

Archived Information

UNITED STATES DEPARTMENT OF EDUCATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

September 30, 1997

(dollars in thousands)

ASSETS

Entity Assets

Intragovernmental Assets:	
Fund Balances with U. S. Treasury	\$39,780,825
Accounts Receivable	32,711
Governmental Assets:	
Credit Program Receivable, Net:	
Direct Loans	21,807,824
Defaulted Guaranteed Loans	10,279,987
Facilities Loans	493,923
Advances to Guaranty Agencies, Net	38,825
Accounts Receivable, Net	12,009
Total Entity Assets	72,446,104

Non-Entity Assets

Governmental Assets:	
Guaranty Agencies' Reserves Receivable, Net	1,769,921
Other Receivables, Net	24,217
Total Non-Entity Assets	1,794,138

TOTAL ASSETS **\$74,240,242**

UNITED STATES DEPARTMENT OF EDUCATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

September 30, 1997

(dollars in thousands)

LIABILITIES AND NET POSITION

Liabilities

Liabilities Covered by Budgetary Resources

Intragovernmental Liabilities:

Borrowing from U. S. Treasury	\$23,531,665
Guaranty Agencies' Reserves - Due to U. S. Treasury	1,769,921
Interest Payable to U. S. Treasury	11,543

Governmental Liabilities:

Estimated Liabilities for Loan Guarantees	13,299,095
Accrued Grant Liability	314,091
Accrued Contractual Services Liability	80,007
Accrued Salaries and Benefits	16,675
Other Accrued Liabilities	73,140

Total Liabilities Covered by Budgetary Resources	39,096,137
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Liabilities Not Covered by Budgetary Resources

Governmental Liabilities:

Accrued Leave and Other Employee Benefits	44,751
Accrued Workers Compensation Liability	8,474

Total Liabilities Not Covered by Budgetary Resources	53,225
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Total Liabilities	39,149,362
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Net Position

Unexpended Appropriations	35,071,105
Invested Capital	73,000
Future Funding Requirements	(53,225)

Total Net Position	35,090,880
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TOTAL LIABILITIES AND NET POSITION	\$74,240,242
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UNITED STATES DEPARTMENT OF EDUCATION

CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION

For the Year Ended September 30, 1997

(dollars in thousands)

REVENUES AND EXPENSES

Revenues and Other Financing Sources	
Interest, Federal	\$1,111,851
Interest, Non-Federal	1,069,098
Other Revenue and Imputed Financing	24,745
Total Revenues and Other Financing Sources	2,205,694
Expenses	
Direct Loan Subsidy Expense	417,970
Guaranteed Loan Subsidy Expense	2,245,771
Elementary and Secondary Education Grants	9,569,111
Postsecondary Education Grants	8,201,975
Special Education and Rehabilitative Services Grants	5,820,512
Other Grants	1,910,653
Interest Expense, Federal	2,220,818
Interest Expense, Non-Federal	161
Salaries and Administrative Expenses	474,026
Contractual Service Expenses	642,723
Bad Debt and Write-offs	(13,338)
Other Expenses, Net	6
Total Expenses	31,490,388
NET OPERATING ACTIVITY	(\$29,284,694)
CHANGES IN NET POSITION	
Net Position , Beginning of Year, as Restated	\$31,612,481
Net Operating Activity	(29,284,694)
Plus (Minus) Non-Operating Changes	
Appropriated Funds	33,795,935
Appropriated Funds Returned	(930,516)
Appropriations Transferred From (To) Others	(83,178)
Other Non-Operating	(19,148)
NET POSITION, END OF YEAR	\$35,090,880

The accompanying notes are an integral part of these statements.

UNITED STATES DEPARTMENT OF EDUCATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended September 30, 1997

(dollars in thousands)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating Cash Provided	
Defaulted Loans Collected	\$2,184,213
Loan Origination and Other Fees	1,282,339
Interest, Federal	1,111,850
Interest and Penalty, Non-Federal	334,269
Other Operating Cash Provided	22,946
Total Operating Cash Provided	4,935,617
Operating Cash Used	
Interest, Federal	(1,672,209)
Interest and Penalties, Non-Federal	(161)
Reinsurance Payments	(3,331,335)
Interest Subsidy Payments	(2,727,853)
Mandatory Administrative Expenses	(198,091)
Grant Award Payments	(25,670,847)
Salaries and Benefits	(312,733)
Rent, Communications, and Utilities	(71,698)
Contractual Services	(619,938)
Printing and Reproduction	(14,067)
Travel and Transportation	(11,507)
Materials, Supplies, and Equipment	(17,339)
Guaranty Agency Collection Fees	(336,867)
Payment of Origination Services	(7,583)
Other Operating Cash Used	(43,817)
Total Operating Cash Used	(35,036,045)
NET CASH USED BY OPERATING ACTIVITIES	(\$30,100,428)

UNITED STATES DEPARTMENT OF EDUCATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended September 30, 1997

(dollars in thousands)

CASH PROVIDED (USED) BY INVESTING ACTIVITIES

Loan Disbursements	(\$10,583,802)
Collection of Loans Receivable	699,386
NET CASH USED BY INVESTING ACTIVITIES	(9,884,416)

CASH PROVIDED (USED) BY FINANCING ACTIVITIES

Appropriated Funds Received	33,763,224
Appropriations Transferred From (To) Others	(83,178)
Appropriated Funds Returned	(930,516)
Net Appropriations	32,749,530
Borrowing from U.S. Treasury	11,339,056
Repayments to U.S. Treasury For Borrowings	(1,340,398)
NET CASH PROVIDED BY FINANCING ACTIVITIES	42,748,188

NET CASH PROVIDED BY OPERATING, INVESTING AND FINANCING ACTIVITIES

	2,763,344
Fund Balances with U. S. Treasury , Beginning of Year	37,017,481
Fund Balances with U. S. Treasury , End of Year	\$39,780,825

UNITED STATES DEPARTMENT OF EDUCATION

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended September 30, 1997
(dollars in thousands)

**RECONCILIATION OF NET OPERATING ACTIVITY BEFORE
 APPROPRIATIONS TO NET CASH USED BY OPERATING ACTIVITY**

Net Operating Activity	\$29,284,694
Adjustments to Reconcile Net Operating Activity to Net Cash Used by Operating Activities:	
Changes in:	
Decrease (Increase) in Credit Program Receivable, Net:	
Direct Loans	33,730
Defaulted Guaranteed Loans	(974,679)
Facilities Loans	(8,691)
Decrease in Advances to Guaranty Agencies, Net	91
Decrease in Accounts Receivable, Net	6,128
Decrease in Interest Payable to U. S. Treasury	(9,937)
Increase in Estimated Liabilities for Loan Guarantees	302,635
Decrease in Accrued Grant Liability	(192,002)
Increase in Accrued Salaries and Benefits	23,949
Increase in Other Accrued Liabilities	4,054
Decrease in Accrued Workers Compensation Liability	(1,012)
Net Adjustments	(815,734)
NET CASH USED BY OPERATING ACTIVITIES	\$28,468,960

The accompanying notes are an integral part of these statements.