

**SUMMARY OF MAJOR CHANGES TO
DOD 7000.14-R, VOLUME 6B, CHAPTER 4
“BALANCE SHEET”**

Substantive revisions are denoted by a ★ preceding the section, paragraph, table, or figure that includes the revision

PARA	EXPLANATION OF CHANGE/REVISION	PURPOSE
All	Incorporated guidance from OMB Circular A-136 and FASAB Standards regarding the preparation of the Balance Sheet.	Update
0401	Figures 4-1 and 4-2 have been moved to end of chapter and new guidance has been added to comply with OMB guidance regarding the format of the Balance Sheet.	Update
040103	Added guidance on dollar amount presentations within note narratives.	Add
040201	Clarified guidance on the required stewardship asset disclosures for the Balance Sheet.	Add
040202	Included guidance from OMB Circular A-136 regarding asset definitions.	Update
040203.A.2	Added guidance from OMB Circular A-136 and SFFAS Nos. 27 and 28 about Investments in Federal Securities.	Update
040203.E	Updated current guidance with new OMB guidance on Loans Receivable.	Update
040203.F	Deleted all references to Seized Property, Forfeited Property and Goods Held Under Price Support and Stabilization Programs. Also deleted all references to Inventory Held for Future Use and OM&S Held for Future Use.	Update
040203.G	Added FASAB and OMB guidance to reclassify National Defense PP&E to General PP&E (military equipment).	Update
040203.G.5	Added OMB Circular A-136 guidance regarding Multi-use Heritage Assets.	Update
040203.G.6	Added guidance for Heritage Assets and Stewardship Land according to SFFAS No. 29	Add
040205.E	Environmental and Disposal Liabilities section moved from 040205.A to comply with OMB Circular A-136 guidance and Balance Sheet layout.	Update
040206	Added OMB Circular A-136 and SFFAS No. 27 guidance regarding earmarked funds.	Update

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CHAPTER 4

BALANCE SHEET★0401 FORMATS FOR THE BALANCE SHEET

040101. Format for the Consolidated Balance Sheet. The format presented in Figure 4-1 shall be used for the consolidated Balance Sheet statements. The working versions of all [statements and notes](#) shall include line numbers as shown. All amounts shall be in dollars and cents in the working versions of the [statements and notes](#) in order to improve communication among the preparers, the reviewers, and the auditors during the financial statements preparation [process and to minimize](#) the additional time and workload required to round and reconcile dollar amounts.

040102. Format for the Consolidating Balance Sheet. The format presented in Figure 4-2 shall be used for the consolidating Balance Sheet statements. The working versions of all statements shall include the line numbers as shown in Figure 4-2. All amounts shall be in dollars and cents in the working versions of the statements in order to improve communication among the preparers, the reviewers, and the auditors during the financial statements preparation process; and, in addition, to minimize the additional time and workload required to round and reconcile dollar amounts.

040103. Final Published Balance Sheet Format. The final Department of Defense (DoD) agency wide published [statements and the notes to the principal statements](#) shall display dollars rounded to millions with one decimal point. All Component statements [shall display dollar amounts rounded to the nearest whole thousand on the final published principal statements and in the tables/schedules contained in the notes to the principal statements.](#) Dollar amounts in note narratives shall be reported with a maximum of three position integers and a single decimal value followed by an identifier, such as millions, billions, etc. (e.g. \$340.1 million, not \$340,100 thousand). The line numbers shown in Figures 4-1 and 4-2 on the statements are not required for the final published version but are for reference purposes only. These line number references shall not be included on the final published statements.

★0402 INSTRUCTIONS FOR THE PREPARATION OF THE BALANCE SHEET

040201. General Instructions. The Balance Sheet presents, as of a specific time, amounts of future economic benefits owned or managed by the reporting entity (assets), [amounts owed by the entity \(liabilities\), and amounts which comprise the difference \(net position\).](#) Although the value of stewardship assets does not appear on the face of the Balance Sheet, stewardship assets are disclosed in the Property, Plant and Equipment note to the Balance Sheet. Formats are displayed using notional data to assist the user. The Balance Sheet shall use post-closing balances for all amounts. Individual statement crosswalks are prepared from information utilizing the Department of Treasury United States Standard General Ledger

(USSGL) guidance crosswalks found at <http://www.fms.treas.gov/ussgl> under “USSGL TFM.” The crosswalk for each line of the Balance Sheet statement is incorporated into DDRS and can be accessed by selecting “Query” from the main DDRS menu, option Referential Data, option Report Map.

040202. Definition of Terms Used on the Assets Section of the Balance Sheet. Assets are tangible or intangible items owned by the Federal Government, which have probable economic benefits that can be obtained or controlled by a Federal Government entity. The intragovernmental assets of an agency are separately reported on the face of the Balance Sheet. Intragovernmental assets arise from transactions among federal entities. Nonentity assets, which may be intragovernmental or nonfederal, are separately disclosed in the notes. Guidance concerning the preparation of the notes is contained in Chapter 10 of this volume. Entity, nonentity, and intragovernmental assets are defined below in accordance with the Statement of Federal Financial Accounting Standards (SFFAS) No. 1, “Accounting for Selected Assets and Liabilities.”

A. Entity Assets. These are assets that the reporting entity has authority to use in its operations. The authority to use funds in an entity’s operations means that entity management has the authority to decide how funds are used, or management is legally obligated to use funds to meet entity obligations, e.g. repay loans from Treasury.

B. Nonentity Assets. These are assets that are held by an entity but are not available to the entity. An example of nonentity assets is income tax receivables, which the Internal Revenue Service collects for the U.S. Federal Government but has no authority to spend.

C. Display of Entity and Nonentity Assets. Combine entity and nonentity assets on the face of the Balance Sheet, e.g., entity intragovernmental accounts receivable and nonentity accounts receivable shall be combined and reported as a single intragovernmental accounts receivable line item on the face of the Balance Sheet. Disclose nonentity assets in Note 2. Guidance concerning the preparation of the notes to the financial statements is contained in Chapter 10 of this volume.

D. Intragovernmental Assets. Intragovernmental assets arise from transactions among federal entities. Intragovernmental assets are claims of a federal entity against other federal entities. Report intragovernmental assets separately from transactions with nonfederal entities, the Federal Reserve, and government-sponsored enterprises (i.e., federally chartered but privately owned and operated entities). The term “nonfederal entity” encompasses domestic and foreign persons and organizations outside the U.S. Federal Government.

040203. Line Instructions for the Preparation of the Asset Section of the Balance Sheet

A. Intragovernmental Assets.

1. Fund Balance with Treasury (FBWT)-Line 1.A.1. This line, FBWT, reflects the Department’s general ledger account balance with the Department of the

Treasury and is the net effect of all collections and disbursements. It represents the aggregate amount for which the entity is authorized to make expenditures and pay liabilities. DoD entities shall explain in Note 3 any differences between the fund balance with the U.S. Treasury in the reporting entity's general ledger accounts and the balance in the U.S. Treasury accounts. This account includes clearing account balances and the dollar equivalent of foreign currency account balances. Foreign currency account balances reported on the Balance Sheet shall be translated into U.S. dollars at exchange rates determined by the Department of the Treasury and are effective at the financial reporting date. To the extent that the reporting entity maintains fund balances in deposit accounts that are not available to finance the entity's activities, those balances shall also be reported and should be disclosed in Note 2 as nonentity assets. Suspense and clearing accounts are entity accounts. Disclose FBWT by fund types, including appropriated funds, revolving funds, trust funds, special funds and other fund types. Other fund types should include balances in deposit accounts, such as for collections pending litigation or being held by the entity in the capacity of a banker or agent of others. The FBWT does not include any amounts for which the Department of the Treasury is willing to accept corrections to cancelled appropriation accounts, in accordance with SFFAS No. 1. The amount reported, however, shall include extended obligation authority for obligations incurred in closing and closed accounts.

2. Investments-Line 1.A.2. This line identifies investments in federal securities which must be reported separately from investments in nonfederal securities. Investments in federal securities include nonmarketable par value Treasury securities, market-based Treasury securities, marketable Treasury securities, and securities issued by other federal entities. Nonfederal securities include those issued by state and local governments, government sponsored enterprises, and other private corporations. Investments are normally reported at their acquisition cost or amortized acquisition cost (less an allowance for losses, if any). The components of investments, including the market value of market-based and marketable Treasury securities, shall be disclosed in Note 4. See SFFAS No. 1 for further information on investments in par value Treasury securities and in marketable and market-based securities expected to be held to maturity. Reporting entities with material investments in Treasury securities attributable to earmarked funds are required to prepare a note disclosure within note 4 in accordance with SFFAS No. 27, "Identifying and Reporting Earmarked Funds." Earmarked funds are specifically identified revenues and other financing sources required by statute to be used for designated benefits, activities, or purposes and must be accounted for separately. Refer to SFFAS No. 27 for complete definition and criteria for earmarked funds. Additional required disclosures for earmarked funds will be reported in Note 23.

3. Accounts Receivable, Net-Line 1.A.3. Federal entity claims for payment from other federal entities are recorded as accounts receivable. Note 5 includes both entity and nonentity receivables. Do not include receivables related to direct or guaranteed loans. These amounts are reported in Note 8. Refunds receivable are included in USSGL account 1310, "Accounts Receivable." No allowance for estimated uncollectible amounts is recognized for intragovernmental receivables because they are considered collectible. Accounts receivable

shall be adjusted for supported undistributed collections. Unsupported undistributed collections are to be included in USSGL account 2400, Liability for Deposit Funds, Clearing Accounts, and Undeposited Collections. See [Chapter 13](#) of this volume for accounts receivable elimination requirements. Additional information regarding accounts receivable shall be disclosed in Note 5.

4. Other Assets-Line 1.A.4. Other Assets shall include assets that are not reported in a separate category on the face of the Balance Sheet. Report other intragovernmental advances and prepayments to other federal entities on this line. Disclose in Note 6 the amount and nature of the advances and prepayments. Material disclosures for this line will be provided in Note 6 along with the separation of the amounts for intragovernmental and nonfederal assets. Advances are cash outlays made by a federal entity to other federal entities as advance payments for the costs of goods and services the entity receives. Prepayments are payments made by a federal entity to cover certain periodic expenses before those expenses are incurred. Progress payments on work-in-process are not to be included in advances and prepayments because they are reported as inventory. See [Chapter 13](#) of this volume for elimination requirements.

B. Total Intragovernmental Assets-Line 1.A.5. The sum of lines 1.A.1 through line 1.A.4.

C. Cash and Other Monetary Assets-Line 1.B. This line includes the total of all cash resources and all other monetary assets. Cash consists of: (1) coins, paper currency and readily negotiable instruments, such as money orders, checks, and bank drafts on hand or in transit for deposit; (2) amounts on demand deposit with banks or other financial institutions; (3) cash held in imprest funds; and (4) foreign currencies, which, for accounting purposes, shall be translated into U.S. dollars at the exchange rate on the financial statement date. Other monetary assets also include gold, special drawing rights, and U.S. Reserves in the International Monetary Fund. The amount of cash and other monetary assets that the reporting entity holds and is authorized to spend is entity cash. The assets under this category that a federal entity collects and holds on behalf of the U.S. Federal Government or other entities are nonentity cash and other monetary assets, both of which shall be reported on this line. The DoD disbursing officer cash reported on the Statement of Accountability (Standard Form (SF) 1219) is reported on this line. This line also includes the total U.S. dollar equivalent of nonpurchased foreign currencies held in special program foreign currency (97X7000) fund accounts. The components of cash and other monetary assets shall be disclosed in the notes to the financial statement using Note 7. Any restrictions on cash must be disclosed.

D. Accounts Receivable, Net-Line 1.C. This item represents federal entity claims for payments due from nonfederal entities, net of an allowance for estimated uncollectible amounts. For example, include on this line amounts due from former service members who must refund amounts issued as reenlistment bonuses. This line also includes interest receivable from nonfederal entities. No interest shall be recognized as revenue on accounts receivable that are determined to be uncollectible, until the interest is actually collected. Accrued interest on uncollectible accounts receivable shall be disclosed until the requirement to pay interest is waived by the Federal Government or the related bad debt is written off. Interest Receivable

related to direct loans and acquired defaulted guaranteed loans should be reported as a component of loans receivable on Line 1.D. Accounts receivable shall be adjusted for supported undistributed collections. Unsupported undistributed collections are to be included in USSGL account 2400, Liability for Deposit Funds, Clearing Accounts, and Undeposited Collections. Additional information regarding Accounts Receivable shall be disclosed in Note 5.

E. Loans Receivable, Net-Line 1.D. This item represents the net value of assets related to pre-1992 and post-1991 direct loans receivable and acquired defaulted guaranteed loans receivable. The net value of credit program receivables and related foreclosed property are considered as an entity asset if, as provided by law or the Office of Management and Budget (OMB) Circulars, the entity has the authority to determine the use of the funds collected or if the entity is legally obligated to use the funds to meet entity obligations, e.g., loans payable to the Treasury. See SFFAS No. 2, "Accounting for Direct Loans and Loan Guarantees," for detailed requirements if the reporting entity administers a loan guarantee program and forecloses on property. When a loan guarantee program, which is generating negative subsidy, guarantees a loan and the lender has not disbursed the loan as of the balance sheet date, a proprietary receivable from borrowings should not be reported. It is sufficient to report the undelivered order which must be recorded to obligate the funds and which must be disclosed as part of the total undelivered orders. Disclose the components of this line in the notes to the financial statement in Note 8.

F. Inventory and Related Property, Net-Line 1.E. Include inventory, operating materials and supplies (OM&S), and stockpile materials.. Disclosure requirements are to be identified in Note 9, as prescribed in Chapter 10 of this volume. Summarize the total amounts of inventories and other related property reported in Notes 9. The categories listed below make up this line.

1. Inventory. Inventory is tangible personal property that is: (a) held for resale, including raw materials; (b) in the process of production for sale, (c) to be consumed in the production of goods for sale or in the provision of services for a fee; or (d) to be transferred to entities within or outside of the Federal Government. The amount reported on this line shall be disclosed in Note 9 in the following categories: (a) available and purchased for resale; (b) held for repair; (c) excess, obsolete, and unserviceable; (d) raw materials; and (e) work in process. In addition, include in inventory work in process, all amounts that represent work in process at a depot maintenance or research and development activity. Work in process is recorded as inventory because the USSGL does not contain an account for work in process that is not inventory.

2. Operating Materials and Supplies (OM&S). OM&S are tangible personal property to be consumed in normal operations. OM&S consist of secondary supply items and munition items that a logistics activity holds in stock pending issue, without reimbursement, to the unit or organization that will consume (use) the item in normal operations. Include in this category, if the amounts are significant, the items traditionally held by depot maintenance activities that will be consumed in, or become part of, the repair or production of secondary or end items. Excluded from OM&S are inventory items held for sale and equipment

(as in property, plant and equipment (PP&E)) even if it is held in stock. Components shall use the most reliable source of information available as a means of reporting the value of OM&S or inventory in the possession of contractors. The amount reported on this line should be broken into the following categories in note 9: (a) held for use; (b) held for repair; and (c) excess, obsolete and unserviceable. Material portions of the amount reported on these lines should be disclosed in note 9. Material is defined as any component of OM&S that represents more than 10 percent of the value of OM&S. The quantity of secondary supply items held to meet the approved acquisition objective or held for economic retention or contingency retention are considered to be held for current use. Munitions in stock to satisfy training needs or held to satisfy operational or military contingency needs are considered to be held for current use. The recurring high dollar value of OM&S in need of repair is material and is reported as a separate reporting category. The DoD often relies on OM&S no longer in production and encourages the repair and rebuilding of certain OM&S. Condemned material or repairable items that are surplus are considered to be excess, obsolete, and unserviceable. Based on the criteria in SFFAS No. 3, "Accounting for Inventory and Related Property," the DoD policy is to use the consumption method of accounting for the recognition of OM&S expenses. However, current systems that cannot fully support the consumption method, may use the purchase method, in which materials and supplies are expensed when purchased.

3. Stockpile Materials. Stockpile Materials, only applicable to and reported by the Defense Logistics Agency (DLA), are strategic and critical materials held due to statutory requirements for use in national defense, conservation or national emergencies; e.g., pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98) of 1979. Within the Department, management of the Stockpile Materials was assigned to the DLA National Defense Stockpile Center. Only the DLA National Defense Stockpile Transaction Fund is authorized to use this inventory category and the associated accounts. Included are critical materials held as reserves or stockpiles. They are not held with the intent of selling in the ordinary course of business. Material portions of the amount reported on this line should be disclosed in Note 9. Material is defined as any component of Stockpile Materials that represents more than 10 percent of the value of Stockpile Materials.

4. Other Inventory and Related Property Required Information. In addition to the end-of-year inventory balances, reporting entities shall provide the following supplemental information to the appropriate DFAS Center or the U.S. Army Corps of Engineers (USACE)-Finance Center. These supporting schedules are used by the accounting centers to prepare the financial statements, e.g., the Statement of Financing.

a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for inventory, net.

b. Acquisitions. The dollar value of inventory purchases received during the reporting period.

c. Transfers In. The dollar value of inventory transfers in, without reimbursement, made during the reporting period.

- d. Sales. The dollar value of inventory sold during the reporting period.
- e. Disposals. The dollar value of inventory disposals made during the reporting period.
- f. Transfers Out. The dollar value of inventory transfers out, without reimbursement, made during the reporting period.
- g. Inventory Revaluation. The dollar value of changes in inventory due to revaluation made during the current period.
- h. Prior Period Adjustment. The dollar value of changes in inventory due to revaluation to correct a material error(s) made in the prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as inventory revaluation.
- i. Ending Balance. The end-of-year inventory balance reported for the current period. This amount must agree with the total inventory, net amount reported in Note 9.

5. The OM&S Other Required Information. The reporting entity shall provide the following OM&S additional information as supplemental schedules to the DFAS Center or the USACE Finance Center. These supporting schedules are used by the accounting centers to prepare the financial statements, e.g., the Statement of Financing.

- a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for OM&S, net.
- b. Acquisitions. The dollar value of OM&S purchases received during the reporting period.
- c. Transfers In. The dollar value of OM&S transferred in, without reimbursement, during the reporting period.
- d. Issuances. The dollar value of OM&S issued during the reporting period.
- e. Disposals. The dollar value of OM&S disposals made during the reporting period.
- f. Transfers Out. The dollar value of OM&S transfers out, without reimbursement, made during the reporting period.

g. The OM&S Revaluation. The dollar value of changes in OM&S due to revaluation made during the current period.

h. Prior-Period Adjustment. The dollar value of changes in OM&S due to revaluation to correct a material error(s) made in the prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as OM&S revaluation.

i. Ending Balance. The end-of-year OM&S balance reported for the current period. This ending balance must agree with the amount reported in Note 9.

6. Stockpile Material and Other Required Information. The reporting entity shall provide the following Stockpile Material data as supplemental information to the appropriate DFAS Center or the USACE-Finance Center. These are supporting schedules used by the accounting centers to prepare the financial statements, e.g., Statement of Financing.

a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for Stockpile Material, net.

b. Acquisitions. The dollar value of Stockpile Material purchases received during the reporting period.

c. Transfers In. The dollar value of Stockpile Material transfers in, without reimbursement, made during the reporting period.

d. Sales. The dollar value of Stockpile Material sales made during the reporting period.

e. Disposals. The dollar value of Stockpile Material disposals made during the reporting period.

f. Transfers Out. The dollar value of Stockpile Material transfers out, without reimbursement, made during the reporting period.

g. Stockpile Revaluation. The dollar value of changes in Stockpile Material due to revaluation made during the current period.

h. Prior-Period Adjustment. The dollar value of changes in Stockpile Material due to revaluation to correct a material error(s) made in the prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as Stockpile Material revaluation.

i. Ending Balance. The end of year Stockpile Material balance reported for the current period. This ending balance must agree with Note 9.

G. General Property, Plant and Equipment (PP&E)-Line 1.F. General PP&E is defined as any capitalizable PP&E used in providing goods and services; or in support of entity mission. General PP&E includes the amount of real and personal property, e.g., land, land rights, buildings, structures and facilities, construction in progress, software, equipment and related improvements that have been capitalized, net of accumulated depreciation, if any. The General PP&E line includes the value of all assets that meet the requirement for capital leases as described in SFFAS No. 6 and property owned by the reporting entity irrespective of whether it is in the hands of the reporting entity or contractors. The elements of PP&E, as well as information regarding depreciation practices, if any, shall be disclosed in Note 10. DoD Components shall use the most reliable source of information available as a means to report the value of General PP&E in the possession of its contractors. The value of Base Realignment and Closure real property, once the mission of that installation has been terminated or transferred, shall be recorded in USSGL account 1890, "Other General Property, Plant and Equipment," and this account shall be cross walked to line, General Property Plant and Equipment. See Chapter 6 of Volume 4 of this Regulation for the detailed policy in regard to General PP&E. SFFAS No. 23, "Eliminating the Category National Defense Property, Plant, and Equipment," classifies military equipment as PP&E, and requires the capitalization and depreciation of the cost of military equipment, including the cost of modifications and upgrades. Further guidance on this can be found in SFFAS No. 6, "Accounting for Property, Plant and Equipment," as amended by SFFAS No. 11, "Amendments to Accounting for PP&E: Definitions," No. 16, "Amendments to Accounting for PP&E: Multi-Use Heritage Assets," and No. 23. SFFAS No. 6 provides guidance for determining the cost of General PP&E. Also, see Chapter 6, "Property, Plant and Equipment," of Volume 4 of this Regulation for the detailed policy in regard to General PP&E.

1. General PP&E Characteristics. General PP&E has one or more of the following characteristics:

a. It is primarily used to produce goods or services, or to support the mission of the entity. But, it could be used for alternative purposes (e.g., by other federal programs, state, or local governments, or nongovernmental entities).

b. It is used in a significantly self sustaining activity which finances its continuing cycle of operations through the collection of revenue (business type activities).

c. It is used by entities in activities whose costs can be compared to other entities performing similar activities.

2. The Working Capital Fund (WCF) PP&E. For entities operating as business type activities (WCF Activities), all PP&E used in the performance of their mission shall be categorized as General PP&E whether or not it meets the definition of other PP&E categories (e.g., heritage assets). Land and land rights acquired for, or in connection with, General PP&E shall be included in General PP&E.

3. Internal Use Software. The costs of software, whether commercial off-the-shelf, internally developed or contractor developed, shall be capitalized and depreciated if it meets the DoD capitalization criteria for General PP&E. Refer to SFFAS No. 10, “Accounting for Internal Use Software,” for further guidance on internal use software.

4. Depreciation. The expense associated with the use of General PP&E, known as depreciation, shall be calculated through the systematic and rational allocation of the cost, less its estimated salvage/residual value, over the estimated useful life of the General PP&E. Depreciation shall be recognized on all General PP&E, except land and land rights of unlimited duration.

5. Multi-Use Heritage Assets. Heritage assets and stewardship land are categories of PP&E that are not reported on the Balance Sheet, with one exception. As required by SFFAS No. 16, the cost of acquiring, bettering, and reconstructing all multi-use heritage assets, those heritage assets used predominately in general government operations, shall be capitalized as general PP&E and depreciated, with disclosure in Note 10 explaining that physical quantity information for multi-use heritage assets is included in Required Supplementary Information (RSI) reporting for heritage assets. Prior to FY 2006, this information was reported in Required Supplemental Stewardship Information (RSSI).

6. Heritage Assets and Stewardship Land. The SFFAS No. 29, “Heritage Assets and Stewardship Land,” reclassifies heritage assets and stewardship land information as basic information with the exception of condition reporting, which is considered RSI. Specifically, this standard requires that entities reference a note on the Balance Sheet that discloses information about heritage assets and stewardship land, but no asset dollar amount is shown on the Balance Sheet. This standard is effective in FY 2006, but allows for a phase-in of disclosure requirements through FY 2008. The following disclosures in Note 10 are required beginning in FY 2006:

a. A concise statement of how heritage assets relate to the reporting entity’s mission.

b. A brief description of the entity’s stewardship policies for heritage assets. Stewardship policies for heritage assets are the goals and principles the entity established to guide its acquisition, maintenance, use, and disposal of heritage assets consistent with statutory requirements, prohibitions, and limitations governing the entity and the heritage assets.

c. A concise description of each major category of heritage asset. The appropriate level of categorization of heritage assets should be meaningful and determined by the reporting entity based on the entity’s mission, types of heritage assets, and how it manages the assets.

7. General PP&E and Other Required Information. The reporting entity shall provide the following General PP&E data as supplemental information to the appropriate DFAS Center or the USACE-Finance Center. These supporting schedules are used by the accounting centers to prepare the financial statements, e.g., the Statement of [Financing](#).

a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for General PP&E.

b. Acquisitions. The dollar value of General PP&E purchases received during the reporting period.

c. Transfers In. The dollar value of General PP&E transfers in, [without reimbursement, during the reporting period.](#)

d. Sales. The dollar value of General PP&E sold during the reporting [period.](#)

e. Disposals. The dollar value of General PP&E disposals [made](#) during the reporting period.

f. Transfers Out. The dollar value of General PP&E transfers out, [without reimbursement, during the reporting period.](#)

g. General PP&E Revaluation. The dollar value of changes in General PP&E due to revaluation during the current period.

h. Prior-Period Adjustment. The dollar value of changes in General PP&E due to revaluation to correct [a material error\(s\) in the prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as General PP&E revaluation.](#)

i. Ending Balance. The end-of-year General PP&E balance reported for the current period. The ending balance for each major asset class must agree with Note 10 information.

8. General PP&E Depreciation and Other Required Information. The reporting entity shall provide the following General PP&E depreciation data as supplemental information to the appropriate DFAS Center or the USACE-Finance Center. These supporting schedules [are information that is used by the accounting centers when they prepare the financial statements, e.g., the Statement of Financing.](#)

a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for depreciation of General PP&E.

b. Addition of Current Year Depreciation. The dollar value of depreciation expense for General PP&E made for the reporting period.

c. Reductions to Accumulated Depreciation. The amount of accumulated depreciation removed due to sales, disposals, or transfers out of General PP&E.

d. Revaluation. The dollar value of changes to General PP&E depreciation due to revaluation and depreciation policy changes made during the current period.

e. Prior-Period Adjustment. The dollar value of changes in General PP&E depreciation due to revaluation to correct a material error(s) made in the prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as General PP&E depreciation revaluation.

f. Ending Balance. The end-of-year General PP&E depreciation balance reported for the current period. The ending balance for each major asset class must agree with Note 10 information.

H. Investments-Line 1.G. Investments in nonfederal securities shall be reported separately from investments in federal securities. This line represents other DoD investments as allowed by public laws. Specifically, Public Law 104-106, Statute 186, Section 2801 allows the Department of Defense to enter into limited partnerships in support of the Military Housing Privatization Initiative.

I. Other Assets-Line 1.H. Other Assets shall include assets that are not reported in a separate category on the face of the Balance Sheet. Include on this line those assets that are not classified as intragovernmental and are not included on the lines above. If any of the components of Other Assets represent more than 10 percent of the value of the line, those components should be separately disclosed in Note 6. This amount represents the values of all advances and prepayments made to nonfederal entities. Include on this line the value of outstanding civilian and military pay and travel advances. Also, include on this line the value of contract financing payments made to contractors under fixed price contracts. The only exception is for progress payments based on the percentage of completion (normally limited to military construction). The value of outstanding progress payments based on the percentage of completion shall be reported on the PP&E line and disclosed in the PP&E Note 10 as construction-in-progress.

J. Total Assets-Line 2. The sum of lines 1.A.5. and lines 1.B. through 1.H.

040204. General Instructions for the Preparation of the Liabilities Section of the Balance Sheet.

A. Definition. A liability is a probable future outflow or other sacrifice of resources as a result of past transactions or events. Financial statements shall recognize probable

and measurable future outflows or other sacrifices of resources arising from: (1) past exchange transactions, (2) government-related events, (3) government-acknowledged events, or (4) nonexchange transactions that, according to current law and applicable policy, are unpaid amounts due as of the reporting date. SFFAS No. 5, “Accounting for Liabilities of the Federal Government,” describes the general principles governing the recognition of a liability. The concept of a liability includes not only those liabilities routinely recurring in normal operations, such as accounts payable, but also includes contingent liabilities, those liabilities resulting from an existing condition that involves uncertainty as to possible loss.

B. Liability Recognition. Liabilities resulting from normal operations shall be recognized when they are incurred regardless of whether they are covered by available budgetary resources. This requirement includes liabilities related to appropriations canceled under “M” account legislation (Public Law 101-510, section 1405). Contingent liabilities shall be recognized when a past event or exchange transaction has occurred that results in a probable, measurable future outflow of resources. If a specific amount of the contingent liability cannot reasonably be estimated, but a range of amounts can, the contingent liability still should be recognized. If some amount within the range is a better estimate than any other amounts within the range, then that amount should be recognized. If no amount within the range is a better estimate than any other amounts, then the minimum amount of the range should be recognized and the range disclosed in Notes 15 and 16. A contingent liability that results from a past event or exchange transaction that results in a reasonably possible, measurable future outflow of resources should be disclosed in Note 16.

C. Liabilities Covered and Not Covered by Budgetary Resources. Combine liabilities covered by budgetary resources with liabilities not covered by budgetary resources on the face of the Balance Sheet, e.g., intragovernmental accounts payable covered by budgetary resources and intragovernmental accounts payable not covered by budgetary resources shall be combined and reported as a single intragovernmental accounts payable line item on the face of the Balance Sheet.

1. Liabilities Covered by Budgetary Resources. Liabilities incurred which are covered by realized budgetary resources as of the Balance Sheet date. Budgetary resources encompass not only new budget authority but also other resources available to cover liabilities for specified purposes in a given year. Available budgetary resources include: (1) new budget authority, (2) unobligated balances of budgetary resources at the beginning of the year or net transfers of prior year balances during the year, (3) spending authority from offsetting collections (credited to an appropriation or fund account), and (4) recoveries of unexpired budget authority through downward adjustments of prior year obligations. Liabilities are considered covered by budgetary resources if they are to be funded by permanent indefinite appropriations, which have been enacted and signed into law and are available for use as of the Balance Sheet date, provided that the resources may be apportioned by OMB without further action by the Congress and without a contingency having to be met first.

2. Liabilities Not Covered by Budgetary Resources. This category is for liabilities which are not covered by budgetary resources, as provided in the previous paragraph. Liabilities not covered by budgetary resources are disclosed separately in Note 11.

040205. Instructions for the Preparation of the Liabilities Section of the Balance Sheet. Include on this line those liabilities incurred as of the reporting date.

A. Intragovernmental Liabilities. These liabilities are claims against the entity by other federal entities. Report intragovernmental liabilities separately from claims against the reporting entity by nonfederal entities, including government-sponsored enterprises, and the Federal Reserve System.

1. Accounts Payable-Line 3.A.1. Accounts payable are the amounts owed by a federal entity for goods and services received from other entities, progress in contract performance made by other entities, and rents due to other Federal entities. Accounts payable shall be adjusted for supported undistributed disbursements. Unsupported undistributed disbursements are to be recorded in the USSGL account 2120, Disbursements in Transit. Use Note 12 for the required disclosures relating to accounts payable, intragovernmental and nonfederal payables are listed separately in Note 12. Intragovernmental accounts payables are impacted by eliminations. Refer to Chapter 13 of this volume.

2. Debt-Line 3.A.2. This item represents the amounts of borrowings from the Treasury, the Federal Financing Bank, or other federal agencies under general or specific financing authority (e.g., Treasury bills, notes, bonds and Federal Housing Administration debentures). The elements of debt shall be disclosed in Note 13. All debt is classified as not covered by budgetary resources, except for (a) direct loan and guaranteed loan financing account debt to Treasury and (b) that portion of other debt which is covered by budgetary resources at the Balance Sheet date. The breakdown of debt held by the Federal Government is disclosed in Note 13 of the Balance Sheet.

3. Other Liabilities-Line 3.A.3. This item represents intragovernmental liabilities that are not recognized in specific categories. Include on this line the total amount due to the federal entities for liabilities owed by other federal entities that are not included on lines above. This amount includes, but is not limited to: deferred credits, advances and prepayments received from other Federal entities for goods to be delivered or services to be performed, deposit fund amounts held in escrow, and capital leases. Notes 15 and 16 shall be used to report separately the current and noncurrent portion of other intragovernmental liabilities. Current liabilities represent amounts owed by a federal entity, which need to be paid within the fiscal year following the reporting date. Further disclosure may be appropriate for separate categories within other intragovernmental liabilities if the amounts are material. Material amounts are defined as any component of the other liabilities line that represents more than 10 percent of the value of the line. Include on this line the pecuniary liability to the Treasury for the DoD disbursing officer cash reported on SF 1219. Separate reporting of items within other liabilities is appropriate if the amounts are significant to the Balance Sheet.

B. Total Intragovernmental Liabilities-Line 3.A.4. The sum of Lines 3.A.1 through 3.A.3.

C. Accounts Payable-Line 3.B. The amounts owed by the reporting entity for goods and services received from nonfederal entities, progress in contract performance made by other nonfederal entities, and rents due to nonfederal entities. Interest payable as a component of the accounts payable shall be reported here. Include accrued interest payable under the “Prompt Payment Act of 1982” as amended. Accounts payable should be adjusted for supported undistributed disbursements. Unsupported undistributed disbursements are to be recorded in the USSGL account 2120, Disbursements in Transit. Note 12 is to be used for the required disclosures of accounts payable.

D. Military Retirement Benefits and Other Employment Related Actuarial Liabilities-Line 3.C. Entities that are responsible for the administration for pensions, other retirement benefits, and other retirement benefits (e.g., health benefits for retirees), and other post-employment benefits shall calculate and report these liabilities and related expenses in accordance to SFFAS No. 5. Liabilities for federal employee and veterans’ benefits include the actuarial portion of these benefits. They do not include liabilities related to ongoing continuous expenses such as employee accrued salary and accrued annual leave, which are reported in the Other Liabilities line item. The major assumptions used to derive the present value calculations for the actuarial liabilities not covered by budgetary resources, including the related net assets, if any, shall be disclosed in Note 17. Disclose the liabilities, assumptions used, and the components of expense for the period for pensions, other retirement benefits, and other post employment benefits. In the case of a retirement plan that uses assumptions that differ from those used by primary plans, the pension plan using the different assumptions should disclose how and why the assumptions used differ from those of the primary plans. This line is applicable within the Department to military retirement pension benefits, retired military health benefits, and other employment related actuarial liabilities for civilian and military personnel.

1. Military Retirement Benefits. This line is used to report the estimated present value projected for agency administered pension, health insurance and similar plan costs requiring actuarial determinations of the projected plan benefits, less net assets, if any, based on: (a) service to date, (b) occurrences to date, and/or (c) amounts earned or accrued to date. The information required in the note shall only be reported by the entity that administers pension and/or other retirement benefit(s).

2. Other Employment Related Actuarial Liabilities. The liabilities for postemployment health and life insurance benefits must also be recognized. The organization, which is the administrator, reports the actuarial liability; e.g., the Office of Personnel Management reports the actuarial liability for civilian employee health benefits. Other specific liabilities include:

a. Federal Employees Compensation Act (FECA).

Workman's compensation is benefit coverage for death, disability, medical, and miscellaneous costs for approved cases of on the job incidents. The Department of Labor (DOL) computes the actuarial liability for workers' compensation benefits. Detail information for the amounts DOL shows for entities can be viewed at the DOL website <http://www.dol.gov/ocfo/publications/main.htm> under FECA Actuarial Memo for a particular period.

b. Voluntary Separation Incentive Program (VSIP).

The Voluntary Separation Incentive Program is used to accumulate funds to finance, on an actuarially sound basis, the DoD liabilities incurred under this program. This program covers costs, including the salary and benefits, for qualified military personnel who opt to separate under the program.

c. DoD Education Benefits Fund.

The DoD Education Benefits Fund is designed to accumulate funds for the Educational Assistance program. This program promotes the recruitment and retention of members for the All Volunteer Forces program and the Total Force Concept of the Armed Forces and aids in the readjustment of members of the Armed Forces to civilian life after separation from military service.

E. Environmental and Disposal Liabilities-Line 3.D. Environmental and disposal liabilities include the costs to remove, contain, and/or dispose of hazardous waste from property, plant and equipment; as well as the costs to remove, contain, and/or dispose of material and/or property that is deemed to be hazardous waste at a permanent or temporary closure or shutdown of associated PP&E. SFFAS No. 5 provides criteria for recognizing a contingent liability and such criteria shall be applied to determine if cleanup costs should be recognized as liabilities and/or disclosed in the notes. SFFAS No. 6 supplements the liability standard by providing guidance for recording cleanup costs related to General PP&E and stewardship assets. The guidance applies to cleanup costs from Federal operations known to result in hazardous waste that the Federal Government is required to clean up by Federal, state, or local statutes or regulations. The accrued environmental restoration (cleanup) costs do not include the costs of environmental compliance, pollution prevention, conservation activities, contamination or spills associated with current operations, or treaty obligations, all of which are accounted for as part of ongoing operations. The elements of environmental cleanup shall be disclosed in Note 14. In addition, reporting entities shall provide the following supplemental information for environmental and disposal liabilities to the appropriate DFAS Center or the USACE-Finance Center. These supporting schedules are used by the accounting centers to prepare the financial statements, e.g., the Statement of Financing.

1. Beginning Balance. The beginning balance is the prior fiscal year ending balance for environmental liabilities, net.

2. Additions. The dollar value of increases associated with the addition of new sites to the estimate of environmental liabilities during the reporting period.

3. Decreases. The dollar value of decreases in environmental liabilities during the reporting period due to cleanup work performed, expensed and paid; or cleanup work performed, expensed but not paid (classified as an accounts payable) at the end of the reporting period.

4. Revaluation. The dollar value of changes in environmental liabilities due to revaluation, including policy changes, during the current period.

5. Prior Period Adjustment. The dollar value of changes in environmental liabilities due to revaluation to correct a material error(s) made in prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as environmental liabilities revaluation.

6. Ending Balance. The end of year environmental liabilities balance reported for the current period. This shall agree with the total environmental liabilities net amount reported in Note 14.

7. Current Liability. Identify the amount to be paid in the next fiscal year.

F. Loan Guarantee Liability-Line 3.E. Include in this line the present value of the estimated net cash flows to be paid as a result of loan guarantees for post-1991 loan guarantees. For pre-1992 loan guarantees, the amount of known and estimated losses to be payable shall be included. This information is to be reported in Note 8 of the financial statement. When the total loan guarantee liability for all credit programs of a reporting entity is negative, it should be reported as an asset. If a loan guarantee liability is the result of both positive and negative amounts for the various components, the total will be shown as a liability, and negative components disclosed.

G. Other Liabilities-Line 3.F. Include in this line the total amount due to the public for other liabilities that are not included on other lines above. This amount includes, but is not limited to, liabilities related to: deferred credits, accrued liabilities related to ongoing continuous expenses such as federal employee salaries and accrued employee annual leave, insurance, capital leases, advances and prepayments received from other nonfederal entities for goods to be delivered or services to be performed, deposit fund amounts held in escrow, and estimated losses for commitments and contingencies if: (1) a past event or exchange transaction has occurred (e.g., a federal entity has breached a contract with a nonfederal entity) as of the date of the statements, (2) a future outflow or other sacrifice of resources is probable, and (3) the future outflow or sacrifice of resources is measurable (e.g., the amount can be reasonably estimated). Do not include cleanup costs, which shall be reported as environmental and disposal costs. Examples of claims or other contingencies include (1) indemnity agreements – reimbursements due to licensees or contractors for losses incurred in support of federal activities; (2) adjudicated claims – claims against the Federal Government that are in the process of judicial proceedings; and (3) commitments to international institutions – payments due to international financial institutions. Separate reporting of items within other liabilities is appropriate if the

amounts are significant to the Balance Sheet. Any component of this line that represents more than 10 percent of the value of the line shall be disclosed separately in Notes 15 and 16 along with any additional information needed to understand the liability. Notes 15 and 16 shall be used to report separately the current and noncurrent portion of other nonfederal liabilities. Current liabilities represent amounts owed by a federal entity, which need to be paid within the fiscal year following the reporting date. Contingent liabilities shall be reported on the Other Liabilities line of the Balance Sheet.

1. Accrued Entitlement Benefits. Accrued entitlements benefits include: (a) salaries and wages which represents the estimated liability for salaries and wages of civilian personnel that have been earned, but are unpaid, and the estimated military personnel funded compensation earned, but unpaid, as of the end of the current accounting month; (b) both funded and unfunded accrued annual leave which represents the accrued leave for civilians and military personnel that has been earned and is expected to be paid in the future; (c) severance pay and separation allowance which represents the funded severance pay and separation allowances for civilians and military personnel that has been earned and is expected to be paid in the future. Include in the Military Retirement Fund category the accrued entitlement benefits for military retirees and survivors.

2. Estimated Losses for Commitments and Contingencies. Examples of commitments and contingencies for which the estimated losses would be reported on this line are: (a) indemnity agreements, i.e., reimbursements due to licensees or contractors for losses incurred in support of Federal Government activities; (b) nonadjudicated claims, i.e., claims against the Federal Government that are in the process of judicial proceedings; and (c) commitments to international institutions, i.e., payments due to international financial institutions. 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. The likelihood that the future event or events will confirm the loss or the incurrence of a liability can range from probable to remote. SFFAS No. 5, as amended by SFFAS No. 12, contains the criteria for recognition and disclosure of contingent liabilities. In addition to the contingent liabilities required by SFFAS No. 5, the following shall also be disclosed in Note 16: (1) an estimate of obligations related to canceled appropriations for which the reporting entity has a contractual commitment for payment, and (2) amounts for contractual arrangements which may require future financial obligations.

3. Lease Liabilities. Report the liability for capital leases. Capital leases entered into prior to FY 1992 and lease purchases made prior to FY 1991 were funded on a fiscal year basis; capital leases and lease purchases entered into during FY 1992 and thereafter shall be fully funded in the first year of the lease. The components of, and other information about, the capital lease liability shall be disclosed in Notes 15 and 16.

4. Other Required Information for Other Liabilities. Reporting entities shall provide the following supplemental information for Temporary Early Retirement Authority (TERA) to the appropriate DFAS Center or the USACE-Finance Center. This supplemental information is comprised of supporting schedules used by the accounting centers to prepare the financial statements, e.g., the Statement of Financing.

a. Beginning Balance. The beginning balance is the prior fiscal year ending balance for TERA liabilities.

b. Additions. The dollar value of increases to the estimate of TERA liabilities made during the reporting period.

c. Reductions. The dollar value of payments for TERA liabilities made during the reporting period.

d. Revaluation. The dollar value of changes in TERA liabilities due to revaluation, including policy changes, during the current period.

e. Prior-Period Adjustment. The dollar value of changes in TERA liabilities made due to revaluation to correct a material error(s) in prior-year balance. Where an error has been made that is not material, the item will be considered a current period adjustment and should be reported as TERA liabilities revaluation.

f. Ending Balance. The end of year TERA liabilities balance reported for the current period. This must agree with the total TERA liabilities net amount reported.

g. Current Liability. Identify the amount to be paid in the next fiscal year.

H. Total Liabilities-Line 4. The sum of Lines 3.A through 3.F.

040206. Instructions for the Preparation of the Net Position Section of the Balance Sheet. Earmarked funds are financed by specifically identified revenues and are required by statute to be used for designated activities or purposes, and must be accounted for separately from the Federal Government's general revenues. SFFAS No. 27 requires disclosure of all earmarked funds for which the reporting entity has program management responsibility. This information is presented in Note 23. The elements of net position are classified as follows:

A. Unexpended Appropriations-Earmarked Funds-Line 5.A. This amount includes the portion of the entity's appropriations represented by undelivered orders and unobligated balances related to earmarked funds. Unexpended appropriations attributable to

earmarked funds should be shown separately on the face of the Balance Sheet. The prior period columns of the basic financial statements and related disclosures should not be restated in the year earmarked funds are initially reported by an entity.

B. Unexpended Appropriations-Other Funds-Line 5.B This amount includes the portion of the entity's appropriations represented by undelivered orders and unobligated balances that do not relate to earmarked funds.

C. Cumulative Results of Operations-Earmarked Funds-Line 5.C. Report on this line the net results of operations since inception plus the cumulative amount of prior period adjustments related to earmarked funds. The cumulative results of operations attributable to earmarked funds should be shown separately on the face of the Balance Sheet and reported in accordance with the provisions of SFFAS No. 27. Additional disclosures are to be recorded in Note 23. The prior period columns of the basic financial statements and related disclosures should not be restated in the year earmarked funds are initially reported by an entity.

D. Cumulative Results of Operations-Other Funds-Line 5.D. Report on this line the net results of operations since inception plus the cumulative amount of prior period adjustments that do not relate to earmarked funds.

E. Total Net Position-Line 6. The sum of Lines 5.A through 5.D.

F. Total Liabilities and Net Position-Line 7. The sum of Lines 4 and 6.

DEPARTMENT OF DEFENSE (REPORTING ENTITY)			
CONSOLIDATED BALANCE SHEET			
As of Fiscal Year 20XX			
(Amounts in thousands)	(Current FY)		(Prior FY)
1. ASSETS (Note 2):			
A. Intragovernmental:			
1. Fund Balance with Treasury (Note 3)			
a. Entity	\$	xxx	\$ xxx
b. Non-Entity Seized Iraqi Cash		xxx	xxx
c. Non-Entity-Other		xxx	xxx
2. Investments (Note 4)		xxx	xxx
3. Accounts Receivable (Note 5)		xxx	xxx
4. Other Assets (Note 6)		xxx	xxx
5. Total Intragovernmental Assets	\$	xxx	\$ xxx
B. Cash and Other Monetary Assets (Note 7)	\$	xxx	\$ xxx
C. Accounts Receivable, Net (Note 5)		xxx	xxx
D. Loans Receivable (Note 8)		xxx	xxx
E. Inventory and Related Property (Note 9)		xxx	xxx
F. General Property, Plant and Equipment (Note 10)		xxx	xxx
G. Investments (Note 4)		xxx	xxx
H. Other Assets (Note 6)		xxx	xxx
2. TOTAL ASSETS	\$	xxx	\$ xxx
3. LIABILITIES (Note 11)			
A. Intragovernmental:			
1. Accounts Payable (Note 12)	\$	xxx	\$ xxx
2. Debt (Note 13)		xxx	xxx
3. Other Liabilities (Notes 15 & 16)		xxx	xxx
4. Total Intragovernmental Liabilities	\$	xxx	\$ xxx
B. Accounts Payable (Note 12)	\$	xxx	\$ xxx
C. Military Retirement Benefits and Other Employment Related Actuarial Liabilities (Note 17)		xxx	xxx
D. Environmental and Disposal Liabilities (Note 14)		xxx	xxx
E. Loan Guarantee Liability (Note 8)		xxx	xxx
F. Other Liabilities (Notes 15 & 16)		xxx	xxx
4. TOTAL LIABILITIES	\$	xxx	\$ xxx
5. NET POSITION			
A. Unexpended Appropriations – Earmarked Funds (Note 23)	\$	xxx	\$ xxx
B. Unexpended Appropriations – Other Funds		xxx	xxx
C. Cumulative Results of Operations – Earmarked Funds (Note 23)		xxx	xxx
D. Cumulative Results of Operations – Other Funds		xxx	xxx
6. TOTAL NET POSITION	\$	xxx	\$ xxx
7. TOTAL LIABILITIES AND NET POSITION	\$	xxx	\$ xxx

★Figure 4-1. Department of Defense (Reporting Entity) Consolidated Balance Sheet

**DEPARTMENT OF DEFENSE
[REPORTING ENTITY]
CONSOLIDATING BALANCE SHEET
AS OF SEPTEMBER 30, 20XX**

(Amounts in millions)	General Funds			Working Capital Funds							[Current FY]	[Prior FY]
	Subentity A	Subentity B	Subentity C	Subentity D	Subentity E	Subentity F	Subentity G	Subentity H	Combined Total	Elimination	Consolidated	Consolidated
1. Assets												
A. Intragovernmental:												
1. Fund Balance with Treasury												
2. Investments												
3. Accounts Receivable												
4. Other Assets												
5. Total Intragovernmental												
B. Cash and Other Monetary Assets												
C. Investments												
D. Accounts Receivable												
E. Loans Receivable												
F. Inventory and Related Property												
G. Property, Plant and Equipment (PP&E)												
H. Other Assets												
2. Total Assets												
3. Liabilities												
A. Intragovernmental												
1. Accounts Payable												
2. Debt												
3. Other Liabilities												
4. Total Intragovernmental Liabilities												
B. Accounts Payable												
C. Military Retirement Benefits & Other Employment-Related Actuarial Liabilities												
D. Environmental Liabilities												
E. Loan Guarantee Liability												
F. Other Liabilities												
4. Total Liabilities												
5. Net Position												
A. Unexpended Appropriations Earmarked Funds												
B. Unexpended Appropriations – Other Funds												
C. Cumulative Results of Operations – Earmarked funds												
D. Cumulative Results of Operations – Other Funds												
6. Total Net Position												
7. Total Liabilities And Net Position												

★Figure 4-2. Department of Defense (Reporting Entity) Consolidating Balance Sheet