or guarantee was granted? (SFFAS 2, par. 57, 59; SFFAS 3, par. 82 – 83; SFFAS 19, par. 7(e))		
81. Is the net present value of post-1991 foreclosed property adjusted periodically to recognize both changes in the expected future cash flows and accrual of interest due to the passage of time? (SFFAS 3, par. 84)		
82. Are any adjustments in the carrying amounts of post-1991 foreclosed property included in the presentation of "interest income" and the reestimate of "subsidy expense?" (SFFAS 3, par. 84)		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>83. For post-1991 foreclosed property are the following true?</p> <p>a. Third party claims are recorded at their net present value at the time of the foreclosure.</p> <p>b. Any periodic changes in net present value of the claim are reflected in "interest income" and "subsidy expense." (SFFAS 3, par. 87)</p>		
<p>84. Are receipts or disbursements associated with acquiring and holding post-1991 foreclosed property charged or credited to foreclosed property? (SFFAS 3, par. 88)</p>		
<p>85. When the government acquires foreclosed assets in full or partial settlement of post-1991 loans, is the present value of the government's claim against the borrowers reduced by the amount settled as a result of the foreclosure? (SFFAS 2, par. 60)</p>		
<p>86. If a lender, debtor, or other third party has a legitimate claim to a post-1991 foreclosed asset, is the net present value of the estimated claim recognized as a special contra-valuation allowance? (SFFAS 2, par. 58; SFFAS 3, par. 87)</p>		
<p>87. Is pre-1992 foreclosed property recorded at cost and adjusted, if necessary, to the lower of cost or net realizable value? (SFFAS 3, par. 81 & 85)</p>		
<p>88. Is the net realizable value based on an estimate of the market value of the property adjusted for any expected losses consistent with historical experience, abnormal market conditions, and time limitations as well as any other costs of the sale? (SFFAS 3, par. 81 & 86)</p>		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>89. Is the estimate of market value based on one of the following criteria?</p> <ul style="list-style-type: none"> a. the market value of the property if an active market exists b. the market value of similar properties if no active market exists c. a reasonable forecast of expected cash flows adjusted for estimates of all holding costs, including any cost of capital (SFFAS 3, par. 85) 		
<p>90. For pre-1992 foreclosed property, are third- party claims recorded at the expected amount of cash required to settle the claims? (SFFAS 3, par. 87)</p>		
<p>91. If foreclosed property is not sold but placed into operation, is the asset transfer treated in the same manner as a sale to a third party? (SFFAS 3, par. 90)</p>		

Section III Balance Sheet

Assets Credit Program Receivables (52 - 92)	Yes, No, or N/A	Explanation
<p>92. When the government acquires foreclosed assets in full or partial settlement of a direct or guaranteed loan (pre-1992 and post-1991), is the following information disclosed?</p> <ul style="list-style-type: none"> a. valuation basis for foreclosed property b. changes from prior-year's accounting methods, if any c. restrictions on the use/disposal of property d. balances by categories (i.e., pre-1992 and post-1991 foreclosed property) e. number of properties held and average holding period by type or category and f. number of properties for which foreclosure proceedings are in process at the end of the period (SFFAS 3, par. 91; OMB Bull. 97-01 as amended (Jan. 7, 2000), item K, pp. 58 & 59) 		

Section III Balance Sheet

Assets Cash and Other Monetary Assets (93 - 95)	Yes, No, or N/A	Explanation
		<p><i>Cash (including imprest funds) consists of: coins, paper currency, negotiable instruments (such as checks, money orders, and bank drafts), demand deposits, and foreign currencies stated in U. S. dollars at the financial statement date exchange rate. (SFFAS 1, par. 27; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19)</i></p> <p><i>Other monetary assets consist of other items such as gold, special drawing rights, and U.S. reserves in the International Monetary Fund (IMF). (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19 & p. 45, item C)</i></p>
<p>93. Are entity cash (amounts held and authorized to be spent by the entity) and nonentity cash (amounts held on behalf of other entities such as Treasury) separately reported? (SFFAS 1, par. 28 & 29; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19)</p>		
<p>94. Are the components of cash and other monetary assets disclosed and described in a note to the financial statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19 & pp. 44 & 45, note 3)</p>		
<p>95. If cash is restricted, is the nature and reason disclosed? (SFFAS 1, par. 30; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 45, note 3, item E)</p>		

Section III Balance Sheet

Assets Inventory and Related Property (96 - 112)	Yes, No, or N/A	Explanation
<p><i>Inventory is tangible personal property that is (a) held for sale, (b) in process of production for sale, or (c) to be consumed in the production of goods for sale or in the provision of services for a fee. Inventory does not include other assets held for sale such as (a) stockpile materials, (b) seized and forfeited property, (c) foreclosed property, and (d) goods held under price support and stabilization programs. (SFFAS 3, par. 17)</i></p>		
<p>96. Is inventory categorized and either separately reported or disclosed in the notes as the following?</p> <ul style="list-style-type: none"> a. inventory held for current sale b. inventory held in reserve for future sale c. excess, obsolete, and unserviceable inventory d. inventory held for repair (SFFAS 3, par. 18, 27, 29, & 32; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 59, note 8) 		
<p>97. Is inventory valued at historical cost, latest acquisition cost, or net realizable value? (SFFAS 3, par. 20 & 26)</p>		
<p>98. If inventory is valued at historical cost, does that cost include the purchase amount and all other costs incurred to bring the inventory into its current condition and location? (SFFAS 3, par. 21)</p>		

Section III Balance Sheet

Assets Inventory and Related Property (96 - 112)	Yes, No, or N/A	Explanation
99. Are one of the following historical cost flow assumptions used to value inventory? a. first-in, first out (FIFO) b. weighted average c. moving average d. any other valuation method (such as a standard cost system) whose results reasonably approximate “a” “b” or “c” (SFFAS 3, par. 22)		
100. Are abnormal costs, such as excessive handling or rework costs, charged to expenses for the period? (SFFAS 3, par. 21)		
101. Is donated inventory valued at its fair value at the time of donation? (SFFAS 3, par. 21)		
102. Is inventory acquired through exchange of nonmonetary assets (e.g., barter) valued at the fair value of the asset received at the time of the exchange? (SFFAS 3, par. 21)		
103. If the latest acquisition cost method of inventory valuation is used, is the latest invoice price (actual cost) applied to all like units, including those acquired through donation and nonmonetary exchange? (SFFAS 3, par. 23)		
104. Under the latest acquisition cost method, is the inventory revalued periodically (or at least by the end of the fiscal year)? (SFFAS 3, par. 23)		

Section III Balance Sheet

Assets Inventory and Related Property (96 - 112)	Yes, No, or N/A	Explanation
105. If the latest acquisition cost method is used to value inventory, is the reported cost of goods sold adjusted by the difference between the beginning and ending unrealized holding gains and losses? (SFFAS 3, par. 25)		
106. If inventory is valued at net realizable value, does it meet the following criteria? a. There is an inability to determine approximate cost. b. There is immediate marketability at quoted prices. c. There is unit interchangeability (e.g., petroleum reserves). (SFFAS 3, par. 26)		
107. Is excess, obsolete, and unserviceable inventory valued at its expected net realizable value? (SFFAS 3, par. 30)		
108. When inventory is declared excess, obsolete, or unserviceable is the difference between the carrying amount and the expected net value recognized as a loss (or gain) and either separately reported or disclosed? (SFFAS 3, par. 30)		
109. Are any subsequent adjustments to the inventory's net value or any loss (or gain) upon disposal recognized as losses (or gains)? (SFFAS 3, par. 30)		

Section III Balance Sheet

Assets Inventory and Related Property (96 - 112)	Yes, No, or N/A	Explanation
110. When inventory is held for repair is it valued using either of the following? a. the allowance method (i.e., it is valued at the same value as a serviceable item and a contra-asset repair allowance account is set up) b. the direct method (original carrying value of the inventory less estimated repair costs) (SFFAS 3, par. 32 & 33)		
111. If inventory is transferred to “inventory held for repair,” are estimated prior-period repair costs either credited to the repair allowance or to the inventory and reported as an adjustment to equity? (SFFAS 3, par. 34)		

Section III Balance Sheet

Assets Inventory and Related Property (96 - 112)	Yes, No, or N/A	Explanation
<p>112. Does the entity disclose the following about its inventory?</p> <ul style="list-style-type: none"> a. the general composition b. the basis for determining inventory values (including the valuation method and any cost flow assumptions) c. changes from prior years' accounting methods, if any d. balances for the major categories of inventory if not broken out in the financial statements e. restrictions on the sale of inventory f. the decision criteria for categorizing inventory g. changes in the criteria for categorizing inventory (SFFAS 3, par. 28, 31, & 35; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 59, note 8) 		

Section III Balance Sheet

Assets Operating Materials and Supplies (113 - 120)	Yes, No, or N/A	Explanation
<p><i>Operating materials and supplies are tangible personal property to be consumed in normal operations. Excluded are (a) operating materials and supplies acquired to construct real property and equipment for the entity's use, (b) stockpile materials, (c) price stabilization goods, (d) foreclosed property, (e) seized and forfeited property, and (f) inventory. (SFFAS 3, par. 36)</i></p>		
<p>113. Are operating materials and supplies categorized and reported or disclosed as the following?</p> <ul style="list-style-type: none"> a. operating materials and supplies held for use b. operating materials and supplies held in reserve for future use c. excess, obsolete, or unserviceable operating materials and supplies (SFFAS 3, par. 36, 37, 45, & 47; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 60, note 8) 		
<p>114. Are operating materials and supplies recognized and reported as assets when produced or purchased? (SFFAS 3, par. 38)</p>		
<p>115. Are operating materials and supplies valued at historical cost, including all appropriate purchase and production costs incurred to bring the items to their current condition and location? (SFFAS 3, par. 43)</p>		
<p>116. Are donated operating materials and supplies valued at their fair value at the time of donation? (SFFAS 3, par. 43)</p>		

Section III Balance Sheet

Assets Operating Materials and Supplies (113 - 120)	Yes, No, or N/A	Explanation
117. Are operating materials and supplies acquired through exchange of nonmonetary assets (e.g., barter) valued at the fair value of the asset received at the time of the exchange? (SFFAS 3, par. 43)		
118. Is one of the following historical cost flow assumptions used to value ending materials and supplies under the consumption method? <ul style="list-style-type: none"> a. first-in, first out (FIFO) b. weighted average c. moving average or d. any other valuation method (such as a standard cost system) whose results reasonably approximate “a,” “b,” or “c” (SFFAS 3, par. 42 & 44) 		

Section III Balance Sheet

Assets Operating Materials and Supplies (113 - 120)	Yes, No, or N/A	Explanation
119. Does the entity disclose the following information about its operating materials and supplies? <ul style="list-style-type: none"> a. general composition b. balances in each operating material and supply category c. change from prior years' accounting methods d. basis for valuation (including valuation method and any cost flow assumptions) e. restrictions on the use of materials and supplies, if any f. decision criteria for identifying each category to which material and supplies are assigned g. changes in the criteria for identifying the category to which the operating materials and supplies are assigned (SFFAS 3, par. 46, 49 & 50; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 60) 		
120. Are excess, obsolete, and unserviceable operating materials valued at their estimated net realizable value? (SFFAS 3, par. 48)		

Section III Balance Sheet

Assets Stockpile Materials (121 - 131)	Yes, No, or N/A	Explanation
<p><i>Stockpile materials are strategic and critical materials held due to statutory requirements for use in national defense, conservation, or national emergencies. Not included under this category are (a) items held for sale or use in normal operations, (b) items held for use in the event of an agency's operating emergency or contingency, and (c) price support and stabilization goods. (SFFAS 3, par. 51)</i></p>		
<p>121. Are stockpile materials recognized and reported as assets when acquired (i.e., recognized as assets using the consumption method)? (SFFAS 3, par. 52)</p>		
<p>122. Are stockpile materials valued using an acceptable historical cost flow method (i.e., FIFO, weighted average, moving average, or other equivalent method)? (SFFAS 3, par. 53)</p>		
<p>123. Does the cost of stockpile materials include all appropriate costs incurred in bringing the materials to their current condition and location? (SFFAS 3, par. 53)</p>		
<p>124. If stockpile materials have either suffered a permanent decline in value below cost or have become damaged or decayed, has their value been reduced to net realizable value? (SFFAS 3, par. 54)</p>		
<p>125. Is the resultant decline in value recognized as a loss or expense in the period in which it occurs? (SFFAS 3, par. 54)</p>		

Section III Balance Sheet

Assets Stockpile Materials (121 - 131)	Yes, No, or N/A	Explanation
126. When stockpile materials are authorized to be sold, are those materials disclosed as stockpile materials held for sale? (SFFAS 3, par. 55)		
127. Are the stockpile materials authorized for sale valued using the same basis used before they were authorized for sale? (SFFAS 3, par. 55)		
128. Is any difference between the carrying amount (i.e., purchase price or cost) of the stockpile materials held for sale and their estimated selling price disclosed? (SFFAS 3, par. 55)		
129. If stockpile materials are sold, is the cost removed from stockpile materials and reported as a cost of goods sold? (SFFAS 3, par. 55)		
130. Is any gain (or loss) from the sale of stockpile materials recognized as a gain (or loss) at that time? (SFFAS 3, par. 55)		

Section III Balance Sheet

Assets Stockpile Materials (121 - 131)	Yes, No, or N/A	Explanation
<p>131. Does the entity disclose the following information about its stockpile materials?</p> <ul style="list-style-type: none"> a. general composition b. basis for valuing stockpile materials, including valuation method and any cost flow assumptions c. changes from prior-year's accounting methods, if any d. restrictions on the use of the material e. balances in each category of stockpile material (i.e., stockpile materials held and held for sale) f. criteria for grouping stockpile material held for sale g. any changes in criteria for categorizing stockpile materials held for sale (SFFAS 3, par. 56; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 60) 		

Section III Balance Sheet

Assets Seized Property (132 - 141)	Yes, No, or N/A	Explanation
<p><i>Seized property includes monetary instruments, real property, and tangible personal property belonging to others in actual or constructive possession of a custodial agency. (SFFAS 3, par. 59)</i></p> <p><i>There may be as many as three government entities involved with seized property: (1) the seizing agency, (2) the custodial agency and (3) a “central fund” set up for financial record- keeping. (SFFAS 3, par. 57)</i></p>		
<p>132. If seized monetary assets are reported, is a corresponding liability also reported? (SFFAS 3, par. 61; and OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 20)</p>		
<p>133. If the central fund is other than the seizing or custodial entity, does the custodial entity maintain sufficient internal records to carry out its stewardship responsibility? (SFFAS 3, par. 60)</p>		
<p>134. Does the custodial agency recognize seized monetary instruments as assets at their market values and set up corresponding liabilities? (SFFAS 3, par. 61 & 65)</p>		
<p>135. Is the existence of seized property other than monetary instruments disclosed in a note to the statements and accounted for in the entity’s property management records? (SFFAS 3, par. 62)</p>		
<p>136. Is seized property valued at its market value when seized (or as soon thereafter as reasonably possible if the market value cannot be readily determined)? (SFFAS 3, par. 63)</p>		

Section III Balance Sheet

Assets Seized Property (132 - 141)	Yes, No, or N/A	Explanation
137. Is the market value of seized property based on the value of the property assuming an active market exists for the property? (SFFAS 3, par. 63)		
138. If no active market exists for the property in the general area in which it was seized, is a value in the principle market nearest the place of seizure used? (SFFAS 3, par. 63)		
139. Is the valuation of property seized under the Internal Revenue Code based on the taxpayer's equity (market value less any third-party liens)? (SFFAS 3, par. 64)		
140. Does the entity disclose and present by type of seized property in its custody the following? <ul style="list-style-type: none"> a. an explanation of what constitutes a seizure and a general description of the property b. valuation method(s) c. changes from prior years' accounting methods, if any and d. analysis of change in seized property (including dollar value and number of seized properties) that are on hand at the beginning of the year, seized during the year, disposed of during the year, and on hand at the end of the year (SFFAS 3, par. 66; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 61) 		
141. Does the entity also disclose the method of disposal of seized property, if material? (SFFAS 3, par. 66; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 61)		

Section III Balance Sheet

Assets Forfeited property (142 - 149)	Yes, No, Or N/A	Explanation
<p><i>Forfeited property consists of (a) property acquired through forfeiture proceedings, (b) property acquired to satisfy a tax liability, and (c) unclaimed and abandoned merchandise. (SFFAS 3, par. 67 & 68)</i></p>		
<p>142. When a forfeiture judgment is obtained for seized monetary instruments:</p> <ul style="list-style-type: none"> a. Are they reclassified as forfeited monetary instruments at the current market value? b. Is a revenue credit recognized in an amount equal to the value of the monetary asset? c. Is the liability associated with the seized monetary instrument classification removed? (SFFAS 3, par. 69) 		
<p>143. When a forfeiture judgment is obtained for real, tangible, and intangible property:</p> <ul style="list-style-type: none"> a. Is the property recorded as an asset at its fair value at the time of forfeiture? b. Is an allowance account (contra-asset account) established for liens or claims from third party claimants against forfeited property? c. Is an offsetting deferred revenue credit recognized? d. Is revenue recognized upon sale and the merchandise and deferred revenue (referred to in “a” and “c” above) removed from the accounts? (SFFAS 3, par. 70, 72, 75, 76, & 77; SFFAS 6, par. 33) 		

Section III Balance Sheet

Assets Forfeited property (142 - 149)	Yes, No, Or N/A	Explanation
<p>144. Does the entity disclose the following information about forfeited property under its control (including forfeited property) which may be donated or destroyed but not booked as an asset or sold due to legal restrictions?</p> <ul style="list-style-type: none"> a. composition of the property b. valuation method(s) c. changes from prior year’s accounting methods d. analysis of the changes in forfeited property by type and dollar amount that includes: <ul style="list-style-type: none"> i. number of forfeitures on hand at the beginning of the year ii. additions iii. disposals and method of disposition iv. end of the year balances e. restrictions on use or disposition of the property and, if available f. estimates of the value of property to be distributed to other federal, state, and local agencies in future reporting periods? (SFFAS 3, par. 71 & 78; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 61) 		

Section III Balance Sheet

Assets Forfeited property(142 - 149)	Yes, No, Or N/A	Explanation
145. If the entity reclassifies forfeited property not held for sale to property held for donation or use: a. Is revenue recognized upon approval of distribution or use of property? b. Is the associated deferred revenue reversed on the books? (SFFAS 3, par. 73 & 74)		
146. Is a distinction maintained in the entity’s accounting reports between revenue arising from the sale of forfeited property and revenue arising from forfeited property being transferred, donated, or placed into official use? (SFFAS 3, par. 75)		
147. Is property acquired by the government to satisfy a taxpayer’s liability recorded when title to the property passes to the federal government, and is a credit made to the related account receivable? (SFFAS 3, par. 76)		
148. Is the property forfeited in satisfaction of a taxpayer’s liability valued at its market value less any third party liens? (SFFAS 3, par. 76)		
149. Upon sale of the forfeited property mentioned in the previous question, is revenue recognized in the amount of the sale proceeds, and are the property and third party liens removed from the accounts? (SFFAS 3, par. 76)		

Section III Balance Sheet

Assets Goods Held Under Price Support and Stabilization Programs (150 - 163)	Yes, No, or N/A	Explanation
<p><i>Goods acquired under price support and stabilization programs (i.e., commodities) are items of commerce or trade (usually farm commodities) having an exchange value. Producers of the goods: (1) are either given nonrecourse loans under which they can, at their option, repay the loan with interest or surrender their commodity pledged as collateral for the loan or (2) may enter into purchase agreements that allow the producer of the option to sell commodities to the government (the Commodity Credit Corporation) at the price support rate. (SFFAS 3, par. 92, 93, & 94)</i></p>		
<p>150. Are nonrecourse loans recognized as assets at face value when the loan principal is disbursed? (SFFAS 3, par. 96)</p>		
<p>151. Is interest accrued on nonrecourse loans? (SFFAS 3, par. 96)</p>		
<p>152. Is a valuation allowance set up to recognize losses on nonrecourse loans when it is “more likely than not” (i.e., more than a 50-percent chance) that loans will not be totally collected? (SFFAS 3, par. 102)</p>		
<p>153. Is this allowance reestimated on each financial reporting date? (SFFAS 3, par. 102)</p>		

Section III Balance Sheet

Assets Goods Held Under Price Support and Stabilization Programs (150 – 163)	Yes, No, or N/A	Explanation
<p>154. When the entity has entered into a purchase agreement and there is an expected loss:</p> <ul style="list-style-type: none"> a. Is a loss (i.e., the difference between the contract price and the net realizable value of the commodities) recognized if it is probable that a loss has been incurred and is reasonably measurable? b. Is a corresponding liability recognized? (SFFAS 3, par. 97 & 103) 		
<p>155. If the contingent loss arising from a purchase agreement is not recognized because it is less than probable or is not reasonably measurable, is the contingent loss disclosed if it is at least “reasonably possible that a loss may occur?” (SFFAS 3, par. 98)</p>		
<p>156. When commodities are acquired to satisfy a nonrecourse loan or purchase agreement, are they recognized and reported as assets at the lower of cost or net realizable value? (SFFAS 3, par. 99 & 104)</p>		
<p>157. Does the cost for the commodities acquired through a nonrecourse loan settlement include the following amounts?</p> <ul style="list-style-type: none"> a. loan principal (excluding interest) b. processing and packaging costs incurred after acquisition c. other costs (e.g., transportation) incurred in taking title to the commodity (SFFAS 3, par. 105) 		

Section III Balance Sheet

Assets Goods Held Under Price Support and Stabilization Programs (150 – 163)	Yes, No, or N/A	Explanation
<p>158. Does the cost for commodities acquired through a purchase agreement include the following amounts?</p> <ul style="list-style-type: none"> a. the unit price agreed upon in the purchase agreement multiplied by the number of units purchased b. other costs incurred in taking title to the commodity (SFFAS 3, par. 106) 		
<p>159. Is any adjustment necessary to reduce the carrying amount of the acquired commodities to the lower of cost or net realizable value recognized as a loss in the current period and recorded in a commodity valuation allowance? (SFFAS 3, par. 99 & 107)</p>		
<p>160. Conversely, are recoveries of previously recorded losses in the current period recognized up to the point of any previously recognized losses on the commodities, and is the commodity valuation allowance reduced accordingly? (SFFAS 3, par. 107)</p>		
<p>161. When commodities acquired to satisfy the terms of a nonrecourse loan or purchase agreement are sold:</p> <ul style="list-style-type: none"> a. Are revenues recognized? b. Is the carrying amount of the commodities removed from the asset account and reported as a cost of goods sold? (SFFAS 3, par. 100) 		

Section III Balance Sheet

Assets Goods Held Under Price Support and Stabilization Programs (150 – 163)	Yes, No, or N/A	Explanation
162. When commodities are held for purposes other than sale, is the carrying amount reported as an expense and removed from the commodity asset account upon transfer? (SFFAS 3, par. 101)		
163. Is the following information related to goods held under price support and stabilization programs disclosed? <ul style="list-style-type: none"> a. basis for valuing commodities including valuation method and cost flow assumptions (e.g., FIFO, weighted average) b. changes from prior-year’s accounting methods c. restrictions on the use, disposal, or sale of commodities d. analysis of the changes in dollar amount and volume of commodities, including those <ul style="list-style-type: none"> i. on hand at the beginning of the year ii. acquired during the year iii. disposed of during the year by method of disposition iv. on hand at the end of the year v. on hand at year’s end and estimated to be donated or transferred during the coming period vi. received as a result of surrender of collateral related to nonrecourse loans outstanding vi. dollar value and volume of purchase agreement commitments (SFFAS 3, par. 108 & 109; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 62) 		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p><i>General property, plant, and equipment (PP&E) are any property, plant, and equipment used in providing goods or services. (SFFAS 6, par. 23)</i></p>		
<p>164. Has the entity established, disclosed, and consistently followed appropriate capitalization thresholds for property, plant, and equipment (PP&E) suitable to its financial and operational conditions? (SFFAS 6, par. 13, 148, & 149)</p>		
<p>165. Does the entity follow a policy that ensures that its PP&E consists of tangible assets that meet the following criteria?</p> <ul style="list-style-type: none"> a. They have estimated useful lives of 2 years or more. b. They are not intended for sale in the ordinary course of operations. c. They are acquired or constructed with the intention of being used or being available for use by the entity. (SFFAS 6, par. 17) 		
<p>166. Does PP&E also consist of the following items?</p> <ul style="list-style-type: none"> a. assets acquired through capital leases b. property owned by the reporting entity in the hands of others (e.g., state and local governments, colleges and universities, federal contractors) c. land rights (SFFAS 6, par. 18) 		
<p><i>Capital leases are leases that transfer substantially all the benefits and risks of ownership to the lessee. Operating leases are leases in which the federal entity does not assume the risks of ownership of PP&E. Multiyear service contracts and multiyear purchase agreements for expendable commodities are not capital leases. (SFFAS 6, par. 20, footnote 22; SFFAS 5, par. 43)</i></p>		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>167. Does the entity classify a lease as a capital lease if at its inception the lease meets one or more of the following criteria?</p> <ul style="list-style-type: none"> a. The lease transfers ownership of the property to the lessee by the end of the lease term. b. The lease contains an option to purchase the leased property at a bargain price. c. The lease term is equal to or greater than 75 percent of the estimated economic life of the leased property, and the beginning of the lease term does not fall within the last 25 percent of the total estimated economic life of the property. d. The present value of rental and other minimum lease payments, excluding that portion of the payments representing executory cost, equals or exceeds 90 percent of the fair value of the leased property, and the beginning of the lease term does not fall within the last 25 percent of the total estimated economic life of the property. (SFFAS 6, par. 20; SFFAS 5 par. 43) 		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>168. Does the general PP&E asset line item exclude the following items?</p> <ul style="list-style-type: none"> a. items held in anticipation of physical consumption such as operating materials and supplies b. items the federal entity has a reversionary interest in c. national defense PP&E d. heritage assets (except multiuse heritage assets⁶) e. stewardship land (i.e., land not included in general PP&E) (SFFAS 6, par. 19, 21, 57, 58, 150 & 151; SFFAS 11, par. 7; SFFAS 16, par. 6) 		
<p>169. In determining the level at which the entity categorizes its PP&E, has the entity considered the following factors?</p> <ul style="list-style-type: none"> a. the cost of maintaining different accounting methods for property and the usefulness of the information b. the diversity of the PP&E (e.g., useful lives, value, alternative uses) c. the future disposition of the PP&E d. the programs being served by the PP&E (SFFAS 6, par. 22) 		

⁶ Multiuse heritage assets are heritage assets used predominately in general government operations (e.g., the main Treasury building which is used as an office building).

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>170. Does the entity categorize an asset under general PP&E if it has one or more of the following characteristics?</p> <ul style="list-style-type: none"> a. It could be used for alternative purposes (e.g., by other federal programs, state or local governments, or nongovernmental entities) but is used to produce goods or services or to support the mission of the entity. b. It is used for business-type activities. c. It is used by entities in activities whose costs can be compared to those of other entities performing similar activities (e.g., federal hospital services in comparison to other hospitals). (SFFAS 6, par. 23; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 21) 		
<p>171. Is PP&E of entities operating as business-type activities categorized as general PP&E whether or not it meets the definition of other PP&E categories (e.g., heritage assets)? (SFFAS 6, par. 24; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 21)</p>		
<p>172. Are lands and land rights specifically acquired for or in connection with general PP&E included in general PP&E? (SFFAS 6, par. 25; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 21)</p>		
<p>173. Is all general PP&E recorded at cost? (SFFAS 6, par. 26)</p>		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>174. Does the cost of general PP&E include all costs incurred to bring the PP&E to a form and location suitable for its intended use, such as the following?</p> <ul style="list-style-type: none"> a. amounts paid to vendors b. transportation charges to the point of initial use c. handling and storage costs d. labor and other direct or indirect production costs (for assets produced or constructed) e. costs of engineering, architectural, and other outside services for designs, plans, specifications, and surveys f. acquisition and preparation costs of buildings and other facilities g. an appropriate share of the cost of the equipment and facilities used in construction work h. fixed equipment and related installation costs required for activities in a building or facility i. direct costs of inspection, supervision, and administration of construction contracts and construction work j. legal and recording fees and damage claims k. fair value of facilities and equipment donated to the government l. material amounts of interest costs paid (SFFAS 6, par. 26) 		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
175. Is the recognized cost of general PP&E acquired under a capital lease the lower of either the fair value of the asset or liability for the capital lease at its inception? (SFFAS 6, par. 29)		
176. Is the cost of general PP&E acquired through donation, will, or judicial process, excluding forfeiture, capitalized at estimated fair value at the time acquired by the government? (SFFAS 6, par. 30)		
177. Is general PP&E transferred from other federal entities capitalized at the book value recorded by the transferring entity? (SFFAS 6, par. 31)		
178. Is the asset capitalized at the fair value at the time of the transfer from another federal entity if the receiving entity cannot reasonably ascertain the book value of the PP&E transferred? (SFFAS 6, par. 31)		
179. If general PP&E is acquired through exchange with a nonfederal entity, is it capitalized at the fair value of the PP&E surrendered at the time of the exchange? (SFFAS 6, par. 32)		
180. If, however, the fair value of the PP&E acquired through exchange is more readily determinable than that of the PP&E surrendered, is the acquired general PP&E capitalized at the acquired PP&E's fair value? (SFFAS 6, par. 32)		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 – 195)	Yes, No, or N/A	Explanation
181. If the fair values of the exchanged PP&E are not determinable, is the acquired general PP&E capitalized at the book value of the PP&E surrendered? (SFFAS 6, par. 32)		
182. If cash is included in an exchange of general PP&E, is the cost of PP&E acquired increased or decreased, respectively, by the amount of cash surrendered or received? (SFFAS 6, par. 32)		
183. Is PP&E recognized when title passes to the acquiring entity or when PP&E is delivered to the entity or to an agent of the entity? (SFFAS 6, par. 34)		
184. If general PP&E is under construction, is it recorded as construction work in process until it is placed into service? (SFFAS 6, par. 34)		
185. Do estimates of useful life of general PP&E consider such factors as physical wear and tear and technological change? (SFFAS 6, par. 35)		
186. Except for land and land rights of unlimited duration, is general PP&E less its estimated salvage/residual value depreciated in a rational and systematic manner over its estimated useful life? (SFFAS 6, par. 35, 122, & 136; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 21)		
187. Are changes in estimated useful life or salvage and residual value of general PP&E accounted for in the period of change and future periods? (SFFAS 6, par. 35)		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
188. Are depreciation and amortization expenses accumulated in contra asset accounts? (SFFAS 6, par. 36)		
189. Are costs that either extend the useful life of existing general PP&E or enlarge or improve its capacity capitalized and depreciated/amortized over the remaining useful life of the asset? (SFFAS 6, par. 37)		
190. When general PP&E is disposed of, retired, or removed from service, is the asset removed from the asset accounts along with the associated accumulated depreciation/amortization? (SFFAS 6, par. 38)		
191. Are the differences between the book value and the amounts realized upon removal of service, retirement, or disposal of general PP&E recognized as a current-period gain or loss? (SFFAS 6, par. 38)		
192. If prior to disposal, retirement, or removal from service, a general PP&E asset no longer provides service in the operations of the entity: <ul style="list-style-type: none"> a. Is it removed from the corresponding asset and contra asset accounts? b. Is its net realizable value recorded in an appropriate asset account? c. Is the difference between its book value and net realizable value recorded as a current period gain or loss? (SFFAS 6, par. 39) 		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>193. If historical cost information for existing general PP&E has not been maintained, are cost estimates based on either of the following costs?</p> <ul style="list-style-type: none"> a. the cost of similar assets at the time of acquisition b. the current cost of similar assets discounted for inflation since the time of acquisition (SFFAS 6, par. 40) 		
<p>194. If general PP&E would have been substantially depreciated or amortized had it been recorded upon acquisition, does the entity weigh materiality and cost-benefit in considering either of the following alternatives?</p> <ul style="list-style-type: none"> a. Record only improvements made during the period beyond the initial expected useful life of general PP&E. b. Make an aggregate entry for whole classes of PP&E (e.g., entire facilities rather than a building-by-building estimate). (SFFAS 6, par. 42) 		

Section III Balance Sheet

Assets General Property/Plant/Equipment (Net) (164 - 195)	Yes, No, or N/A	Explanation
<p>195. Does the entity make the following minimum disclosures about its general PP&E?</p> <ul style="list-style-type: none"> a. the cost, associated accumulated depreciation, and book value by major class (e.g., building and structures, fixtures, equipment) b. the estimated useful lives for each major class c. the method(s) of depreciation for each major class d. capitalization threshold(s) including any changes in thresholds(s) during the period e. restrictions on the use or convertibility of general PP&E f. in the period in which SFFAS 6 standards are implemented, adjustments to the PP&E and related contra asset accounts by major class (e.g., buildings, equipment, and vehicles) (SFFAS 6, par. 44 & 45; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 62, note 9) 		

Section III Balance Sheet

Assets Software (196 – 226)	Yes, No, or N/A	Explanation
<p><i>Software includes the application and operating system programs, procedures, rules, and any associated documentation pertaining to the operation of a computer system or program.</i></p> <p><i>“Internal use software” is software that is purchased from commercial vendors “off the shelf,” internally developed, or contractor-developed solely to meet the entity’s internal or operational needs. (SFFAS 10, par. 8)</i></p>		
<p>196. Does the entity capitalize the cost of software when such software meets the following criteria?</p> <ul style="list-style-type: none"> a. specifically identifiable b. determinate life of 2 years or more c. not intended for sale in the ordinary course of operations d. acquired or constructed with the intention of being used by the entity e. meets the criteria for general property, plant, and equipment⁷ (SFFAS 10, par. 15, 38, & 48) 		
<p>197. Are capitalized software costs included under general PP&E or reported separately if the following criteria apply?</p> <ul style="list-style-type: none"> a. The costs are intended to be primarily recovered through user charges. b. The feasibility has been proven. (OMB 97-01 as amended (Jan. 7, 2000), p. 21) 		

⁷ General property, plant, and equipment are defined in SFFAS 6, par. 23 – 25.

Section III Balance Sheet

Assets Software (196 – 226)	Yes, No, or N/A	Explanation
<p>198. Does the capitalized development cost of internally developed software include the full cost (i.e., direct and indirect cost) incurred during the software development stage? (SFFAS 10, par. 16)</p>		
<p>199. Are capitalized software development costs limited to costs incurred after the following steps have been taken?</p> <ul style="list-style-type: none"> a. Management authorizes and commits to a computer software project and believes that it is more likely than not that the project will be completed and the software will be used to perform the intended function with an estimated service life of 2 years or more. b. The conceptual formulation, design, and testing of possible software project alternatives (i.e., preliminary design stage) have been completed. (SFFAS 10, par. 11, 12, 16, 45, 62, & 64) 		
<p>200. Do software capitalization costs include those for new software⁸ and documentation manuals? (SFFAS 10, par. 17, 60, & 61)</p>		
<p>201. Do the capitalized costs for commercial off-the-shelf (COTS) software include the amount paid to the vendor? (SFFAS 10, par. 18)</p>		

⁸ For example: salaries of programmers, systems analysts, project managers, and administrative personnel; associated employee benefits; outside consultants' fees; rent; and supplies.

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
202. Do the capitalized costs for contractor-developed software include the amount paid to a contractor to design, program, install, and implement the software? (SFFAS 10, par. 18)		
203. Does the entity capitalize material internal costs incurred to implement the commercial-off-the-shelf software (COTS) or contractor-developed software and otherwise make it ready for use? (SFFAS 10, par. 18)		
204. Does the entity expense all data conversion costs, including the cost to develop or obtain the relevant software, related to internally developed, contractor-developed, or COTS software? (SFFAS 10, par. 14, 19, & 69)		
205. Does the entity expense costs (e.g., ongoing training for users, preventive maintenance) incurred after the completion of final acceptance testing? (SFFAS 10, par. 14 & 20)		
206. Does the entity treat software that serves both internal uses and stewardship purposes (e.g., a global positioning system) as internal use software and capitalize it to the extent such software meets criteria for general PP&E? (SFFAS 10, par. 15 & 21)		

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
207. Is computer software that is integrated into general PP&E and necessary to operate it, rather than perform an application, considered part of the PP&E of which it is an integral part, and is it capitalized and depreciated accordingly? (SFFAS 10, par. 22)		
208. If the entity purchased software as part of a package of products and services, does it use a reasonable estimate in allocating the cost difference between capitalizable and noncapitalizable (i.e., expense) elements? (SFFAS 10, par. 23)		
209. Does the entity expense software costs that are not susceptible to allocation between maintenance and relatively minor enhancements? (SFFAS 10, par. 23)		
210. Has the entity established realistic and defensible capitalization thresholds for its internal-use software including bulk purchases of software programs and modules or components of a total software system? (SFFAS 10, par. 24 & 68)		
211. Does the entity capitalize the acquisition cost of enhancements to existing internal-use software, as well as related modules, when it is more likely than not that they will result in significant additional capabilities? (SFFAS 10, par. 25, 42, 43, & 73)		

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
212. Does the entity expense the cost of minor enhancements resulting from ongoing systems maintenance as well as the purchase of enhanced versions of software for a minimal charge? (SFFAS 10, par. 26 & 73)		
213. Are material expenditures to add capability and functionality to computer software capitalized? (SFFAS 10, par. 27)		
214. If the expensed repair or upgrades of computer software extends its useful life, is the amortization period adjusted? (SFFAS 10, par. 27, 42, & 43)		
215. Does the entity recognize a loss upon impairment of computer software if either of these conditions apply? <ul style="list-style-type: none"> a. The software is no longer expected to provide substantive service and will be removed from service. b. A significant reduction occurs in the capabilities functions of the software (or module thereof). (SFFAS 10, par. 28, 29, 30, 75 & 76) 		

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
<p>216. If the impaired software is to remain in use, is the loss due to impairment measured as the difference between the book value and either of the following amounts?</p> <ul style="list-style-type: none"> a. the cost to acquire software that would perform similar remaining functions (i.e., unimpaired functions) b. the portion of book value attributable to the remaining functional elements of the software (SFFAS 10, par. 29) 		
<p>217. If the loss due to impairment cannot be determined, is the book value of the software amortized over the remaining useful life of the software? (SFFAS 10, par. 29)</p>		
<p>218. If impaired software is to be removed from use, is the loss due to impairment measured as the difference between the book value and net realizable value (NRV)? (SFFAS 10, par. 30 & 44)</p>		
<p>219. Does the entity transfer the NRV, if any, to an appropriate asset account until such time as the software is disposed of and the NRV realized? (SFFAS 10, par. 30)</p>		

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
220. If the entity’s managers conclude that, “more likely than not,” developmental software (or a module thereof) will not be completed and placed in service, is the accumulated book value (or the balance in a work-in-process account, if applicable) reduced to reflect the expected NRV and recognized as a loss? (SFFAS 10, par. 31)		
221. Does the entity amortize capitalized software in a systematic and rational manner over the estimated useful life of the software? (SFFAS 10, par. 32 & 70)		
222. Does amortization of capitalized software not begin until successful completion of testing? (SFFAS 10, par. 33, 41, & 71)		
223. If the use of software is dependent on the completion of another or other software module(s), does the amortization not begin until the complementary module(s) have successfully completed testing? (SFFAS 10, par. 33)		
224. Are additions to the book value or changes in useful life of capitalized software treated prospectively (i.e., during the period of change and future periods only) when the software is amortized? (SFFAS 10, par. 34)		

Section III Balance Sheet

Assets Software (196 - 226)	Yes, No, or N/A	Explanation
<p>225. When the entity replaces existing internal-use software with new software, is the unamortized cost of the old software expensed when the new software has successfully completed testing? (SFFAS 10, par. 34)</p>		
<p>226. Does the entity disclose, if material, the following information regarding its capitalized software?</p> <ul style="list-style-type: none"> a. the cost, associated amortization, and book value b. the estimated useful life for each major class of software c. the method(s) of amortization (SFFAS 10, par. 35; SFFAS 6, par. 45) 		

Section III Balance Sheet

Assets Other Assets (227 – 238)	Yes, No, or N/A	Explanation
<p>227. Are other assets listed and described in a note to the financial statements and broken out by homogenous groups within the major categories of assets (i.e., entity versus nonentity, and intragovernmental versus other entity assets)? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 48, note 6)</p>		
<p><i>Advances are cash outlays made by a federal entity to its employees, contractors, grantees, or others to cover the recipient’s anticipated expenses or as advance payments for the costs of goods and services acquired by an entity. (SFFAS 1, par. 57)</i></p> <p><i>Prepayments are payments made by a federal entity to cover certain periodic expenses before those expenses are incurred (SFFAS 1, par. 58)</i></p>		
<p>228. Are advances and prepayments recorded as assets and disclosed in the notes? (SFFAS 1, par. 59; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 19)</p>		
<p>229. Are amounts of advances or prepayments — remaining after related goods or services have been received, contract terms have been met, progress payments have been made, or prepaid expenses have expired — transferred to accounts receivable? (SFFAS 1, par. 59)</p>		
<p>230. Are advances and prepayments that are made to federal entities accounted for and reported separately from those made to nonfederal entities? (SFFAS 1, par. 61)</p>		
<p>231. Are advances and prepayments paid out reported separately (i.e., not netted) from advances and prepayments received? (SFFAS 1, par. 60)</p>		

Section III Balance Sheet

Assets Other Assets (227 – 238)	Yes, No, or N/A	Explanation
<p><i>Property, plant, and equipment are classified as heritage assets if they have (1) historical or natural significance; (2) cultural, educational, or artistic importance; or (3) significant architectural characteristic. (SFFAS 6, par. 57)</i></p>		
<p>232. If the predominant use is in general government operations (e.g., main U.S. Treasury building, which is a heritage asset used as an office building), is acquisition, betterment, or reconstruction of all multiuse heritage assets capitalized as general PP&E and depreciated over the useful life of the assets? (SFFAS 16, par. 6 & 9; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 21)</p>		
<p>233. Does the entity also include a footnote disclosure explaining that “physical quantity” information for the multiuse heritage assets is included in supplemental stewardship reporting for heritage assets? (SFFAS 16, par. 9)</p>		
<p>234. Are multiuse heritage assets acquired through donation or devise recognized as general PP&E at the assets’ fair value? (SFFAS 16, par. 11)</p>		
<p>235. Is the fair value⁹ amount of such assets acquired through donation or devise recognized as “nonexchange revenue,” as defined in SFFAS 7 in the Statement of Change in Net Position? (SFFAS No. 16, par. 11)</p>		

⁹ Fair value is the price for which an asset could be bought or sold in an arm’s-length transaction between unrelated parties. Roman L. Well and Patrick C. O’Brien, *Accounting: The Language of Business*, 9th ed. (Sun Lakes, Arizona: Thomas Horton and Daughters, 1994).

Section III Balance Sheet

Assets Other Assets (227 – 238)	Yes, No, or N/A	Explanation
<p><i>Land is defined as the solid part of the surface of the earth. Excluded from the definition of land are depletable resources, such as timber and other continental shelf resources. (SFFAS 6, par. 66 & 67)</i></p>		
<p>236. Are land and land rights owned by the federal government, except those acquired for or in connection with general PP&E, referred to as stewardship land in the entity's annual report? (SFFAS 6, par. 68, 137 & 228)</p>		
<p>237. Are significant structures that have been acquired with stewardship land and have a significant operating use treated as general PP&E (i.e., capitalized and depreciated) if used in operations? (SFFAS 6, par. 70 & 232)</p>		
<p>238. Is the cost of a structure acquired with stewardship land that is to be used in operations included in the acquisition cost of the land if one of the following apply?</p> <ul style="list-style-type: none"> a. The structure's value is insignificant compared to the value of the land. b. The structure has little or no inherent value. c. The structure is merely a byproduct of the acquisition of the land. (SFFAS 6, par. 70) 		

Section III Balance Sheet

Liabilities Liabilities in General (239 - 240)	Yes, No, or, N/A	Explanation
<p><i>Liabilities of federal agencies are reported under two major categories: (1) liabilities covered by budgetary resources and (2) liabilities not covered by budgetary resources. Within each of these two categories, liabilities are classified as (1) intragovernmental liabilities, which are amounts owed to other federal entities or (2) governmental liabilities, which are amounts owed to nonfederal entities by the federal government or an entity within the federal government. (SFFAS 1, par. 21; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 16 & 22)</i></p> <p><i>A liability for federal accounting purposes is a probable and measurable future outflow or other sacrifice of resources as a result of past transactions or events. (SFFAS 5, par. 19, 20, & 21; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)</i></p> <p><i>Probable refers to that which can reasonably be expected or is believed to be more likely than not on the basis of available evidence or logic. However, in the context of assessing the outcome of matters of pending or threatened litigation and unasserted claims and recognizing an associated liability, “probable” refers to that which is likely, not to that which is “more likely than not.” (SFFAS 5, par. 33; SFFAS 12, par. 10)</i></p> <p><i>Measurable refers to that which can be quantified in monetary units with sufficient reliability to be reasonably estimable. (SFFAS 5, par. 34)</i></p>		
<p>239. Are liabilities recognized when incurred regardless of whether they are covered by available budgetary resources (including those liabilities related to appropriations cancelled under "M" account legislation)? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)</p>		

Section III Balance Sheet

Liabilities Liabilities in General (239 - 240)	Yes, No, or, N/A	Explanation
<p>240. Does the federal entity recognize a liability for probable and measurable future outflows or other sacrifices of resources arising from one or more of the following events?</p> <ul style="list-style-type: none"> a. past exchange transactions b. government-related events, such as government-caused damages c. government-acknowledged events, such as natural disasters, for which the government has taken formal responsibility for the related costs d. nonexchange transactions that, according to current law and applicable policy, are unpaid amounts due as of the reporting date. (SFFAS 5, par. 19 - 34; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22) 		

Section III Balance Sheet

Liabilities Interest Payable (241 - 248)	Yes, No, or N/A	Explanation
<p><i>Accounts payable are amounts owed by a federal entity for goods and services received from, progress in contract performance made by, and rents due to other entities. (SFFAS 1, par. 74; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)</i></p>		
<p>241. Do accounts payable exclude amounts related to ongoing continuous expenses, such as salary and related benefits expense, which are classified as other current liabilities? (SFFAS 1, par. 75)</p>		
<p>242. Are accounts payable owed to other federal agencies reported separately from those owed to the public? (SFFAS 1, par. 76; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 16 & 22)</p>		
<p>243. When an entity accepts title to goods, whether the goods are delivered or in transit, does the entity recognize a liability for the unpaid cost of goods? (SFFAS 1, par. 77)</p>		
<p>244. If invoices for goods, for which the entity has accepted the title, are not available, does the entity estimate the amount owed? (SFFAS 1, par. 77)</p>		
<p>245. For facilities or equipment constructed or manufactured by contractors or grantees according to agreements or contract specifications, are amounts recorded as payable based on an estimate of work completed under the contract or the agreement in accordance with the federal entity's engineering and management evaluation of actual performance progress and incurred costs? (SFFAS 1, par. 78 & 79)</p>		

Section III Balance Sheet

Liabilities Interest Payable (241 - 248)	Yes, No, or N/A	Explanation
246. Are accounts payable covered by budgetary resources separately reported from those not covered by budgetary resources? (SFFAS 1, par. 80; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 16 & 22)		
247. Is interest incurred but unpaid on liabilities and late payments and refunds recognized as interest payable and reported as a liability at the end of each period? (SFFAS 1, par. 81; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 22)		
248. Is interest payable to federal entities reported separately from interest payable to the public? (SFFAS 1, par. 82)		

Section III Balance Sheet

Liabilities Liabilities for Loan Guarantees (249 – 262)	Yes, No, or N/A	Explanation
<p><i>A loan guarantee is any guarantee, insurance (but not deposit insurance), or other pledge with respect to the payment of all or part of the principal or interest on any debt obligation of a nonfederal borrower to a nonfederal lender. (SFFAS 2, app. C)</i></p> <p><i>The Federal Credit Reform Act of 1990 requires federal entities to estimate and budget for the costs arising from default of guaranteed loans made after fiscal year (FY) 1991 (i.e., post 1991). (SFFAS 2, par. 7; OMB 97-01 as amended (Jan. 7, 2000), p. 55)</i></p>		
<p>249. Is the present value of estimated net cash outflows from post-1991 (i.e., committed after September 30, 1991) loan guarantees recognized as a liability? (SFFAS 2, par. 7 & 23)</p>		
<p>250. Does the entity disclose by loan program the face value of guaranteed loans outstanding and the amount of outstanding principal guaranteed? (SFFAS 2, par. 23; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 51, note 7, item F & p. 55, 1st par.)</p>		
<p>251. Does the entity disclose by loan program the estimated liabilities¹⁰ arising from post-1991 loan guarantees? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 52, note 7, item G & p. 57, item G)</p>		

¹⁰ That is, the present value of the estimated net cash flows (outflows less inflows) to be paid by the entity arising from loan guarantees).

Section III Balance Sheet

Liabilities Liabilities for Loan Guarantees (249 – 262)	Yes, No, or N/A	Explanation
252. Is a liability for a pre-1992 (i.e., committed before October 1, 1991) loan guarantee recognized when it is more likely than not that the loan guarantee will require a future cash outflow to pay a default claim? (SFFAS 2, par. 39 & app. B, part IV A)		
253. Is the face value of pre-1992 guaranteed loans outstanding and related liability broken out by loan program and disclosed in a note to the financial statements? (OMB Bull. 97-01 as amended (Jan. 7, 2000), note 7, items A & G; pp. 49, 52, 55, item A 1 st par.; & p. 57, item G)		
254. Are the liabilities for the pre-1992 loan guarantees reestimated each year as of the date of the financial statements? (SFFAS 2, par. 39)		
255. Does the entity disclose, by loan program, whether pre-1992 loan guarantees are reported on a present-value basis ¹¹ or under the allowance-for-loss method? ¹² (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 52 items, G1 & G2; p. 55, item A, 4 th par.; & p. 57, item G)		
256. When the total loan guarantee liability for all of the credit programs is negative, is this reported as an asset? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 23)		

¹¹ Under the present-value method, the liability for loan guarantees is the present value of the expected net cash outflows due to the loan guarantees.

¹² Under the allowance-for-loss method, the liability for loan guarantees is the amount the agency estimates will more likely than not require future cash outflow to pay default claims.

Section III Balance Sheet

Liabilities Liabilities for Loan Guarantees (249 - 262)	Yes, No, or N/A	Explanation
257. However, if a loan guarantee liability is the result of both positive and negative amounts of the various components, is the total shown as a liability, and are the negative components (of the loan guarantee liability) disclosed? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 23)		
<p><i>A “modification” is a federal government action, including new legislation or administrative action, that directly or indirectly alters the estimated subsidy cost and the present value of outstanding direct loans or the liability of loan guarantees. (SFFAS 2, par. 41)</i></p> <p><i>Direct modifications are actions that change the subsidy cost by altering the terms of existing contracts or by selling loan assets. (SFFAS 2, par. 42)</i></p> <p><i>Indirect modifications are actions that change the subsidy cost by legislation that alters the way in which an outstanding portfolio of direct loans or guarantees is administered. (SFFAS 2, par. 43)</i></p>		
258. When post-1991 loan guarantees are modified, is the existing book value of the related liability changed to an amount equal to the present value ¹³ of net cash outflows that are projected under the modified terms from the time of the modification to the loan’s maturity? (SFFAS 2, par. 50 & app. B, part III D(4); SFFAS 19, par. 7(d))		

¹³ That is, discounted at the Treasury rate in effect when the guaranteed loans were first disbursed after adjusting for the interest rate reestimate.

Section III Balance Sheet

Liabilities Liabilities for Loan Guarantees (249 - 262)	Yes, No, or N/A	Explanation
<p>259. When pre-1992 loan guarantees are directly modified:</p> <ul style="list-style-type: none"> a. Are they transferred from the liquidating account to a financing account? b. Is the existing book value of the liability of the modified loan guarantees changed to an amount equal to their post-modification liability (i.e., the present value of the net cash outflows under post-modification terms discounted at the current Treasury rate)? (SFFAS 2, par. 51 & app. B, part IV B(4)) 		
<p>260. If pre-1992 loan guarantees are indirectly modified:</p> <ul style="list-style-type: none"> a. Are they kept in a liquidating account? b. Is the related liability reassessed and adjusted to reflect any change in the liability resulting from the modification? (SFFAS 2, par. 51) 		
<p>261. Are subsequent modifications of pre-1992 loan guarantees treated as a modification of post-1991 loan guarantees? (SFFAS 2, par. 51)</p>		
<p>262. If a post-1991 or pre-1992 loan is sold with a recourse provision, is the present value (discounted at the Treasury rate in effect at the time of the sale) of the estimated losses recognized as a subsidy expense and loan guarantee liability? (SFFAS 2, par. 53 & 54 & app. B, part I F(3))</p>		

Section III Balance Sheet

Liabilities Lease Liabilities (263 – 266)	Yes, No, or N/A	Explanation
<p><i>Capital leases are leases that transfer substantially all of the benefits and risks of ownership to the lessee. (SFFAS 5, par. 43)</i></p>		
<p>263. Is the amount recorded by the lessee as a liability under a capital lease arrangement the lesser of the following amounts?</p> <ul style="list-style-type: none"> a. the present value of rental and other minimum lease payments (excluding executory costs) during the lease term b. the fair value¹⁴ of the property at the inception of the lease (SFFAS 5, par. 43 & 44) 		
<p>264. Does the entity use the applicable Treasury borrowing rate to determine the interest rate charged on a capital lease unless the following apply?</p> <ul style="list-style-type: none"> a. It is practicable for the lessee to learn the implicit rate computed by the lessor. b. The implicit rate is less than the Treasury borrowing rate. (SFFAS 5, par. 45) 		
<p>265. During the lease term is each minimum payment allocated between a reduction of the obligation and interest expense so as to produce a constant periodic rate of interest on the remaining balance of the liability? (SFFAS 5, par. 46)</p>		

¹⁴ Fair value is the price for which an asset could be bought or sold in an arm's-length transaction between unrelated parties. Roman L. Well and Patrick C. O'Brien, *Accounting: The Language of Business*, 9th ed. (Sun Lakes, Arizona: Thomas Horton and Daughters, 1994).

Section III Balance Sheet

Liabilities Lease Liabilities (263 – 266)	Yes, No, or N/A	Explanation
<p>266. Does the entity disclose in a note to the statements the following information about its capital leases?</p> <ul style="list-style-type: none"> a. gross amounts of assets under capital lease by major asset category b. a description of the lease arrangements, for example: future funding commitments, lease terms, renewal options, escalation clauses, restrictions, and amortization periods c. future payments due, by major asset category, and deductions for imputed interest and executory costs for all noncancellable leases with terms longer than 1 year d. a breakout of portions of the capital lease liability covered by budgetary resources and not covered by budgetary resources (OMB Bull. 97-01 as amended (Jan. 7, 2000), note 12, pp. 67 & 69, item A) 		

Section III Balance Sheet

Liabilities Federal Debt and Related Interest (267 – 278)	Yes, No, or N/A	Explanation
<p><i>Debts are amounts borrowed from the Treasury, the Federal Financing Bank, other federal agencies, or the public under general or special financing authority such as Treasury bills, notes, bonds, and FHA debentures. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 23)</i></p>		
<p>267. Does the entity accounting for federal debt identify the amount of the outstanding debt liability at any given time and the related interest cost for each accounting period? (SFFAS 5, par. 48)</p>		
<p>268. Are fixed-value securities with known redemption or maturity amounts valued at their original face (par) value net of any unamortized discount or premium? (SFFAS 5, par. 50)</p>		
<p><i>The straight-line method for amortizing a bond premium or discount reduces it in equal amounts over the life of the bond. (A.N. Mosch and E. John Larsen, Intermediate Accounting, McGraw-Hill Book Company, fifth edition 1982, p. 612.)</i></p> <p><i>The interest method for amortizing a bond premium or discount reduces the discount or premium by the difference between the effective interest and stated interest on the bond. (SFFAS 1, app. B)</i></p>		
<p>269. Is either the straight line or interest method of discount or premium amortization used if the following conditions are met?</p> <p>a. The short-term securities have a maturity of 1 year or less.</p> <p>b. In the case of longer-term securities, the difference between the amount of amortization under the interest and straight-line methods is immaterial. (SFFAS 5, par. 50)</p>		

Section III Balance Sheet

Liabilities Federal Debt and Related Interest (267 – 278)	Yes, No, or N/A	Explanation
270. Is the interest method used for amortizing any discount or premium if the conditions listed in the previous question are not met? (SFFAS 5, par. 51)		
271. If the entity has issued variable value securities of unknown redemption or maturity values, are they appraised at their original value and periodically revalued on the basis of the regulations or offering language? (SFFAS 5, par. 52)		
272. Are old currencies issued by the federal government and not yet redeemed or written off identified as a federal debt liability at face value? (SFFAS 5, par. 55)		
273. Are the beginning balance, net borrowing, and ending balances of debt disclosed? (SFFAS 5, par. 48; OMB Bull. 97-01 as amended (Jan. 7, 2000), note 10, p. 63)		
274. Are the following categories of debt disclosed? <ul style="list-style-type: none"> a. total public debt (reported by the Treasury Department only) broken out by debt b. total agency debt issued under special financing authority (e.g., FHA debentures and TVA bonds) broken out by debt held by the government accounts and debt held by the public c. other debt broken out by debt owed to the Treasury, debt owed to the Federal Financing Bank, and debt owed to other federal agencies (OMB Bull. 97-01 as amended (Jan. 7, 2000), note 10, pp. 63 & 64) 		

Section III Balance Sheet

Liabilities Federal Debt and Related Interest (267 – 278)	Yes, No, or N/A	Explanation
275. Is all debt owed to Treasury, the Federal Financing Bank, or other federal agencies reported under intragovernmental liabilities and disclosed as intragovernmental debt? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 16 & note 10, pp. 63 & 64)		
276. Is all debt owed to the public reported and disclosed as such? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 16 & note 10, pp. 63 & 64)		
277. Are the names of the agencies disclosed, other than Treasury or Federal Financing Bank, to which intragovernmental debt is owed, and are the amounts disclosed? (OMB Bull. 97-01 as amended (Jan. 7, 2000), note 10, p. 64)		
278. Is other information relative to debt disclosed (e.g., maturity dates, redemption or call of debt owed to the public before maturity dates, write-offs of debts owed to Treasury or the Federal Financing Bank)? (OMB Bull. 97-01 as amended (Jan. 7, 2000), note 10, p. 64)		

Section III Balance Sheet

Liabilities Pensions, Other Retirement Benefits, and Postemployment Benefits (279 - 287)	Yes, No, or N/A	Explanation
<p><i>Federal employee and veterans benefits include the actuarial portion of pensions, other retirement benefits, and other postemployment benefits. They do not include liabilities related to ongoing continuous expenses such as employees' accrued salary, accrued annual leave, unpaid portions of employee benefits, and other benefits that are currently due. These items are reported under the "other liabilities" line item. (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 23)</i></p> <p><i>In the context of accounting for pensions, other retirement benefits (ORB), and other postemployment benefits, the "administrative entity" manages and accounts for the pension or other employee plan, while the "employer entity" employs federal workers and generates employee costs, for which it would typically receive a salary and expense appropriation. (SFFAS 5, par. 57, footnote 38)</i></p> <p><i>The "aggregate entry age normal" actuarial cost method is one under which the expenses or liabilities arising from the actuarial present value of projected pension benefits are allocated on a level basis over the earnings or the service of the group between entry age and assumed exit ages. The portion of the actuarial present value allocated to a valuation year is called "normal cost." (SFFAS 5, par. 64)</i></p>		
<p>279. Is the aggregate entry age normal actuarial cost method used to calculate, for the administrative entity financial statements, the liabilities arising from pension and ORB expenses? (SFFAS 5, par. 64 & 82)</p>		
<p>280. If other actuarial cost methods are used, does the entity provide an explanation? (SFFAS 5, par. 64)</p>		
<p>281. Does the administrative entity report pension and ORB assets separately from liabilities as opposed to netting them out? (SFFAS 5, par. 68 & 85)</p>		

Section III Balance Sheet

Liabilities Pensions, Other Retirement Benefits, and Postemployment Benefits (279 - 287)	Yes, No, or N/A	Explanation
282. Does the administrative entity carry pension and ORB assets at their acquisition cost, adjusted for amortization, if appropriate? (SFFAS 5, par. 68 & 85)		
283. Does the administrative entity disclose the market value of pension and ORB investments in market-based and marketable securities? (SFFAS 5, par. 68 & 85)		
284. Does the employer entity recognize the long-term other postemployment benefits liability as the present value of future payments discounted at the Treasury borrowing rate for securities of similar maturity? (SFFAS 5, par. 95)		
285. Does the administrative entity disclose and report separately the liabilities arising from pensions, other retirement benefits, and other postemployment benefits that are covered by budgetary resources and the liabilities that are not covered by budgetary resources? (OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 16 & 23 & note 13, p. 70)		
286. Does the administrative entity disclose the assumptions used to calculate the liability for pensions, other retirement benefits, and other postemployment benefits? (SFFAS 5, par. 67 & 83; OMB Bull. 97-01 as amended (Jan. 7, 2000), note 13, p. 70)		

Section III Balance Sheet

Liabilities Pensions, Other Retirement Benefits, and Postemployment Benefits (279 - 287)	Yes, No, or N/A	Explanation
<p>287. If the assumptions for a pension plan differ from the assumptions used by the three primary plans — Civil Service Retirement System (CSRS), Federal Employees Retirement System (FERS), and Military Retirement System (MRS) — does the administrative entity disclose how and why the assumptions differ from those of the primary plans? (SFFAS 5, par. 67; OMB Bull. 97-01 as amended (Jan. 7, 2000), note 13, p. 70)</p>		

Section III Balance Sheet

Liabilities Other Liabilities (288 - 318)	Yes, No, or N/A	Explanation
<p><i>Unless they are reported separately, other liabilities cover liabilities not recognized in other categories. They include, but are not limited to: capital leases, insurance, advances and prepayments, deposit funds held in escrow and accrued liabilities and liabilities for losses, claims, and other contingencies. Claims and other contingencies include: indemnity agreements, adjudicated claims, commitments to international institutions, and clean-up costs. (SFFAS 1, par. 83 - 86; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24)</i></p>		
<p>288. Do all federal insurance and guarantee programs (except social insurance and loan guarantee programs) recognize a liability for unpaid claims incurred resulting from insured events that have occurred as of the reporting date? (SFFAS 5, par. 104; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24)</p>		
<p>289. Do federal insurance programs accrue a contingent liability when an existing condition, situation, or set of circumstances involving uncertainty as to possible loss exists, and when the following conditions apply?</p> <p>a. The uncertainty will be resolved when one or more probable future events occur or fail to occur.</p> <p>b. Future outflow or other sacrifice of resources is probable and measurable. (SFFAS 5, par. 104 & 108; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24)</p>		
<p>290. When insurance payments and losses extend beyond the current year, are net losses calculated on a present-value basis to reflect the time value of money? (SFFAS 5, par. 109)</p>		

Section III Balance Sheet

Liabilities Other Liabilities (288 - 318)	Yes, No, or N/A	Explanation
291. Does the entity report under “required supplementary stewardship information” (RSSI) the major assumptions and “risks assumed” (i.e., the present value of unpaid losses net of associated premiums based on risk inherent in the insurance or guarantee coverage) for all sponsored insurance programs (except for social insurance, life insurance, and loan guarantee programs)? (SFFAS 5, par. 105, 106, & 109)		
292. Does the entity also report under RSSI the indicators of the range of uncertainty around insurance-related estimates and sensitivity of the estimates to changes in major assumptions? (SFFAS 5, par. 114)		
<p style="text-align: center;"><i>The liability for future policy benefits is the present value of future outflows to be paid to (or on behalf of) policyholders, less the present value of future related premiums. In general, for whole life policies, the liability for future policy benefits should be no less than the cash surrender value that accrues to the benefit of the policyholder. (SFFAS 5, par. 116)</i></p>		
293. Does the entity also recognize a liability for future insurance policy benefits (such as death or disability)? (SFFAS 5, par. 104; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24)		

Section III Balance Sheet

Liabilities Other Liabilities (288 – 318)	Yes, No, or N/A	Explanation
294. Are liabilities for future benefits of whole life insurance policies reported and disclosed in accordance with private sector standards (i.e., FASB SFAS 60, 97, & 120; AICPA SOP 95-1)? (SFFAS 5, par. 117 & 191 – 193; OMB Bull. 97-01 as amended (Jan. 7, 2000), note 14, p. 70)		
295. Does the liability for future benefits relating to participating life insurance contracts equal the sum of the following amounts? a. the net-level premium reserve for death and endowment policy benefits b. liability for terminal dividends and c. any premium deficiency ¹⁵ (SFFAS 5, par. 118 & 120)		
296. Has the entity made an assessment to compare the liability for future policy benefits using actuarial assumptions applicable at the time the contract was made (contract assumptions) with the liability for future policy benefits using assumptions that consider the following factors? a. current economic conditions (i.e., current and expected investments and expected long-term yields) b. experience (i.e., mortality, morbidity, and termination rates) (SFFAS 5, par. 119)		

¹⁵ A premium deficiency occurs if the liability for future policy benefits using current conditions exceeds the liability for future policy benefits.

Section III Balance Sheet

Liabilities Other Liabilities (288 – 318)	Yes, No, or N/A	Explanation
<p>297. Does the entity disclose the components¹⁶ of the liability for future policy benefits of whole life insurance contracts along with a description of each amount and explanation of its projected use? (SFFAS 5, par. 121; OMB Bull. 97-01 as amended (Jan. 7, 2000), note 14, p. 70)</p>		
<p>298. Does the reporting entity disclose and break out the following items?</p> <ul style="list-style-type: none"> a. the portion of other liabilities covered by budgetary resources and the portion not covered by budgetary resources b. the portion of other liabilities payable to governmental (i.e., federal) entities and the portion payable to nonfederal entities c. the portion of other liabilities that are noncurrent and the portion that are current (SFFAS 1, par. 83 - 86; OMB Bull. 97-01 as amended (Jan. 7, 2000), pp. 16 & 24 & note 11, pp. 65 & 66) 		
<p>299. Does the agency record “unearned revenue” as a liability if it requests advances or progress payments prior to receipt of cash, and does it record the amounts? (SFFAS 7, par. 37)</p>		
<p>300. Are amounts payable for refunds, refund offsets,¹⁷ and drawbacks¹⁸ recognized as liabilities when measurable and legally payable under established processes of the collecting entity? (SFFAS 7, par. 57 & app. E)</p>		

¹⁶ That is, the net-level premium reserve for a death and endowment policy and the liability for terminal dividends.

¹⁷ Amounts withheld from refunds on behalf of other agencies.

¹⁸ Refunds payable on duties paid on imported goods that are subsequently exported or destroyed.

Section III Balance Sheet

Liabilities Other Liabilities (288 - 318)	Yes, No, or N/A	Explanation
301. Do amounts payable for refunds include refund claims filed by the taxpayer in which the government has determined the amount payable and identified the payee? (SFFAS 7, par. 57)		
302. Are filed claims for refunds, even if reasonably estimable, excluded from payables if administrative actions have not been completed as of the close of the reporting period? (SFFAS 7, par. 58.A)		
303. Are unasserted claims for refunds, even if reasonably estimable, excluded from payables? (SFFAS 7, par. 58.B)		
304. Are voluntarily made deposits pending settlements and judgments separately recognized as deposit liabilities? (SFFAS 7, par. 59)		

Section III Balance Sheet

Liabilities Other Liabilities (288 – 318)	Yes, No, or N/A	Explanation
<p><i>A loss contingency is an existing condition, situation, or set of circumstances involving uncertainty as to possible loss to an entity. The uncertainty should ultimately be resolved when one or more future events occur or fail to occur. (SFFAS 5, par. 35; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24 & note 16, p. 71)</i></p>		
<p>305. Does the entity recognize estimated losses for claims or other contingencies if the following conditions apply?</p> <ul style="list-style-type: none"> a. A past event or exchange transaction has occurred. b. A future outflow or other sacrifice of resources is probable.¹⁹ c. The future outflow or sacrifice of resources is measurable. (SFFAS 5, par. 33 & 38; SFFAS 12, par. 10 & 11; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24) 		
<p>306. If any one of the conditions for recognizing a contingent liability are not met and there is at least a “reasonable possibility”²⁰ that a loss or additional loss may be incurred, does the entity disclose the nature of the contingency and the following?</p> <ul style="list-style-type: none"> a. an estimate of the possible liability b. an estimate of the range of the possible liability c. a statement that such an estimate cannot be made (SFFAS 5, par. 36, 38, 40, & 41) 		

¹⁹ In the context of pending or threatened litigation, “probable” is taken to mean “likely;” otherwise, “probable” refers to that which is believed to be more “likely than not” or can be reasonably expected.

²⁰ That is, the chance of a future event occurring is less than “probable” but more than “remote.”

Section III Balance Sheet

Liabilities Other Liabilities (288 – 318)	Yes, No, or N/A	Explanation
<p>307. If no amount within the range of possible liabilities is a better estimate than any other amount:</p> <ul style="list-style-type: none"> a. Is the minimum amount in the range of possible liabilities recognized? b. Is the range and a description of the nature of the contingency disclosed? (SFFAS 5, par. 39) 		
<p>308. If information about remote contingencies, or related to remote contingencies, is included in general-purpose federal financial reports,²¹ is the information labeled to avoid the misleading implication that there is more than a remote chance of a loss of that amount? (SFFAS 5, par. 42)</p>		
<p>309. If material, does the entity separately disclose a contingent liability for environmental clean-up costs²² for PP&E if the following criteria apply?</p> <ul style="list-style-type: none"> a. They are related to a past transaction or event. b. The related costs are probable and measurable. (SFFAS 5, par. 38 & SFFAS 6, par. 91 - 93; OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24) 		
<p>310. When clean-up costs are paid, are the payments recognized as a reduction in the liability for clean-up costs? (SFFAS 6, par. 100)</p>		

²¹ For example, the total face amount of insurance and guarantees in force.

²² Clean-up costs are the costs of removing, containing, or disposing of hazardous waste or material and/or property that consists of hazardous waste or permanent or temporary closure of associated PP& E. (SFFAS 6, par. 85)

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Liabilities Other Liabilities (288 - 318)	Yes, No, or N/A	Explanation
311. If clean-up costs have not been previously recognized, is a liability recognized for the portion of the estimated total clean-up cost that is attributable to either the portion of the physical capacity used or the portion of the estimated useful life that has passed, since the PP&E was placed into service? (SFFAS 6, par. 104)		
312. When clean-up costs are recognized for the first time, is the offsetting charge for any liability for clean-up costs shown as a “prior-period adjustment?” (SFFAS 6, par. 105)		
313. Are the amounts of prior-period adjustments arising from belated recognition of clean-up costs and liabilities disclosed and, if possible, associated with current and prior periods? (SFFAS 6, par. 105)		
314. Are any subsequent changes (made in periods following implementation) in estimated total clean-up cost immediately expensed (if costs are to be recovered through user charges) and reflected in the related liability balance? (SFFAS 6, par. 104)		

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Liabilities Other Liabilities (288 - 318)	Yes, No, or N/A	Explanation
<p>315. Does the entity also disclose the following information?</p> <ul style="list-style-type: none"> a. the sources (i.e., applicable laws and regulations) of clean-up requirements b. the method for assigning estimated total clean-up costs to current operating periods (e.g., physical capacity versus passage of time) c. the unrecognized portion of estimated total clean-up costs associated with general PP&E d. the material changes in total estimated clean-up costs due to changes in laws, technology, or plans e. the portion of change in an estimate that relates to prior-period operations f. the nature of estimates and the disclosure of information regarding possible changes due to inflation, deflation, technology, or applicable laws and regulations (SFFAS 6, par. 107 - 111) 		
<p><i>Social insurance programs provide for the maintenance and distribution of incomes and medical benefits during periods of unemployment, disability, and retirement. These programs are Social Security, Medicare, and Railroad Retirement Benefits, Black Lung Benefits, and Unemployment Insurance. Expense and liability recognition for these programs is the same for both the consolidated governmentwide entity as for the component entities. (SFFAS 17, par. 2, 4, 14, & 30)</i></p>		
<p>316. Does the entity recognize a liability for social insurance benefits due and payable including claims incurred but not reported? (SFFAS 17, par. 22, 59 – 63, & 113)</p>		

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Liabilities Other Liabilities (288 – 318)	Yes, No, or N/A	Explanation
<p>317. Does the liability for unemployment insurance include the following amounts?</p> <ul style="list-style-type: none"> a. amounts due to states and territories for benefits they have paid to beneficiaries but for which they have not withdrawn funds from the federal unemployment trust fund (UTF) as of the fiscal year-end b. estimated amounts to be withdrawn from UTF and benefits paid by states and territories after fiscal year-end for compensatory days occurring prior to fiscal year-end (SFFAS 17, par. 23) 		
<p>318. Does the entity separately report items within other liabilities if the amounts are material? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 24)</p>		

Section III Balance Sheet

Net Position Unexpended Appropriations & Cumulative Results of Operations (319 – 322)	Yes, No, or N/A	Explanation
319. Does the line item “unexpended appropriations” include both the portion of the entity’s appropriation represented by undelivered orders and unobligated balances? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 25)		
320. Does the entity break out and disclose the portion of unexpended appropriations represented by undelivered orders and unobligated amounts? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 71, note 15)		
321. Does the entity disclose its estimate of obligations related to cancelled appropriations for which it has a contractual commitment for payment? (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 71, note 16)		
322. Does the line item “cumulative results of operations” include the following items? <ul style="list-style-type: none"> a. the net results of operations since inception b. the cumulative amount of prior-period adjustments c. the cumulative amount of donations and transfers of assets in and out of the entity’s control (i.e., constructive ownership) without reimbursement d. the cumulative amounts related to investment in capitalized assets, such as PP&E (OMB Bull. 97-01 as amended (Jan. 7, 2000), p. 25) 		