About the Financial Section

In FY 2021, the Department prepared its financial statements as a critical aspect of ensuring accountability and stewardship for the public resources entrusted to it. Preparation of these statements is an important part of the Department's financial management goal of providing accurate and reliable information for decision-making.

FINANCIAL STATEMENTS AND NOTES

The Consolidated Balance Sheets summarize the assets, liabilities, and net position by major category as of the reporting date. Intrgovernmental assets and liabilities resulting from transactions between federal agencies are presented separately from assets and liabilities from transactions with the public.

The Consolidated Statements of Net Cost show, by program, the net cost of operations for the reporting period. Net cost of operations consists of full program costs incurred by the Department less exchange revenues earned by those programs.

The Consolidated Statements of Changes in Net Position present the Department’s beginning and ending net position by two components—Unexpended Appropriations and Cumulative Results of Operations. It summarizes the change in net position by major transaction category. The ending balances of both components of the net position are also reported on the Consolidated Balance Sheets.

The Combined Statements of Budgetary Resources present the budgetary resources available to the Department, the status of these resources, and the outlays of budgetary resources.

The Notes to the Financial Statements provide information to explain the basis of the accounting and presentation used to prepare the statements and to explain specific items in the statements. They also provide information to support how particular accounts have been valued and computed.

Note 1. Summary of Significant Accounting Policies
Note 2. Non-Entity Assets
Note 3. Fund Balance with Treasury
Note 4. Other Assets
Note 5. Loan Receivables, Net, and Loan Guarantee Liabilities
Note 6. Liabilities Not Covered by Budgetary Resources
Note 7. Debt Associated with Loans
Note 8. Subsidy Due to Treasury
Note 9. Other Liabilities
Note 10. Net Cost of Operations
Note 11. COVID-19 Activity
Note 12. Statements of Budgetary Resources
Note 13. Reconciliation of Net Cost to Net Outlays
Note 14. Commitments and Contingencies
Note 15. Subsequent Event
REPORT OF THE INDEPENDENT AUDITORS

The results of the audit of the Department's financial statements for FY 2021 and FY 2020 to comply with the Chief Financial Officers Act of 1990, as amended, are presented to be read in conjunction with the Financial Section in its entirety. The Department's Office of Inspector General contracted with the independent certified public accounting firm of KPMG LLP to audit the financial statements of the Department as of September 30, 2021, and 2020, and for the years then ended.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

This section contains the Combining Statements of Budgetary Resources for the years ended September 30, 2021, and September 30, 2020.