



Financial Statements



Consolidated Balance Sheets as of September 30, 2001 and 2000

	(Dollars in Millions)	
Assets	2001	2000
Intragovernmental:		
Fund Balance with Treasury (Note 4)	\$ 3,905	\$ 90
Investments (Note 5)	1,169,956	1,007,226
Interest Receivable, Net (Note 6)	18,476	16,382
Accounts Receivable, Net (Note 6)	921	261
Other	0	0
Total Intragovernmental	1,193,258	1,023,959
Accounts Receivable, Net (Notes 3 and 6)	4,465	4,936
Property, Plant and Equipment, Net (Note 7)	565	341
Other	2	0
Total Assets	1,198,290	1,029,236
Liabilities (Note 8)		
Intragovernmental:		
Accrued Railroad Retirement Interchange	3,673	3,096
Accounts Payable	5,666	1,906
Other	162	385
Total Intragovernmental	9,501	5,387
Benefits Due and Payable	43,187	39,646
Accounts Payable	289	231
Other	1,112	840
Total	54,089	46,104
Net Position		
Unexpended Appropriations	3,533	399
Cumulative Results of Operations	1,140,668	982,733
Total Net Position	1,144,201	983,132
Total Liabilities and Net Position	\$ 1,198,290	\$ 1,029,236

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Net Cost for the Years Ended
September 30, 2001 and 2000

	(Dollars in Millions)	
	2001	2000
OASI Program		
Benefit Payments	\$ 369,142	\$ 349,855
Operating Expenses (Note 9)	2,169	2,100
Total Cost of OASI Program	371,311	351,955
Less: Exchange Revenues (Notes 10 and 11)	7	8
Net Cost of OASI Program	371,304	351,947
DI Program		
Benefit Payments	59,207	54,691
Operating Expenses (Note 9)	1,749	1,604
Total Cost of DI Program	60,956	56,295
Less: Exchange Revenues (Notes 10 and 11)	6	6
Net Cost of DI Program	60,950	56,289
SSI Program		
Benefit Payments	27,733	30,530
Operating Expenses (Note 9)	2,261	2,672
Total Cost of SSI Program	29,994	33,202
Less: Exchange Revenues (Notes 10 and 11)	253	246
Net Cost of SSI Program	29,741	32,956
Other		
Benefit Payments	484	515
Operating Expenses (Note 9)	1,151	1,125
Total Cost of Other	1,635	1,640
Less: Exchange Revenues (Notes 10 and 11)	13	5
Net Cost of Other	1,622	1,635
Total Costs	463,896	443,092
Less: Total Exchange Revenue	279	265
Net Cost of Operations	463,617	442,827

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Changes in Net Position for the Years Ended September 30, 2001 and 2000

	(Dollars in Millions)			
	2001		2000	
	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
Net Position, Beginning Balance	\$ 982,733	\$ 399	\$ 830,343	\$ 384
Budgetary Financing Sources (other than Exchange Revenues)				
Appropriations Received		33,658		33,693
Other Adjustments		0		(224)
Appropriations Used	30,524	(30,524)	33,454	(33,454)
Tax Revenues (Note 12)	528,194		501,707	
Interest Revenues	70,922		62,159	
Transfers-In/Out (Note 13)				
Trust Fund Draws and Other - In	1,450		1,010	
Trust Fund Draws and Other - Out	(836)		(59)	
Railroad Retirement Interchange	(3,859)		(3,207)	
SSI Administrative Fees Transferred to Treasury	(152)		(149)	
Total Transfers-In/Out	(3,397)		(2,405)	
Other Budgetary Financing Sources	77		11	
Other Financing Sources				
Imputed Financing Sources (Note 14)	315		291	
Total Financing Sources	626,635	3,134	595,217	15
Net Cost of Operations	463,617		442,827	
Prior Period Adjustment	5,083			
Ending Balances	\$ 1,140,668	\$ 3,533	\$ 982,733	\$ 399

The accompanying notes are an integral part of these financial statements.

Combined Statements of Budgetary Resources for the Years Ended September 30, 2001 and 2000

	(Dollars in Millions)	
	2001	2000
Budgetary Resources Made Available (Note 15)		
Budget Authority		
Appropriations Received	\$ 631,613	\$ 597,909
Unobligated Balances		
Beginning of Period	102	86
Spending Authority from Offsetting Collections		
Earned		
Collected	3,569	3,486
Receivable	(230)	242
Change in Obligations		
Advance Received	(1)	2
Without Advance	(2)	0
Transfers from Trust Funds	52	79
Subtotal	3,388	3,809
Recoveries of Prior Year Obligations	140	32
Temporarily Not Available Pursuant to Public Law	(154,923)	(149,712)
Permanently Not Available	(1)	(4)
Total Budgetary Resources	480,319	452,120
Status of Budgetary Resources: (Note 15)		
Obligations Incurred:		
Direct	474,264	448,117
Reimbursable	3,186	3,662
Subtotal	477,450	451,779
Unobligated Balances		
Apportioned	2,823	319
Unobligated Balances - Not Available	46	22
Total Status of Budgetary Resources	480,319	452,120
Relationship of Obligations to Outlays:		
Obligated Balances - Beginning of the Period	42,610	40,699
Obligated Balance - End of the Period		
Accounts Receivable	32	258
Unfilled Customer Orders	0	2
Undelivered Orders	(1,077)	(737)
Accounts Payable	(50,194)	(42,133)
Outlays:		
Disbursements	468,950	449,557
Collections	(3,610)	(3,578)
Subtotal	465,340	445,979
Less: Offsetting Receipts	14,310	14,941
Net Outlays	\$ 451,030	\$ 431,038

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Financing for the Years Ended September 30, 2001 and 2000

	(Dollars in Millions)	
	2001	2000
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations Incurred	\$ 477,450	\$ 451,779
Less: Offsetting Collections	(3,528)	(3,803)
Obligations Net of Offsetting Collections	473,922	447,976
Less: Offsetting Receipts	(14,310)	(14,941)
Net Obligations	459,612	433,035
Other Resources		
Transfers In/Out Without Reimbursement (+/-)	(4,848)	(5,322)
Imputed Financing	315	291
Net Other Resources used to finance activities	(4,533)	(5,031)
Total Resources Used to Finance Activities	\$ 455,079	\$ 428,004
Resources Not Part of the Net Cost of Operations:		
Change in Undelivered Orders	\$ (340)	\$ (49)
Resources that Fund Capitalized Costs	(142)	(1)
Resources that Fund Expenses Recognized in Prior Periods	(282)	(270)
Budgetary Offsetting Collections and Receipts that do not Affect Net Cost of Operations	14,310	14,941
Total Resources Not Part of the Net Cost of Operations	\$ 13,546	\$ 14,621
Total Resources Used to Finance the Net Cost of Operations	\$ 468,625	\$ 442,625
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:		
Components Requiring or Generating Resources in Future Periods (Note 16)		
Increase in Annual Leave	11	9
Other	39	154
Total Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods	\$ 50	\$ 163
Components Not Requiring or Generating Resources		
Depreciation and Amortization	138	99
Revaluation of Assets and Liabilities	0	(4)
Other	(5,196)	(56)
Total Components of Net Cost of Operations That Will Not Require or Generate Resources	\$ (5,058)	\$ 39
Total Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period	\$ (5,008)	\$ 202
Net Cost of Operations	\$ 463,617	\$ 442,827

The accompanying notes are an integral part of these financial statements.

Statements of Custodial Activity for the Years Ended
September 30, 2001 and 2000

	Dollars in Millions	
	2001	2000
Revenue Activity		
Sources of Cash Collections		
SSI Federal Overpayments	\$ 1,454	\$ 1,405
Total Custodial Revenue	1,454	1,405
Disposition of Collections		
Transferred to Others (by Recipient)		
Department of the Treasury, General Fund	1,454	1,405
(Increase)/Decrease in Amounts Yet to be Transferred (+/-)	0	0
Refunds and Other Payments	0	0
Retained by the Reporting Entity	(0)	0
Net Custodial Activity	\$ 0	\$ 0

The accompanying notes are an integral part of these financial statements.

SOCIAL SECURITY ADMINISTRATION

Notes to the Principal Financial Statements

1 Summary of Significant Accounting Policies

Reporting Entity

The Social Security Administration (SSA), as an independent agency of the United States Government, is responsible for administering the nation's Old-Age and Survivors, and Disability Insurance programs (OASDI), the Supplemental Security Income (SSI) program and Part B of the Black Lung (BL) program. SSA is considered a separate reporting entity for financial reporting purposes, and its financial statements have been prepared to report the financial position, net cost, changes in net position, budgetary resources, reconciliation of net cost to budgetary resources and custodial activity as required by the Chief Financial Officers Act of 1990.

The financial statements have been prepared from the accounting records of SSA on an accrual basis, in conformity with generally accepted accounting principles (GAAP) of the United States and the form and content for entity financial statements specified by the Office of Management and Budget (OMB) in OMB Bulletin 01-09. GAAP for Federal entities are the standards prescribed by the Federal Accounting Standards Advisory Board (FASAB). These statements are different from the financial reports, also prepared by SSA, pursuant to OMB directives that are used to monitor and control SSA's use of budgetary resources. The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

The consolidated financial statements include the accounts of all funds under SSA control, consisting of two trust funds, three general fund appropriations and five deposit funds. The trust funds are the Old-Age and Survivors Insurance (OASI) Trust Fund and the Disability Insurance (DI) Trust Fund. SSA's financial statements also include OASI and DI investment activities performed by Treasury. SSA's financial activity has been classified and reported by the following program areas: OASI, DI, SSI and Other. The fund balance with Treasury, shown on the Balance Sheet, represents the total of all SSA's account balances with the Department of Treasury.

Investments

Trust fund balances not required to meet current expenditures are invested on a daily basis in interest-bearing obligations of the U.S. Government. Trust fund balances may be invested only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States as provided by Section 201(d) of the Social Security Act. These investments consist of U.S. Treasury special issues and bonds. Special issues are special public debt obligations for purchase exclusively by the trust funds and for which interest is computed semi-annually (June and December). They are purchased and redeemed at face value, which is the same as their carrying value on the Balance Sheet. U.S. Treasury bonds are carried at amortized cost.

Property, Plant and Equipment

SSA's property, plant and equipment (PP&E) are considered assets of the OASI and DI Trust Funds. User charges are allocated to all programs based on each program's use of capital assets during the period. All general fund activities reimburse the trust funds for their use of trust fund assets through the calculation of user charge credits. SSA capitalizes new property, plant and equipment costing over \$100,000.

The change in PP&E from one reporting period to the next is presented on the Statement of Financing's (SOF) Resources that Fund Capitalized Costs. This line item presents the effect on budgetary obligations for capital assets purchased by the OASI, DI and Health Insurance/Supplemental Medical Insurance (HI/SMI) Trust Funds. In addition, SOF's Other Components not Requiring or Generating Resources presents SSI's user charge credit. However, HI/SMI's share of capital assets is presented on the Centers for Medicare and Medicaid Services' financial statements.

Benefits Due and Payable

Liabilities are accrued for OASI, DI, SSI and BL benefits to which recipients are entitled for the month of September which, by statute, are not paid until October. Also, liabilities are accrued on benefits for past periods that have not completed processing, such as benefit payments due but not paid pending receipt of a correct address, adjudicated and unadjudicated hearings and appeals and civil litigation cases which were not paid at the close of the fiscal year (See Note 8, Liabilities).

Administrative Expenses

SSA initially charges administrative expenses to the Limitation on Administrative Expenses (LAE) appropriation. Section 201 (g) of the Social Security Act requires the Commissioner of Social Security to determine the proper share of costs incurred during the fiscal year to be charged to the appropriate trust or general fund. Accordingly, administrative expenses are subsequently distributed during each month to the appropriate trust fund and general fund accounts. All such distributions are initially made on an estimated basis and adjusted to actual each year, as provided for in Section 1534 of Title 31, United States Code.

Recognition of Financing Sources

Financing sources consist of funds transferred from the U.S. Treasury to the OASI and DI Trust Funds for employment taxes (Federal Insurance Contributions Act (FICA) and Self Employment Contributions Act (SECA)), drawdown of funds for benefit entitlement payments and administrative expenses, appropriations, gifts and other miscellaneous receipts. On an as-needed basis, funds are drawn from the OASI and DI Trust Funds to cover benefit payments. Governed by limitations determined annually by the U.S. Congress, funds are also drawn from the OASI and DI Trust Funds for SSA's operating expenses. To cover SSA's costs to administer the Medicare program, funds are drawn from the HI/SMI Trust Funds.

Appropriations used includes payments and accruals for the SSI and BL programs and funding from Treasury's General Fund for the Office of the Inspector General (OIG) appropriation.

Employment tax revenues are made available daily based on a quarterly estimate of the amount of FICA taxes payable by employers and SECA taxes payable from the self-employed. Adjustments are made to the estimates for actual FICA taxes payable, actual SECA taxes paid and refunds made. Employment tax credits (the difference between the combined employee and employer rate and the self-employed rate), credits for military service, income taxation of Social Security benefits and

interest on trust fund unnegotiated benefit payment checks are also included in tax revenues (See Note 12, Tax Revenues).

Exchange revenue from sales of goods and services primarily include payments SSA receives from those States choosing to have SSA administer their State supplementation of Federal SSI benefits. Reimbursements are recognized as the services are performed (See Note 10, Exchange Revenues). These financing sources may be used to pay for current operating expenses as well as for capital expenditures such as property, plant and equipment as specified by law.

Capitalized expenditures are recognized in the Statement of Net Cost as they are consumed. In contrast, budget reporting recognizes these same financing sources in the year the obligation was established to purchase the asset.

Reclassifications

Certain Fiscal Year (FY) 2000 presentations have been reclassified. These changes result principally from SSA's adoption of OMB Bulletin 01-09. On the Statement of Changes in Net Position, the components of Net Position, Cumulative Results of Operations and Unexpended Appropriations, are displayed separately to better present the nature of changes to net position. On the Statement of Budgetary Resources, information presented is now more consistent with budget execution information reported on the Report on Budget Execution and Budgetary Resources (SF-133) and in the Budget of the United States Government. Material differences have been disclosed in Note 15, Status of Budgetary Resources. Since the Statement of Financing reconciles budgetary and proprietary accounting, the presentation of total resources and adjustments to how these resources were used to finance obligations or net cost has been enhanced.

Prior Period Adjustment

A prior period adjustment for \$5,083 million has been made on the FY 2001 financial statements for correction of an error that was identified through SSA's internal quality assurance process. This affects approximately 228,000 SSI disability recipients who are eligible to receive retroactive DI benefits because they earned sufficient work credits to qualify for the DI program. This prior period adjustment was made in accordance with Statement of Federal Financial Accounting Standards No. 7, Accounting for Revenue and Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting.

2 Centralized Federal Financing Activities

SSA's financial activities interact with and are dependent on the financial activities of the centralized management functions of the Federal Government that are undertaken for the benefit of the whole Federal Government. These activities include public debt, employee retirement, life insurance and health benefit programs. Accordingly, SSA's financial statements do not contain the results of centralized financial decisions and activities performed for the benefit of the entire Government.

Financing for general fund appropriations reported on the Consolidated Statement of Changes in Net Position may be from tax revenue, public borrowing or both. The source of this funding, whether tax revenue or public borrowing, has not been allocated to SSA.

The General Services Administration (GSA), using monies provided from the OASI and DI Trust Funds, administers the construction or purchase of buildings on SSA's behalf. The acquisition costs of these buildings have been charged to the OASI and DI Trust Funds, capitalized and included in these statements. SSA also occupies buildings that have been leased by GSA or have been constructed using Public Building Funds. These statements reflect SSA's payments to GSA for lease, operations maintenance and depreciation expenses associated with these buildings.

SSA's employees participate in the contributory Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS), to which SSA makes matching contributions. Pursuant to Public Law 99-335, FERS went into effect on January 1, 1987. Employees hired after December 31, 1983 are automatically covered by FERS while employees hired prior to that date could elect to either join FERS or remain in CSRS.

One of the primary differences between FERS and CSRS is that FERS offers a savings plan to which SSA is required to contribute 1 percent of pay and match employee contributions up to an additional 4 percent of basic pay. SSA contributions to CSRS were \$156.9 and \$156.6 million for FY 2001 and 2000, respectively. SSA contributions to FERS were \$137.8 and \$123.1 million for FY 2001 and 2000, respectively. In addition, SSA contributions to the FERS savings plan were \$39.2 and \$45.9 million for FY 2001 and 2000, respectively. These statements do not reflect CSRS or FERS assets or accumulated plan benefits applicable to SSA employees since these data are only reported in total by the Office of Personnel Management.

3 **Non-Entity Assets**

SSA's Non-Entity Assets consist of SSI benefit overpayments classified as accounts receivable, net in the amounts of \$5,666 and \$1,837 million for FY 2001 and 2000, respectively. However, the FY 2001 accounts receivable has been reduced by \$4,080 million as an intra agency elimination. Refer to Note 6, Interest and Accounts Receivable. The FY 1991 Appropriations Act, Public Law 101-517, requires that collections from repayment of SSI benefit overpayments be deposited in the General Fund of the Treasury. These funds, upon deposit, are assets of the General Fund of the Treasury and shall not be used by SSA as an SSI budgetary resource to pay SSI benefit or administrative costs. Accordingly, they are classified as non-entity assets and also presented as custodial activity on the Statement of Custodial Activity. For FY 2000, these funds were previously presented as transfers on the Statement of Changes in Net Position, but have been reclassified to the Statement of Custodial Activity.

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Fund Balance with Treasury

The fund balance with Treasury, shown on the Balance Sheet, represents the total of all of SSA's undisbursed account balances with the Department of Treasury. Other fund types consist of deposit funds and receipt accounts.

Transfers between the trust funds and Treasury are managed to favor the financial position of the trust funds. Therefore, investments held by the trust funds are liquidated only as needed by Treasury to cover benefit payment checks. In FY 2000, the negative fund balances reported for the trust funds are the result of the policy to protect the trust fund investments by not liquidating the investments until the cash is needed. To maintain consistency with Treasury year-end reporting requirements, the trust fund balances were not reclassified as liabilities on the Balance Sheet.

Fund Balances:			Status of Fund Balances:		
<i>(In Millions)</i>			<i>(In Millions)</i>		
	2001	2000		2001	2000
Trust Funds			Unobligated Balance		
OASI	\$ (71)	\$ (309)	Available	\$ 2,874	\$ 50
DI	(49)	(62)	Unavailable	30	10
Appropriated Funds			Obligated Balance not yet		
SSI	3,896	340	Disbursed	724	314
Other	129	121	Expended	(119)	(371)
Total	\$ 3,905	\$ 90	Deposit & Receipt Accounts	396	87
			Total	\$ 3,905	\$ 90

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Investments

	<i>(In Millions)</i>	
	2001	2000
Special Issue U.S. Treasury Securities	\$ 1,169,916	\$ 1,007,186
U.S. Treasury Bonds - Carrying value	40	40
Total Investments	\$ 1,169,956	\$ 1,007,226

Treasury's methodology uses an average market yield to calculate interest rates for non-marketable Treasury securities, including the Social Security Trust Funds. Investments held for the trust funds mature at various dates ranging from the present to the year 2016. The interest rates on these investments range from 5 1/8 percent to 9 1/4 percent.

6

Interest and Accounts Receivables

Interest Receivable

Intragovernmental receivables consist primarily of accrued interest receivable on investments. These were \$18,476 and \$16,382 million on trust fund investments with the U.S. Treasury for the period June 30 through September 30, 2001 and 2000, respectively.

Accounts Receivable

Intragovernmental

Intragovernmental accounts receivable consist primarily of \$517 and \$255 million as of September 30, 2001 and 2000, respectively, to be transferred to the OASI and DI trust funds from the Department of Defense (DOD) for military service wage credits and \$393 million as of September 30, 2001 for the OASI quinquennial adjustment for military service due from the General Fund of the Treasury. The FY 2001 military service wage credits include the FY 2000 balance still unpaid from DOD.

With the Public

Accounts receivable with the public consists mainly of monies due to SSA from individuals who received benefits in excess of their entitlement under the OASI, DI, SSI and BL programs. The SSI State Supplementation overpayment amount due from beneficiaries is presented as SSI while the Federal portion of SSI overpayments is presented as Other. The BL receivable is also presented as Other. See Note 3, Non-Entity Assets, for a discussion of the SSI Federal overpayments presented as Other.

In FY 2001, SSA detected an error which affects about 228,000 SSI recipients who were eligible to receive DI benefits but were paid either SSI or OASI benefits. Therefore, OASI and Other accounts receivable amounts were established for \$56 and \$3,770 million respectively.

Also in FY 2001, Other's accounts receivable was reduced by \$4,080 million as an intra-agency elimination. This amount represents individuals receiving SSI benefits that were also eligible but not receiving OASI or DI benefits. Since payment of the retroactive OASI and DI benefits results in an overpayment of SSI benefits, the overpaid SSI amounts are offset from the OASI and DI retroactive payments. Therefore, these offsets are presented as an intra-agency elimination.

	Accounts Receivable by Major Program: <i>(In Millions)</i>					
	2001			2000		
	Gross Rec.	Allowance for Doubtful Accts.	Net Rec.	Gross Rec.	Allowance for Doubtful Accts.	Net Rec.
OASI	\$ 2,175	\$ (96)	\$ 2,079	\$ 1,710	\$ (109)	\$ 1,601
DI	2,353	(1,169)	1,184	2,264	(944)	1,320
SSI	291	(68)	223	501	(64)	437
Other*	3,456	(1,556)	1,900	3,134	(1,295)	1,839
All Programs	\$ 8,275	\$ (2,889)	\$ 5,386	\$ 7,609	\$ (2,412)	\$ 5,197

*See Note 3, Non-Entity Assets Accounts Receivable net of intra-agency eliminations.

The estimated allowance for doubtful accounts is determined using a 5-year average of write-offs divided by clearances comprised of write-offs, waivers and collections. That percentage is then applied to outstanding receivables.

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Property, Plant and Equipment

Effective FY 2001, SSA implemented Statement of Federal Financial Accounting Standards No. 10, Accounting for Internal Use Software which requires the capitalization of internally-developed, contractor-developed and commercial off-the-shelf software (COTS). SSA's capitalized internal use software for FY 2001 is \$311 million. Full costs for internally-developed software and actual costs for contractor-developed software and COTS greater than \$100,000 are capitalized. These internal software costs are amortized using a 3-10 year useful life, modified straight-line methodology that divides costs among SSA's components.

<i>(In Millions)</i>						
Major Classes:	2001			2000		
	Cost	Accum. Deprec	Net Book Value	Cost	Accum. Deprec	Net Book Value
Land	\$ 5	\$ -	\$ 5	\$ 5	\$ -	\$ 5
Buildings	354	(163)	191	350	(155)	195
Equipment (incl. ADP Hardware and Software)	528	(198)	330	264	(162)	102
Leasehold Improvements	123	(84)	39	111	(72)	39
Total	\$ 1,010	\$ (445)	\$ 565	\$ 730	\$ (389)	\$ 341

Major Classes:	Estimated Useful Life	Method of Depreciation
Land	N/A	--
Buildings	over 20 years	Straight Line
Equipment (incl. ADP Hardware and Software)	3 to 10 years	Modified Straight Line
Leasehold Improvements	over 20 years	Straight Line

8

Liabilities

Liabilities Covered by Budgetary Resources

Accrued Railroad Retirement Interchange

The Accrued Railroad Retirement Interchange (RRI) represents an accrued liability due the Railroad Retirement Board (RRB) for the annual interchange from the OASI and DI Trust Funds. Refer to Note 13, Intra-Governmental Financing Sources, for a description of the RRB transfer.

Accounts Payable

Intragovernmental Accounts Payable consist of amounts due Federal agencies for goods or services received.

Benefits Due and Payable

Benefits Due and Payable for SSA's major programs as of September 30, 2001 and 2000 are shown in the following table. These amounts include an estimate for unadjudicated cases that will be payable in the future. Except for the SSI program, the unadjudicated cases are covered by budgetary resources.

In FY 2001, SSA detected an error which affects about 228,000 SSI recipients who were eligible to receive benefits under the DI program, but whose disabled-insured status had not been recognized. Some of these DI benefits should have been paid rather than SSI benefits or in some cases OASI benefits. Therefore, SSA has estimated an accrued liability for DI of \$5,083 million that are due for months September 2001 and earlier.

Also in FY 2001, OASI and DI benefits due and payable were reduced by \$45 million and \$4,035 million, respectively, as an intra-agency elimination. This amount represents individuals receiving SSI benefits that were also eligible but not receiving OASI or DI benefits. Therefore, an accrued liability exists for OASI and DI. However, payment of the retroactive OASI and DI benefits results in SSI benefit overpayments and the overpaid SSI amounts are offset from the OASI and DI retroactive payments. Since SSI overpayment collections are presented as a payable to the General Fund of the Treasury in Other, the OASI and DI benefits due and payable amounts represent an intra-agency elimination totaling \$4,080 million.

	<i>(In Millions)</i>	
	2001	2000
OASI	\$ 32,368	\$ 31,004
DI	9,481	7,352
SSI	1,297	1,247
Other	41	43
Total	<u>\$ 43,187</u>	<u>\$ 39,646</u>
Benefits Due and Payable net of intra-agency eliminations.		

Other Liabilities

SSA's Other Liabilities is comprised of accrued payroll, lease liability for purchase contract buildings and unapplied deposit funds.

Liabilities Not Covered by Budgetary Resources

Accounts Payable

Included in Intragovernmental Accounts Payable Not Covered by Budgetary Resources is SSI Receivables Owed to Treasury. This custodial liability is recorded for the collection of SSI benefit overpayments that are payable from SSA to the General Fund of the Treasury when overpayments are identified. It directly relates to the accounts receivable established in the asset portion of the Balance Sheet. Refer to Note 3, Non-Entity Assets, for a description of the SSI receivables established for the repayment of SSI benefit overpayments.

Other Liabilities

The Federal Employees' Compensation Act (FECA), administered by the Department of Labor (DOL), provides income and medical cost protection to covered Federal civilian employees injured on the job, employees who have incurred a work-related injury or occupational disease and

beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. For payment purposes, claims incurred for benefits for SSA employees under FECA are divided into current and non-current portions. Current fiscal year claim amounts to be paid by SSA within two years are the current portion; these are included in the Intragovernmental, Other Liabilities line item. SSA's current portion of FECA liability was \$46 and \$44 million as of September 30, 2001 and 2000, respectively. The non-current portion of FECA actuarial liability is comprised of claims that will be paid more than two years in the future. The non-current portion, of \$278 and \$239 million as of September 30, 2001 and 2000, respectively, is recorded in the Other Liabilities line item. This actuarial liability was calculated using historical payment data to project future costs.

The remaining portion of Other Liabilities Not Covered by Budgetary Resources is leave earned but not taken.

	<i>(In Millions)</i>					
	2001			2000		
	Covered	Not Covered	Total	Covered	Not Covered	Total
Intragovernmental:						
Accrued RR Retirement Interchange	\$ 3,673	\$ -	\$ 3,673	\$ 3,096	\$ -	\$ 3,096
Accounts Payable	4,024	1,642	5,666	265	1,641	1,906
Other	116	46	162	27	358	385
Total Intragovernmental	7,813	1,688	9,501	3,388	1,999	5,387
Benefits Due and Payable	42,235	952	43,187	38,706	940	39,646
Accounts Payable	289	0	289	231	0	231
Other	582	530	1,112	360	480	840
Total	\$ 50,919	\$ 3,170	\$ 54,089	\$ 42,685	\$ 3,419	\$ 46,104

Contingent Liabilities

Class action suits have been filed against SSA, which may affect major client populace. These suits may be lost, in whole or in part, in lower courts and/or on appeal and may require a future implementation plan. Any final unfavorable court decisions will be funded from the appropriate trust fund or from the general funds for the SSI program. However, at this time, SSA is unable to determine an estimate of loss for any class action suits. In the opinion of management and legal counsel, the resolution of the class actions and other claims and lawsuits will not materially affect the financial position or operations of SSA.

9 Classification of Operating Expenses by Strategic Goal

SSA's Annual Performance Plan (APP) is characterized by broad-based strategic goals that are supported by the entire Agency. The five goals are:

- To promote valued, strong and responsive social security programs and conduct effective policy development, research and program evaluation;
- To deliver customer-responsive, world-class service;
- To ensure the integrity of Social Security programs, with zero tolerance for fraud and abuse;

- To be an employer that values and invests in each employee; and
- To strengthen public understanding of the Social Security programs.

These goals are also complementary, pursuit of one tends to support and advance the others. This reflects the highly integrated nature of SSA's programs, workloads and organizational components.

SSA has aligned its strategic goals with its request for new budget authority as part of its annual budget request. Costs associated with each major goal represent a combination of several administrative funding limitations contained in SSA's budget, including the LAE, the SSI research budget and separate funding for SSA's OIG.

SSA programs incur additional administrative expenses that are not part of LAE, but are reported on the Statement of Net Cost. These include expenses of the Department of Treasury to assist in managing the OASI and DI Trust Funds, expenditures of State agencies for vocational rehabilitation of DI and SSI beneficiaries and SSA's operational costs to administer the Black Lung, Part B program, which is performed for SSA on a reimbursable basis by the DOL.

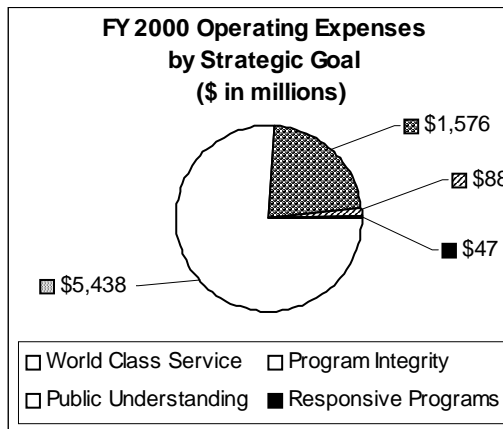
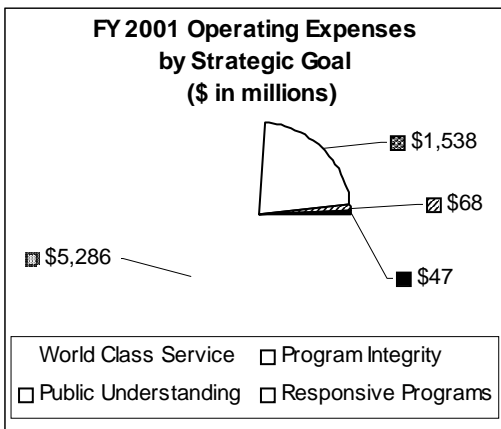
SSA's Operating Costs Reported on the Statement of Net Cost:			
	<i>(In Millions)</i>		
	2001		2000
LAE	\$ 6,939	\$	\$7,149
Trust Fund Operations	269		233
Vocational Rehabilitation	117		115
BL	5		4
	\$ 7,330	\$	\$7,501

By applying the same breakout methodology used to allocate SSA's budget request by performance goal to SSA's corresponding actual total administrative costs (taken primarily from SSA's administrative cost accounting system), it is possible to allocate SSA's operating expenses to its strategic goals. SSA's primary administrative expenses, funded through LAE are aligned to strategic goals.

Applying this basic methodology results in the following cost allocations that drive the distributions:

- The costs of SSA's Office of the Chief Actuary (OCACT) and Office of the Deputy Commissioner for Policy (ODCP), together with the costs of the SSI appropriation's extramural research budget are assigned to the "Responsive Programs" goal.
- The costs of SSA's Office of the Deputy Commissioner for Communications (OComm) and issuing Social Security Statements are assigned to the "Public Understanding" goal.
- The costs of SSA's OIG and for its "Overpayments", "Annual Reports of Earnings", "School Attendance", Representative Payees", "Continuing Disability Reviews", "Redeterminations", "Annual Earnings", "Employer Identification Number", and "Earnings Corrections" workloads (except for costs assigned to those workloads in OCACT, ODCP and OComm, as noted above) are assigned to the "Program Integrity" goal.
- All other SSA administrative costs are assigned to the "World-Class Service" goal.

- Because SSA's fifth strategic goal, "Valued Employees", supports the accomplishment of all our basic functions, SSA resources are inherently included in the other four goals in its FY 2001 APP.



10 Exchange Revenues

Revenue from exchange transactions is recognized when goods and services are provided. Total exchange revenue was \$279 and \$265 million for FY 2001 and 2000, respectively. SSA exchange revenue primarily consists of fees collected to administer SSI State Supplementation. SSA has agreements with 25 States and the District of Columbia to administer some or all of the States' supplement to Federal SSI benefits. SSA is reimbursed by the States in full and earned administration fee revenue in the amount of \$243 and \$236 million for FY 2001 and 2000, respectively. In addition, SSA earned \$36 and \$29 million in other exchange revenue in FY 2001 and 2000, respectively. The goods and services provided in these transactions are priced so that charges do not exceed the Agency's cost.

11 Gross Cost and Earned Revenue by Budget Functional Classification

Shown below are SSA's gross costs, earned revenue and net costs displayed by budget functional classification. Social Security, classification code 650, includes the costs and revenues associated with the OASI, DI and Other programs. Other includes the costs and revenues that SSA incurs in administering a portion of the Medicare program. Other Income Security, classification code 609, includes the costs and revenues associated with the SSI and BL programs. Income Security for Veterans, classification code 701, includes costs to administer the Title VIII, Special Benefits for Certain World War II Veterans program.

<i>(In Millions)</i>						
	2001			2000		
	Gross Cost	Less Earned Revenue	Net Cost	Gross Cost	Less Earned Revenue	Net Cost
Intragovernmental:						
Social Security						
OASI	\$ 722	\$ (5)	\$ 717	\$ 615	\$ (5)	\$ 610
DI	493	(4)	489	378	(4)	374
Other	293	(3)	290	255	(3)	252
Other Income Security						
SSI	698	(7)	691	555	(6)	549
BL	3	-	3	4	-	4
Income Security for Veterans	-	-	-	1	-	1
Total Intragovernmental	2,209	(19)	2,190	1,808	(18)	1,790
Social Security						
OASI	370,589	(2)	370,587	351,340	(3)	351,337
DI	60,463	(2)	60,461	55,917	(2)	55,915
Other	853	(10)	843	864	(2)	862
Other Income Security						
SSI	29,296	(246)	29,050	32,647	(240)	32,407
BL	481	-	481	515	-	515
Income Security for Veterans	5	-	5	1	-	1
Total	\$ 463,896	\$ (279)	\$ 463,617	\$ 443,092	\$ (265)	\$ 442,827

12 Tax Revenues

Employment tax revenues are estimated monthly by the Department of the Treasury based on SSA's quarterly estimate of taxable earnings. These estimates are used by the Department of the Treasury to credit the Social Security trust funds with tax receipts received during the month. Treasury makes adjustments to the amounts previously credited to the trust funds based on actual wage data certified quarterly by SSA.

As required by current law, the Social Security trust funds are due the total amount of employment taxes payable regardless of whether they have been collected. These estimated amounts are subject to adjustments for wages that were previously unreported, employers misunderstanding the wage reporting instructions, businesses terminating operations during the year or errors made and corrected with either the Internal Revenue Service or SSA but not both. Revenues to the trust funds are reduced for excess employment taxes, which are refunded by offset against income taxes.

Other tax revenues include certain military wage credits, Taxation of Social Security Benefits and FICA/SECA tax credits. The amounts for estimated employment taxes, adjustments for actual taxes payable and refunds, as well as other tax revenues, are contained in the following table.

	<i>(In Millions)</i>	
	2001	2000
Estimated Employment Taxes Credited to SSA	\$ 512,276	\$ 486,227
Adjustments	6,345	3,999
Refunds	(3,201)	(2,015)
Employment Tax Revenues	515,420	488,211
Other Tax Revenues	12,774	13,496
Total Tax Revenues	\$ 528,194	\$ 501,707

13

Intra-Governmental Financing Sources

SSA receives other financing sources that increase net results of operations during the reporting period. The most significant financing source received from another Federal entity is the drawdown of funds from the HI/SMI Trust Funds for the Medicare program. For FY 2001 and 2000, respectively, \$1,046 and \$998 million were drawn down to cover SSA's operating expenses to administer a portion of the Medicare program. These amounts represent the majority of the Trust Fund Draws and Other-In line item as presented on the Statement of Changes in Net Position.

Financing outflows may result from transfers of the reporting entity's assets to other Government entities, without reimbursement. SSA financing outflows mainly consist of transfers to the RRB for the annual interchange. The RRB transfer is for the annual interchange required to place the OASI and DI Trust Funds in the same position they would have been if railroad employment had been covered by SSA. The law requires the transfer, including interest accrued from the end of the preceding fiscal year, to be made in June. SSA transferred the RRI in the amount of \$3.3 and \$3.2 billion for FY 2001 and 2000, respectively. The accrued liability of \$3.7 and \$3.1 billion for FY 2001 and 2000, respectively, on the Balance Sheet represents amounts due RRB for the period. Also, amounts for railroad workers, who have qualified for and are receiving OASI and DI benefit payments, are included in the benefit payment expenses on the Statement of Net Cost. However, the RRB makes the payments to the qualifying railroad workers on behalf of SSA. SSA compensated RRB in the amount of \$1.2 and \$1.1 billion for FY 2001 and 2000, respectively.

In addition, a portion of the administrative fees charged to the States to administer the Supplemental SSI benefits program is returned to the U.S. Treasury and amount to \$152 and \$149 million for FY 2001 and 2000, respectively. The Supplemental SSI benefits paid by SSA on behalf of the States, \$3,160 and \$3,640 million for FY 2001 and 2000, respectively, are presented as transfers in and out. These transfers, which negate each other, are received from the States and issued to SSI recipients.

14 Imputed Financing

The Statement of Net Cost recognizes post-employment benefit expenses, as a portion of operating expenses, of \$610 and \$570 million for FY 2001 and 2000, respectively. The expense represents SSA's share of the current and estimated future outlays for employee pensions, life and health insurance. The Statement of Changes in Net Position recognizes an imputed financing source of \$315 and \$291 million for FY 2001 and 2000, respectively. The imputed financing source represents annual service cost not paid by SSA.

15 Status of Budgetary Resources

Apportionment Categories of Obligations Incurred

The amounts of direct and reimbursable obligations incurred against amounts apportioned under Category B and Exempt from Apportionment are displayed in the following chart.

	<i>(In Millions)</i>					
	2001			2000		
	Direct	Reimbursable	Total	Direct	Reimbursable	Total
Category B	\$ 469,300	\$ 3,186	\$ 472,486	\$ 442,753	\$ 3,662	\$ 446,415
Exempt	4,964	-	4,964	5,364	-	5,364
Total	\$ 474,264	\$ 3,186	\$ 477,450	\$ 448,117	\$ 3,662	\$ 451,779

Legal Arrangements Affecting Use of Unobligated Balances

All trust fund receipts collected in the FY are reported as new budget authority in the Statement of Budgetary Resources. As beneficiaries pass the various entitlement tests prescribed by the Social Security Act, benefit payments and other outlays are obligated in the trust funds. The portion of trust fund receipts collected in the FY that exceeds the amount needed to pay benefits and other valid obligations in that FY is precluded by law from being available for obligation. This excess of receipts over obligations is reported as Temporarily Not Available Pursuant to Public Law in the Statement of Budgetary Resources and, therefore, is not classified as budgetary resources in the FY collected. However, all such excess receipts are assets of the trust funds and currently become available for obligation as needed. The entire trust fund balances in the amounts of \$1,120,093 and \$965,170 million as of September 30, 2001 and 2000, respectively, are included in Investments on the Balance Sheet. The following table presents trust fund activities and balances for FYs 2001 and 2000:

	<i>(In Millions)</i>	
	2001	2000
Trust Fund Balance, Beginning	\$ 965,170	\$ 815,458
Receipts	597,028	563,245
Less Obligations	442,105	413,533
Excess of Receipts Over Obligations	154,923	149,712
Trust Fund Balance, Ending	\$ 1,120,093	\$ 965,170

Explanation of Material Differences Between the Statement of Budgetary Resources and the Budget of the United States Government

A reconciliation of budgetary resources, obligations incurred and outlays, as presented in the Combined Statement of Budgetary Resources (SBR), to amounts included in the Budget of the United States Government for the year ended September 30, 2000 is shown below. Budgetary resources and obligations incurred reconcile to Program and Financing Schedules while outlays reconcile to the Analytical Perspectives of the Budget. A reconciliation is not presented for the year ended September 30, 2001 since submission of the budget occurs after publication of the FY 2001 Performance and Accountability Report.

FY 2000	<i>(In Millions)</i>		
	Budgetary Resources	Obligations Incurred	Outlays
Consolidated Statement of Budgetary Resources	\$ 452,120	\$ 451,778	\$ 431,038
Obligations not reported in the budget	(2,931)	(2,718)	(2,583)
Offsetting receipts reported as obligations and outlays in the budget	13,278	13,278	13,254
Offsetting collections reported in OASI in the budget	2,343	2,343	-
Other	419	460	102
Budget of the United States Government	\$ 465,229	\$ 465,141	\$ 441,811

The obligations not reported in the budget consists mainly of employment tax refunds reported as an increase to obligations and outlays on the SBR, but is reported as a reduction to receipts in the budget. Offsetting receipts reported in the budget as obligations and outlays consists of Payments to the Trust Fund activity captured as trust fund receipts on the SBR, but removed from Budgetary Resources as part of unobligated balances. (See discussion above in Legal Arrangements Affecting Use of Unobligated Balances.) Offsetting collections reported as OASI in the budget represents the treatment of SSI as offsetting collections to LAE in the budget. This treatment is not consistent with how SSI administrative costs are displayed on the SBR.

16 Statement of Financing Disclosures

Explanation of the Relationship Between Liabilities Not Covered by Budgetary Resources on the Balance Sheet and the Change in Components Requiring or Generating Resources in Future Periods

Liabilities Not Covered by Budgetary Resources of \$3,170 and \$3,419 million for FY 2001 and 2000, respectively, represent SSI Receivables Owed to Treasury, FECA liability to DOL and employees, benefits due and payable for SSI adjudicated cases and leave earned but not taken (See Note 8, Liabilities). Only a portion of these liabilities will require or generate resources in future periods. The amounts reported on the Statement of Financing as Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods of \$50 and \$163 million for FY 2001 and 2000, respectively, represent the change in SSA expenses for unfunded liabilities for FECA, SSI benefits due and payable and leave earned but not taken. SSI Receivables Owed to Treasury is not represented on this line, but is also reported on the Statement of Custodial Activity.

Balance Sheet by Major Program as of September 30, 2001

Assets	Dollars in Millions					
	OASI	DI	SSI	Other	Intra-Agency Eliminations	Consolidated
Intragovernmental:						
Fund Balance with Treasury	\$ (71)	\$ (49)	\$ 3,896	\$ 129		\$ 3,905
Investments	1,034,114	135,842	0	0		1,169,956
Interest Receivable, Net	16,395	2,081	0	0		18,476
Accounts Receivable, Net	33,330	13,683	0	0	(46,092)	921
Other	0	232	277	0	(509)	0
Total Intragovernmental	1,083,768	151,789	4,173	129	(46,601)	1,193,258
Accounts Receivable, Net	1,339	1,313	223	5,670	(4,080)	4,465
Property, Plant and Equip., Net	307	258	0	0		565
Other	1	1	0	0		2
Total Assets	1,085,415	153,361	4,396	5,799	(50,681)	1,198,290
Liabilities						
Intragovernmental:						
Accrued RRI	3,497	176	0	0		3,673
Accounts Payable	32,488	13,604	0	5,666	(46,092)	5,666
Other	542	45	32	52	(509)	162
Total Intragovernmental	36,527	13,825	32	5,718	(46,601)	9,501
Benefits Due and Payable	32,413	13,516	1,297	41	(4,080)	43,187
Accounts Payable	19	39	227	4		289
Other	208	175	594	135		1,112
Total	69,167	27,555	2,150	5,898	(50,681)	54,089
Net Position						
Unexpended Appropriations	0	0	3,455	78		3,533
Cumulative Results of Operations	1,016,248	125,806	(1,209)	(177)		1,140,668
Total Net Position	1,016,248	125,806	2,246	(99)		1,144,201
Total Liabilities and Net Position	\$ 1,085,415	\$ 153,361	\$ 4,396	\$ 5,799	\$ (50,681)	\$ 1,198,290

Schedule of Changes in Net Position for the Year Ended September 30, 2001

(Dollars in Millions)						
	OASI	DI	SSI	Other	Intra-Agency Eliminations	Consolidated
	Cumulative Results of Operations	Cumulative Results of Operations	Cumulative Results of Operations	Cumulative Results of Operations	Cumulative Results of Operations	Cumulative Results of Operations
	Unexpended Appropriations	Unexpended Appropriations	Unexpended Appropriations	Unexpended Appropriations	Unexpended Appropriations	Unexpended Appropriations
	\$	\$	\$	\$	\$	\$
Net Position, Beginning Balance	874,865	109,465	(1,444)	(153)	67	982,733
Budgetary Financing Sources (other than Exchange Revenues)						
Appropriations Received	0	0	33,143	515		33,658
Appropriations Used			(30,020)	(504)		(30,524)
Tax Revenues	452,814	75,380	0	0	0	528,194
Interest Revenues	63,044	7,878	0	0	0	70,922
Transfers-In/Out						
Trust Fund Draws and Other - In	371,355	65,973	2,393	1,046	(439,317)	1,450
Trust Fund Draws and Other - Out	(370,950)	(66,805)	(2,397)	(1)	439,317	(836)
Railroad Retirement Interchange	(3,679)	(180)	0	0	0	(3,859)
SSI Administrative Fees						
Transferred to Treasury	0	0	(152)	0	0	(152)
Total Transfers-In/Out	(3,274)	(1,012)	(156)	1,045	0	(3,397)
Other Budgetary Financing Sources	19	58	0	0	0	77
Other Financing Sources						
Imputed Financing Sources	84	70	112	49	0	315
Total Financing Sources	512,687	82,374	29,976	1,598	11	626,635
Net Cost of Operations	371,304	60,950	29,741	1,622		463,617
Prior Period Adjustment		5,083				5,083
Ending Balances	\$ 1,016,248	\$ 125,806	\$ (1,209)	\$ (177)	\$ 78	\$ 1,140,668
						\$ 3,533

Schedule of Financing for the Year Ended September 30, 2001

	(Dollars in Millions)				
	OASI	DI	SSI	Other	Consolidated
Resources Used to Finance Activities:					
Budgetary Resources Obligated					
Obligations Incurred	\$ 374,962	\$ 67,143	\$ 33,675	\$ 1,670	\$ 477,450
Less: Offsetting Collections	(96)	(81)	(3,288)	(63)	(3,528)
Obligations Net of Offsetting Collections	374,866	67,062	30,387	1,607	473,922
Less: Offsetting Receipts	(11,813)	(797)	(243)	(1,457)	(14,310)
Net Obligations	363,053	66,265	30,144	150	459,612
Other Resources					
Transfers In/Out Without Reimbursement (+/-)	(3,679)	(1,016)	(152)	(1)	(4,848)
Imputed Financing	84	70	112	49	315
Net Other Resources used to finance activities	(3,595)	(946)	(40)	48	(4,533)
Total Resources Used to Finance Activities	\$ 359,458	\$ 65,319	\$ 30,104	\$ 198	\$ 455,079
Resources Not Part of the Net Cost of Operations:					
Change in Undelivered Orders	\$ (16)	\$ (29)	\$ (285)	\$ (10)	\$ (340)
Resources that Fund Capitalized Costs	(59)	(49)	0	(34)	(142)
Resources that Fund Expenses Recognized in Prior Periods	54	(33)	(303)	(0)	(282)
Budgetary Offsetting Collections and Receipts that do not Affect Net Cost of Operations	11,813	797	243	1,457	14,310
Total Resources Not Part of the Net Cost of Operations	\$ 11,792	\$ 686	\$ (345)	\$ 1,413	\$ 13,546
Total Resources Used to Finance the Net Cost of Operations	\$ 371,250	\$ 66,005	\$ 29,759	\$ 1,611	\$ 468,625
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:					
Components Requiring or Generating Resources in Future Periods					
Increase in Annual Leave	3	2	4	2	11
Other	10	9	14	6	39
Total Components of Net Cost of Operations That Will Require or Generate Resources in Future Periods	\$ 13	\$ 11	\$ 18	\$ 8	\$ 50
Components Not Requiring or Generating Resources					
Depreciation and Amortization	37	31	49	21	138
Revaluation of Assets and Liabilities	0	0	0	0	0
Other	4	(5,097)	(85)	(18)	(5,196)
Total Components of Net Cost of Operations That Will Not Require or Generate Resources	\$ 41	\$ (5,066)	\$ (36)	\$ 3	\$ (5,058)
Total Components of Net Cost of Operations That Will Not Require or Generate Resources in the Current Period	\$ 54	\$ (5,055)	\$ (18)	\$ 11	\$ (5,008)
Net Cost of Operations	\$ 371,304	\$ 60,950	\$ 29,741	\$ 1,622	\$ 463,617

Required Supplementary Information: Schedule of Budgetary Resources
as of September 30, 2001

	(Dollars in Millions)				
	OASI	DI	SSI	Other	Combined
Budgetary Resources Made Available					
Budget Authority					
Appropriations Received	\$ 513,871	\$ 82,980	\$ 33,143	\$ 1,619	\$ 631,613
Unobligated Balances					
Beginning of Period	0	0	53	49	102
Spending Authority from Offsetting Collections					
Earned					
Collected	30	24	3,499	16	3,569
Receivable	1	1	(239)	7	(230)
Change in Obligations					
Advance Received	(1)	(0)	0	(0)	(1)
Without Advance	(1)	(1)	0	0	(2)
Transfers from Trust Funds	22	19	0	11	52
Subtotal	51	43	3,260	34	3,388
Recoveries of Prior Year Obligations	45	38	28	29	140
Temporarily Not Available Pursuant to Public Law	(139,005)	(15,918)	0	0	(154,923)
Permanently Not Available	0	0	0	(1)	(1)
Total Budgetary Resources	374,962	67,143	36,484	1,730	480,319
Status of Budgetary Resources:					
Obligations Incurred:					
Direct	374,955	67,137	30,506	1,666	474,264
Reimbursable	7	6	3,169	4	3,186
Subtotal	374,962	67,143	33,675	1,670	477,450
Unobligated Balances					
Apportioned	0	0	2,781	42	2,823
Unobligated Balances - Not Available	0	0	28	18	46
Total Status of Budgetary Resources	374,962	67,143	36,484	1,730	480,319
Relationship of Obligations to Outlays:					
Obligated Balances - Beginning of the Period	34,440	7,653	271	246	42,610
Obligated Balance - End of the Period					
Accounts Receivable	15	12	(2)	7	32
Unfilled Customer Orders	0	0	0	0	0
Undelivered Orders	(302)	(258)	(339)	(178)	(1,077)
Accounts Payable	(35,977)	(13,795)	(340)	(82)	(50,194)
Outlays:					
Disbursements	373,110	60,732	33,475	1,633	468,950
Collections	(46)	(39)	(3,499)	(26)	(3,610)
Subtotal	373,064	60,693	29,976	1,607	465,340
Less: Offsetting Receipts	11,813	797	243	1,457	14,310
Net Outlays	\$ 361,251	\$ 59,896	\$ 29,733	\$ 150	\$ 451,030

Required Supplementary Information: Intragovernmental Amounts
as of September 30, 2001

	(Dollars in Millions)			
	Fund Balance with Treasury	Investments	Interest Receivable, Net	Accounts Receivable, Net
Intragovernmental Assets				
Department of the Air Force				\$136
Department of the Army				178
Department of the Navy				203
Department of the Treasury	\$3,905	\$1,169,956	\$18,476	
Department of the Treasury, General Fund				393
Other				11
Total Intragovernmental Assets	\$3,905	\$1,169,956	\$18,476	\$921
Intragovernmental Liabilities				
	Accrued Railroad Retirement Interchange	Accounts Payable	Other Liabilities	
Department of the Labor			\$46	
Department of the Treasury, General Fund		\$5,666		
Office of Personnel Management			32	
Railroad Retirement Board	\$3,673			
Other			84	
Total Intragovernmental Liabilities	\$3,673	\$5,666	\$162	
Intragovernmental Revenues:				
	Non-Exchange Revenue			
	Transfers-In	Transfers-Out		
Department of the Treasury	(\$12)			
Department of the Treasury, General Fund	(393)	\$2,290		
Railroad Retirement Board		3,859		
Department of Health and Human Services	(1,045)			
Total Intragovernmental Revenues:	(\$1,450)	\$6,149		