



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

Audit Services

December 16, 2013

MEMORANDUM

TO: Thomas P. Skelly
Delegated to perform the functions and duties
of the Chief Financial Officer

FROM: Patrick J. Howard /s/
Assistant Inspector General for Audit

SUBJECT: FINAL AUDIT REPORT
Fiscal Year 2013 Closing Package Financial Statements
U.S. Department of Education
ED-OIG/A17N0003

Attached is the subject final report on the results of the audit of the closing package financial statements of the U.S. Department of Education for fiscal year 2013. The report should be read in conjunction with the Department's closing package financial statements and notes to fully understand the context of the information contained therein. The auditors have discussed the report with you or appropriate members of your staff at various times throughout the audit.

We appreciate the cooperation given CliftonLarsonAllen, LLP and the OIG, during the audit. Should you have any questions concerning the report, please contact me or Greg Spencer at 245-6949 or 245-6015, respectively.

Attachment

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**INDEPENDENT AUDITORS' REPORT
ON CLOSING PACKAGE FINANCIAL STATEMENTS**

Inspector General
United States Department of Education

Chief Financial Officer
United States Department of Education

In our audit of the fiscal year (FY) 2013 closing package financial statements of the United States Department of Education (the Department), we found:

- The closing package financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S.);
- No material weaknesses in internal control over financial reporting; and
- No instances of reportable noncompliance with selected provisions of laws or regulations tested.

The following sections and Exhibits discuss in more detail: (1) these conclusions and other matters related to the closing package financial statements, (2) our conclusions in connection with our audit of the general purpose financial statements, (3) management's responsibilities, and (4) our responsibilities.

Report on the Closing Package Financial Statements

We have audited the FY2013 financial statements contained within the accompanying Closing Package Financial Statement Report (herein referred to as the closing package financial statements) of the Department, which comprise:

- the Closing Package Financial Statement Report – Balance Sheet as of September 30, 2013 and 2012
- the related Closing Package Financial Statement Reports - Statement of Net Cost and Statement of Changes in Net Position, for the years then ended
- the accompanying Financial Report (FR) Notes Report (except for the information in the FR Notes Report entitled "Threshold") for the years then ended
- the accompanying Additional Note No. 1
- the accompanying Trading Partner Summary Note Report – Balance Sheet as of September 30, 2013 and 2012
- the related Trading Partner Summary Note Report – Statement of Net Cost and Statement of Changes in Net Position for the years then ended

INDEPENDENT AUDITORS' REPORT ON CLOSING PACKAGE FINANCIAL STATEMENTS (Continued)

Management's Responsibility for the Closing Package Financial Statements

Management is responsible for the preparation and fair presentation of these closing package financial statements in accordance with U.S. generally accepted accounting principles. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the closing package financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these closing package financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the U.S. and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the closing package financial statements are free from material misstatement. We also conducted our audit in accordance with Office of Management and Budget (OMB) Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements* (OMB Bulletin 14-02).

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the closing package financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the closing package financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the agency's preparation and fair presentation of the closing package financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the closing package financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on the Closing Package Financial Statements

In our opinion, the closing package financial statements referred to above present fairly, in all material respects, the financial position of the Department as of September 30, 2013, and its net cost and changes in net position for the year then ended in conformity with accounting principles generally accepted in the U.S.

Emphasis of Matter

As discussed in Additional Note No. 1 to the closing package financial statements, the accompanying closing package financial statements were prepared to comply with the requirements of the U.S. Department of the Treasury's *Treasury Financial Manual* (TFM) Volume I, Part 2, Chapter 4700 for the purpose of providing financial information to the U.S. Department of the Treasury and the U.S. Government Accountability Office to use in preparing and auditing the *Financial Report of the U.S. Government*, and are not intended to be a complete presentation of the balance sheets of the Department as of September 30, 2013 and 2012, and the related statements of net cost and changes in net position, and combined

INDEPENDENT AUDITORS' REPORT ON CLOSING PACKAGE FINANCIAL STATEMENTS (Continued)

statements of budgetary resources (hereinafter referred to as "general-purpose financial statements") for the years then ended. Our opinion is not modified with respect to this matter.

Other Matters

We have audited, in accordance with auditing standards generally accepted in the U.S. and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States the general-purpose financial statements of the Department as of and for the year ended September 30, 2013, and our report thereon, dated December 11, 2013, expressed an unmodified opinion on those financial statements.

U.S. generally accepted accounting principles require that the information in Other Data Report No. 8, except for the information entitled "Threshold", (which is discussed below) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the U.S., which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic closing package financial statements, and other knowledge we obtained during our audits of the closing package financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted Management's Discussion and Analysis and the Combining Schedule of Budgetary Resources that U.S. generally accepted accounting principles require to be presented to supplement the basic closing package financial statements. Such missing information, although not a part of the basic closing package financial statements, is required by the Federal Accounting Standards Advisory Board who considers it to be an essential part of financial reporting for placing the general-purpose financial statements in an appropriate operational, economic, or historical context. Our opinion on the closing package financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic closing package financial statements as a whole. The information in the sections included in the Other Data Report No. 16; the information entitled "Threshold" in Other Data Report No. 8 and the information in the sections entitled "Threshold" in FR Notes Report No. 2, 4A, 8,15 and 19; the information in the Closing Package Line Reclassification Summary Report – Balance Sheet; and the information in the Closing Package Line Reclassification Summary Reports – Statement of Net Cost and Statement of Changes in Net Position are presented for purposes of additional analysis in accordance with TFM Chapter 4700 and are not a required part of the closing package financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the closing package financial statements and, accordingly, we do not express an opinion or provide any assurances on it.

INDEPENDENT AUDITORS' REPORT ON CLOSING PACKAGE FINANCIAL STATEMENTS (Continued)

Prior Year General Purpose Financial Statements

The FY2012 general purpose and closing package financial statements of the Department were audited by other auditors whose reports, dated November 16, 2012, expressed unmodified opinions on those statements.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Report on Internal Control over Financial Reporting as a Result of our Audit of the Department's 2013 General Purpose Financial Statements

In accordance with *Government Auditing Standards*, we have also issued a combined report dated December 11, 2013 that discusses our consideration of the Department's internal control over financial reporting and the results of our tests of its compliance with certain provisions of laws, regulations, and other matters that are required to be reported under *Government Auditing Standards*. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control and compliance, and should be read in conjunction with this report in considering the results of our audits of the closing package financial statements.

In our fiscal year 2013 audit of the basic general-purpose financial statements of the Department, we noted two significant deficiencies which are summarized below and in more detail in Exhibit A to our report on the general purpose financial statements.

Functionality and internal controls over some loan servicing systems need improvement

The Department's Federal Student Aid (FSA) office experienced significant issues with the initial functionality of two new loan servicing systems implemented at the beginning of FY2012. These issues directly impacted the reliability of borrower account information and the related financial statement balances throughout FY2012. Management identified, and the implemented corrective actions addressed, a number of the underlying system issues in FY2012. However, some of the remaining FY2012 issues, including new issues of lesser significance identified in FY2013, continued to impact the reliability of borrower account information and related financial statement balances throughout FY2013.

The Department and FSA management need to mitigate persistent Information Technology (IT) control deficiencies

Due to the unique requirements of the Department's grant, loan and administrative business activities, the Department oversees a large portfolio of government-owned/government operated, government-owned/contractor-operated, and contractor-owned/contractor-operated information systems. Five FSA systems and one Department system comprise the key financial systems. The third party servicers who manage the Department and FSA's general support systems are monitored by management through the use of Service Level Agreements and independent reviews. For several years, financial and other

INDEPENDENT AUDITORS' REPORT ON CLOSING PACKAGE FINANCIAL STATEMENTS (Continued)

audits have identified numerous system deficiencies that affect the security and reliability of the information within these systems.

Report on Internal Control over Financial Reporting Specific to the Closing Package Financial Statements

In planning and performing our audit of the closing package financial statements as of and for the year ended September 30, 2013, we also considered the Department's internal control over the financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the closing package financial statements, but not for the purpose of expressing an opinion of the effectiveness of the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in their normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit the attention by those charged with governance. Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters Specific to the Closing Package Financial Statements

As part of obtaining reasonable assurance about whether the Department's closing package financial statements are free from material misstatement, we also performed tests of its compliance with certain provisions of *TFM Chapter 4700*. However, providing an opinion on compliance with those provisions was not an objective of our audit of the closing package financial statements, and accordingly, we do not express such an opinion. The results of our tests of compliance with *TFM Chapter 4700* disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Agency Comments and our Evaluation

Management concurred with the results of our audit. We did not audit the Department's response and, accordingly, we express no opinion on it.

Purpose of the Other Reporting Required by Government Auditing Standards

The purpose of the communication provided in the Other Reporting Required by *Government Auditing Standards* section is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion

**INDEPENDENT AUDITORS' REPORT ON CLOSING PACKAGE FINANCIAL STATEMENTS
(Continued)**

on the effectiveness of the Department's internal control or on compliance. This communication is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control and compliance with provisions of laws and regulations that have a material effect on the closing package financial statements. Accordingly, this communication is not suitable for any other purpose.

Restriction on Use of the Report on the Closing Package Financial Statements

This report is intended solely for the information and use of the Department's management, the U.S. Department of Education Office of Inspector General, the U.S. Department of the Treasury, OMB, and the U.S. Government Accountability Office in connection with the preparation and audit of the *Financial Report of the U.S. Government* and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP
Arlington, Virginia
December 16, 2013



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE CHIEF FINANCIAL OFFICER

THE CHIEF FINANCIAL OFFICER

DEC 13 2013

MEMORANDUM

TO: Patrick J. Howard
Assistant Inspector General for Audit

FROM: Thomas P. Skelly *Thomas P. Skelly*
Delegated to Perform the Functions
and Duties of the Chief Financial Officer

SUBJECT: DRAFT AUDIT REPORT
Fiscal Year 2013 Closing Package Financial Statements
Control Number ED-OIG/A17N0003

Please convey my sincere thanks and appreciation to everyone on your staff who worked diligently on this financial statement audit. The Department has reviewed the draft Fiscal Year 2013 Closing Package Financial Statements Audit Report. Without exception, we concur and agree.

Again, please convey my appreciation to everyone on your staff whose efforts permitted the Department to complete the audit within the established timeframe.

Please contact Gary Wood, Director, Financial Management Operations, at (202) 245-8118 with any questions or comments.

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Assets:				
Non-Federal				
Cash and Other Monetary Assets		1,482	1,307	1,307
Accounts and Taxes Receivable		121	92	92
Loans Receivable and mortgage backed securities		826,684	673,488	673,488
TARP Direct Loans and Equity Investments		0	0	0
Inventory and Related Property		0	0	0
Property, Plant and Equipment		2	7	7
Debt and Equity Securities		0	0	0
Investment in Government sponsored enterprises (GSEs)		0	0	0
Derivative Assets	I	0	0	0
Other Assets		13	21	21
Total Non-Federal Assets		828,302	674,915	674,915
Federal				
Fund Balance with Treasury		108,732	121,993	121,993
Federal Investments		0	0	0
Accounts Receivable		2	1	1
Accounts Receivable, capital transfers		0	0	0
Interest Receivable		0	0	0
Loans Receivable		0	0	0
Transfers Receivable		0	0	0
Benefit Program Contributions Receivable		0	0	0

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

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Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Advances to Others and Prepayments		22	18	18
Other Assets (without reciprocals)		0	0	0
Total Federal Assets		108,756	122,012	122,012
Total Assets		937,058	796,927	796,927
Liabilities				
Non-Federal				
Accounts Payable		(4,127)	(4,098)	(4,098)
Federal Debt Securities Held by the Public		0	0	0
Federal Employee and Veteran Benefits Payable		(15)	(16)	(16)
Environmental and Disposal Liabilities		0	0	0
Benefits Due and Payable		0	0	0
Loan Guarantee Liabilities		0	(1,037)	(1,037)
Liabilities to Government Sponsored Enterprises		0	0	0
Insurance and Guarantee Program Liabilities		0	0	0
Derivative Liabilities	I	0	0	0
Other Liabilities		(2,302)	(3,036)	(3,036)
Total Non-Federal Liabilities		(6,444)	(8,187)	(8,187)
Federal				
Accounts Payable		(2)	0	0
Accounts Payable, capital transfers		(2,375)	(2,914)	(2,914)

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

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Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Federal Debt		0	0	0
Interest Payable		(9)	(4)	(4)
Loans Payable		(852,423)	(715,299)	(715,299)
Transfers Payable		0	0	0
Benefit Program Contributions Payable		(10)	(10)	(10)
Advances from Others and Deferred Credits		(29)	(35)	(35)
Liability to the General Fund for custodial and other non-entity assets		(6,425)	(3,982)	(3,982)
Other Liabilities (without reciprocals)		(1,498)	(1,341)	(1,341)
Total Federal Liabilities		(862,771)	(723,585)	(723,585)
Total Liabilities		(869,215)	(731,772)	(731,772)
Net Position-All Other Funds		(67,840)	(65,152)	(65,155)
Net Position- Funds From Dedicated Collections		(3)	(3)	0
Total Net Position		(67,843)	(65,155)	(65,155)
Total Liabilities and Net Position		(937,058)	(796,927)	(796,927)

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Gross Cost:				
Non-Federal Gross Cost		32,427	62,065	62,065
Interest on Debt Held by the Public		0	0	0
Gain/Loss from changes in actuarial assumptions		0	0	0
Total Non-Federal Gross Cost		32,427	62,065	62,065
Federal Gross Cost				
Benefit Program Costs		122	126	126
Imputed Costs		34	34	34
Buy/Sell Costs		318	360	360
Federal Securities Interest Expense		0	0	0
Borrowing and Other Interest Expense		28,452	26,643	26,643
Borrowing Losses		0	35	35
Other Expenses (without reciprocals)		0	0	0
Total Federal Gross Cost		28,926	27,198	27,198
Department Total Gross Cost		61,353	89,263	89,263
Earned Revenue				
Non-Federal Earned Revenue		(23,179)	(20,031)	(20,031)
Federal Earned Revenue				
Benefit Program Revenue (exchange)		0	0	0
Buy/Sell Revenue		0	0	0
Federal Securities Interest Revenue (exchange)		0	0	0

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Borrowing and Other Interest Revenue (Exchange)		(4,049)	(5,272)	(5,272)
Borrowings Gains		0	(29)	(29)
Other Revenue (without reciprocals)		347	(158)	(158)
Total Federal Earned Revenue		(3,702)	(5,459)	(5,459)
Department Total Earned Revenue		(26,881)	(25,490)	(25,490)
Net Cost		34,472	63,773	63,773

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF CHANGES IN NET POSITION **Fiscal Year:** 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Beginning Net Position		(65,155)	(68,585)	(68,585)
Non-Federal Prior-Period Adjustments				
Changes in Accounting Principles - Non Federal		0	0	0
Corrections of Errors - Non Federal		0	0	0
Corrections of Errors - Years Preceding the Prior Year - Non Federal		0	0	0
Federal Prior-Period Adjustments				
Change in Accounting Principles - Federal		0	0	0
Corrections of Errors - Federal		0	0	0
Corrections of Errors - Years Preceding the Prior Year - Federal		0	0	0
Adjusted Beginning Net Position Balance		(65,155)	(68,585)	(68,585)
Non-Federal Nonexchange Revenue				
Individual Income Tax and Tax Withholdings		0	0	0
Corporation Income Taxes		0	0	0
Unemployment Taxes		0	0	0
Excise Taxes		0	0	0
Estate and Gift Taxes		0	0	0
Custom Duties		0	0	0
Other Taxes and Receipts		(11)	(2)	(2)

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF CHANGES IN NET POSITION **Fiscal Year:** 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Miscellaneous Earned Revenue		0	0	0
Total Non-Federal Nonexchange Revenue		(11)	(2)	(2)
Federal Nonexchange Revenue				
Federal Securities Interest Revenue (nonexchange)		0	0	0
Borrowing and other interest revenue (nonexchange)		0	0	0
Benefit Program Revenue (nonexchange)		0	0	0
Other taxes and receipts		0	0	0
Total Federal Nonexchange Revenue		0	0	0
Budgetary Financing Sources:				
Appropriations received as adjusted (rescissions and other adjustments)		(88,169)	(97,880)	(97,880)
Appropriation of unavailable special or trust fund receipts transfers-in		0	0	0
Appropriation of unavailable special or trust fund receipts Transfers-out		0	0	0
Nonexpenditure transfers-in of unexpended appropriations and financing sources		0	0	0
Nonexpenditure Transfers-out of unexpended appropriations and financing sources		0	0	0

**U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF CHANGES IN NET POSITION **Fiscal Year:** 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
Expenditure transfers-in of financing sources		0	0	0
Expenditure Transfers-out of financing sources		0	0	0
Nonexpenditure Transfers-In of Financing Sources - Capital Transfers		3,880	22	0
Nonexpenditure Transfers-out of Financing Sources - Capital Transfers		(3,857)	29	51
Collections for Others Transferred to the General Fund		0	0	0
Accrual for Amounts to be Collected for Others and Transferred to the General Fund		0	0	0
Other budgetary financing sources		(3,859)	(393)	(393)
Total Budgetary Financing Sources		(92,005)	(98,222)	(98,222)
 Other Financing Sources:				
Transfers-in Without Reimbursement		0	0	0
Transfers-out Without Reimbursement		0	0	0
Imputed Financing Source		(34)	(34)	(34)
Non-Entity Collections Transferred to the General Fund		48,681	40,730	40,730
Accrual for Non-entity Amounts to be Collected and Transferred to the General Fund		6,209	(2,815)	(2,815)
Other non-budgetary financing		0	0	0

U.S Department of the Treasury
Financial Management Service
Governmentwide Financial Report System

12-16-2013 11:04:08

GF003F-Closing Package Financial Statement Report

Statement: STATEMENT OF CHANGES IN NET POSITION **Fiscal Year:** 2013

Period: SEPTEMBER

Entity: 9100-Department of Education

Reported In: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()
The accompanying notes are an integral part of these financial statements.

I = Inactive Line

Closing Line item	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported
sources				
Total Other Financing Sources		54,856	37,881	37,881
Net Cost		34,472	63,773	63,773
Ending Net Position Balance		(67,843)	(65,155)	(65,155)

**U.S. Department of the Treasury
Financial Management Service
Governmentwide Financial Report System**

12/16/2013 11:04:24

GF003G-Closing Package Line Reclassification Summary Report

Statement: BALANCE SHEET
Entity: 9100 - Department of Education

Fiscal Year: 2013
Reported in: MILLIONS

Period: SEPTEMBER
Decimal Point: ZERO

Amounts reported as normal/(abnormal) balances.
I = Inactive Line

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
4	Fund Balance with Treasury (Note 3)		A	D	B	108,732	121,993
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Fund Balance with Treasury		F	108,732	121,993	121,993	0
Total:			108,732	121,993	121,993	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
5	Accounts Receivable (Note 4)		A	D	F	2	1
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Accounts Receivable		F	2	1	1	0
Total:			2	1	1	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
6	Other Intragovernmental Assets (Note 8)		A	D	B	22	18
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Advances to Others and Prepayments		F	22	18	18	0
Total:			22	18	18	0

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GF003G-Closing Package Line Reclassification Summary Report

Statement: BALANCE SHEET
Entity: 9100 - Department of Education

Fiscal Year: 2013
Reported in: MILLIONS

Period: SEPTEMBER
Decimal Point: ZERO

Amounts reported as normal/(abnormal) balances.
I = Inactive Line

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
9	Cash and Other Monetary Assets (Note 5)		A	D	B	1,482	1,307
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Cash and Other Monetary Assets		N	1,482	1,307	1,307	0
Total:			1,482	1,307	1,307	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
10	Accounts Receivable, Net (Note 4)		A	D	B	121	92
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Accounts and Taxes Receivable		N	121	92	92	0
Total:			121	92	92	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
11	Credit Program Receivables, Net (Note 6)		A	D	N	826,684	673,488
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Loans Receivable and mortgage backed securities		N	826,684	673,488	673,488	0
Total:			826,684	673,488	673,488	0

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
12	Property and Equipment, Net (Note 7)		A	D	B	2	7
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Property, Plant and Equipment		N	2	7	7	0
Total:			2	7	7	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
13	Other Assets (Note 8)		A	D	N	13	21
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other Assets		N	13	21	21	0
Total:			13	21	21	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
19	Accounts Payable (Note 9)		L	C	F	2	31
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Accounts Payable		F	2	0	0	0
Other Liabilities (without reciprocals)		F	0	31	31	0
Total:			(2)	(31)	(31)	0

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Fiscal Year: 2013
Reported in: MILLIONS

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 I = Inactive Line

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
20	Debt (Note 10)		L	C	F	852,432	715,303
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Interest Payable		F	9	4	4	0
Loans Payable		F	852,423	715,299	715,299	0
Total:			(852,432)	(715,303)	(715,303)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
21	Guaranty Agency Federal and Restricted Funds Due to Treasury (Note 5)		L	C	F	1,482	1,307
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other Liabilities (without reciprocals)		F	1,482	1,307	1,307	0
Total:			(1,482)	(1,307)	(1,307)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
22	Payable to Treasury (Note 6)		L	C	F	0	0
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Accounts Payable, capital transfers		F	0	0	2,914	(2,914)
Total:			0	0	(2,914)	(2,914)

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
23	Other Intragovernmental Liabilities (Note 11)		L	C	F	8,855	6,944
						Variance:	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Benefit Program Contributions Payable		F	10	10	10	0
Advances from Others and Deferred Credits		F	29	35	35	0
Other Liabilities (without reciprocals)		F	16	3	3	0
Liability to the General Fund for custodial and other non-entity assets		F	6,425	3,982	3,982	0
Accounts Payable, capital transfers		F	2,375	2,914	0	2,914
Total:			(8,855)	(6,944)	(4,030)	2,914

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
27	Accounts Payable (Note 9)		L	C	N	4,127	4,098
						Variance:	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Accounts Payable		N	4,127	4,098	4,098	0
Total:			(4,127)	(4,098)	(4,098)	0

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
28	Accrued Grant Liability (Note 12)		L	C	N	2,170	2,901
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other Liabilities		N	2,170	2,901	2,901	0
Total:			(2,170)	(2,901)	(2,901)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
29	Liabilities for Loan Guarantees (Note 6)		L	C	N	0	1,037
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Loan Guarantee Liabilities		N	0	1,037	1,037	0
Total:			0	(1,037)	(1,037)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
30	Other Liabilities (Note 11)		L	C	N	147	151
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Federal Employee and Veteran Benefits Payable		N	15	16	16	0
Other Liabilities		N	132	135	135	0
Total:			(147)	(151)	(151)	0

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Fiscal Year: 2013
Reported in: MILLIONS

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Decimal Point: ZERO

Amounts reported as normal/(abnormal) balances.
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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
37	Unexpended Appropriations		E	C	B	71,371	72,686
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Net Position-All Other Funds		B	71,371	72,686	72,686	0
Total:			(71,371)	(72,686)	(72,686)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
38	Cumulative Results of Operations - Earmarked Funds (Note 20)	I	E	C	B		
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Total:			0	0	0	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
39	Cumulative Results of Operations		E	C	B	(3,528)	(7,531)
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Net Position- Funds From Dedicated Collections		B	3	3	0	3
Net Position-All Other Funds		B	(3,531)	(7,534)	(7,531)	(3)
Total:			3,528	7,531	7,531	0

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Statement: STATEMENT OF NET COST
Entity: 9100 - Department of Education

Fiscal Year: 2013
Reported in: MILLIONS

Period: SEPTEMBER
Decimal Point: ZERO

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 I = Inactive Line

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
42	Total Gross costs		GC	D	B	61,353	89,263
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Imputed Costs		F	34	34	34	0
Buy/Sell Costs		F	318	360	360	0
Benefit Program Costs		F	122	126	126	0
Borrowing and Other Interest Expense		F	28,452	26,643	26,643	0
Borrowing Losses		F	0	35	35	0
Non-Federal Gross Cost		N	32,427	62,065	62,065	0
Total:			61,353	89,263	89,263	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
43	Total Earned Revenue		ER	C	B	26,881	25,490
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Borrowings Gains		F	0	29	29	0
Borrowing and Other Interest Revenue (Exchange)		F	4,049	5,272	5,272	0
Non-Federal Earned Revenue		N	23,179	20,031	20,031	0
Other Revenue (without reciprocals)		F	(347)	158	158	0
Total:			(26,881)	(25,490)	(25,490)	0

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Statement: STATEMENT OF CHANGES IN NET POSITION
Entity: 9100 - Department of Education

Fiscal Year: 2013
Reported in: MILLIONS

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
3	Beginning Balances - Earmarked Funds	I	BN	C	B		
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Total:			0	0	0	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
4	Beginning Balances		BN	C	B	(7,531)	(3,144)
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Beginning Net Position		B	(7,531)	(3,144)	(3,144)	0
Total:			7,531	3,144	3,144	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
8	Other Adjustments (rescission, etc) - Earmarked Funds	I	F	C	B		
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Total:			0	0	0	0

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
9	Other Adjustments (rescission, etc)		F	C	B	0	1
						Variance:	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Appropriations received as adjusted (rescissions and other adjustments)		F	0	1	1	0
Total:			0	(1)	(1)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
11	Appropriations Used		F	C	B	89,484	96,922
						Variance:	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Nonexpenditure transfers-in of unexpended appropriations and financing sources		F	89,484	96,922	96,922	0
Total:			(89,484)	(96,922)	(96,922)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
13	Nonexchange Revenue		F	C	B	10	1
						Variance:	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other Taxes and Receipts		N	10	1	1	0
Total:			(10)	(1)	(1)	0

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
15	Donations and Forfeitures of Cash and Cash Equivalents		F	C	B	1	1
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other Taxes and Receipts		N	1	1	1	0
Total:			(1)	(1)	(1)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
17	Nonexpenditure Financing Sources - Transfers-Out		F	C	F	0	(29)
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Nonexpenditure Transfers-out of Financing Sources - Capital Transfers		F	0	29	51	(22)
Total:			0	29	51	(22)

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
21	Imputed Financing from Costs Absorbed by Others		F	C	F	34	34
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Imputed Financing Source		F	34	34	34	0
Total:			(34)	(34)	(34)	0

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Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

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Decimal Point: ZERO

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
23	Negative Subsidy Transfers, Downward Subsidy Re-estimates, and Other		F	C	B	(51,054)	(37,544)
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Other budgetary financing sources		F	3,859	393	393	0
Nonexpenditure Transfers-out of Financing Sources - Capital Transfers		F	(3,857)	0	0	0
Nonexpenditure Transfers-In of Financing Sources - Capital Transfers		F	(3,880)	(22)	0	(22)
Accrual for Non-entity Amounts to be Collected and Transferred to the General Fund		F	6,209	(2,815)	(2,815)	0
Non-Entity Collections Transferred to the General Fund		F	48,681	40,730	40,730	0
Total:			51,054	37,544	37,522	(22)

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
39	Beginning Balances		BN	C	B	72,686	71,729
			Variance:			0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Beginning Net Position		B	72,686	71,729	71,729	0
Total:			(72,686)	(71,729)	(71,729)	0

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Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
43	Appropriations Received		F	C	F	90,993	98,372
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Appropriations received as adjusted (rescissions and other adjustments)		F	90,993	98,372	98,372	0
Total:			(90,993)	(98,372)	(98,372)	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
45	Other Adjustments (rescissions, etc)		F	C	B	(2,824)	(493)
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Appropriations received as adjusted (rescissions and other adjustments)		F	(2,824)	(493)	(493)	0
Total:			2,824	493	493	0

Line	Agency Line Description	Status	Account Type	NB	F/N	2013-SEPTEMBER	2012-SEPTEMBER
47	Appropriations Used		F	C	B	(89,484)	(96,922)
						Variance: 0	0

Closing Package Line Reclassification

Closing Package Line Description	Status	F/N	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line Item Changes
Nonexpenditure transfers-in of unexpended appropriations and financing sources		F	(89,484)	(96,922)	(96,922)	0
Total:			89,484	96,922	96,922	0

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GF004F - Trading Partner Summary Note Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Accounts Receivable	A	D	2	1

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
4900	National Science Foundation		1	0	0	0
7500	Department of Health and Human Services		1	1	1	0
Total			2	1	1	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Advances to Others and Prepayments	A	D	22	18

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1400	Department of the Interior		22	18	18	0
Total			22	18	18	0

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GF004F - Trading Partner Summary Note Report

Statement: BALANCE SHEET

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Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Accounts Payable	L	C	2	0

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
4700	General Services Administration		1	0	0	0
9999	Unidentified		1	0	0	0
Total			(2)	0	0	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Accounts Payable, capital transfers	L	C	2,375	2,914

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9100	Department of Education		2,375	2,914	2,914	0
Total			(2,375)	(2,914)	(2,914)	0

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GF004F - Trading Partner Summary Note Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Advances from Others and Deferred Credits	L	C	29	35
				Variance:	0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1200	Department of Agriculture		0	1	1	0
1500	Department of Justice		3	3	3	0
2000	Department of the Treasury		0	1	1	0
2800	Social Security Administration		1	1	1	0
3600	DEPARTMENT OF VETERANS AFFAIRS		1	1	1	0
4900	National Science Foundation		1	1	1	0
6900	Department of Transportation		1	0	0	0
7000	Department of Homeland Security		1	1	1	0
7500	Department of Health and Human Services		20	25	25	0
8600	Department of Housing and Urban Development		1	1	1	0
9500	Independent and Other Agencies		1	0	0	0
DE00	Department of Defense		(1)	0	0	0
	Total		(29)	(35)	(35)	0

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GF004F - Trading Partner Summary Note Report

Statement: BALANCE SHEET

Fiscal Year: 2013

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Entity: 9100 - Department of Education

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Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Benefit Program Contributions Payable	L	C	10	10
				Variance:	0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1601	Department of Labor		4	5	5	0
2400	Office of Personnel Management		6	5	5	0
	Total		(10)	(10)	(10)	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Interest Payable	L	C	9	4
				Variance:	0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2000	Department of the Treasury		9	4	4	0
	Total		(9)	(4)	(4)	0

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Statement: BALANCE SHEET

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Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Liability to the General Fund for custodial and other non-entity assets	L	C	6,425	3,982
					Variance:	0
					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9900	Treasury General Fund		6,425	3,982	3,982	0
Total			(6,425)	(3,982)	(3,982)	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Loans Payable	L	C	852,423	715,299
					Variance:	0
					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2000	Department of the Treasury		852,423	715,299	715,299	0
Total			(852,423)	(715,299)	(715,299)	0

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GF004F - Trading Partner Summary Note Report

Statement: BALANCE SHEET

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
BS		Other Liabilities (without reciprocals)	L	C	1,498	1,341
				Variance:	0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1300	Department of Commerce		(1)	(1)	(1)	0
1400	Department of the Interior		0	(14)	(14)	0
1500	Department of Justice		(1)	0	0	0
2000	Department of the Treasury		3	17	17	0
4700	General Services Administration		0	(22)	(22)	0
4900	National Science Foundation		0	(1)	(1)	0
7000	Department of Homeland Security		0	(1)	(1)	0
7500	Department of Health and Human Services		15	0	0	0
9100	Department of Education		1,482	56	56	0
9900	Treasury General Fund		0	1,307	1,307	0
	Total		(1,498)	(1,341)	(1,341)	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Borrowing and Other Interest Revenue (Exchange)	ER	C	4,049	5,272
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2000	Department of the Treasury		4,049	5,272	5,272	0
	Total		(4,049)	(5,272)	(5,272)	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Borrowings Gains	ER	C	0	29
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9100	Department of Education		0	29	29	0
	Total		0	(29)	(29)	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Other Revenue (without reciprocals)	ER	C	(347)	158
				Variance:	0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1200	Department of Agriculture		1	0	0	0
2000	Department of the Treasury		1	0	0	0
3600	DEPARTMENT OF VETERANS AFFAIRS		1	0	0	0
4700	General Services Administration		0	1	1	0
4900	National Science Foundation		1	0	0	0
7000	Department of Homeland Security		1	0	0	0
7500	Department of Health and Human Services		7	67	67	0
8600	Department of Housing and Urban Development		0	1	1	0
9100	Department of Education		(354)	89	89	0
9900	Treasury General Fund		(7)	0	0	0
DE00	Department of Defense		2	0	0	0
	Total		347	(158)	(158)	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Benefit Program Costs	GC	D	122	126

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
1601	Department of Labor		(1)	2	2	0
2400	Office of Personnel Management		95	96	96	0
9900	Treasury General Fund		28	28	28	0
Total			122	126	126	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Borrowing Losses	GC	D	0	35

Variance: 0 0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9100	Department of Education		0	35	35	0
Total			0	35	35	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Borrowing and Other Interest Expense	GC	D	28,452	26,643
					Variance:	0
					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2000	Department of the Treasury		28,452	26,643	26,643	0
Total			28,452	26,643	26,643	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
NCS		Buy/Sell Costs	GC	D	318	360
					Variance:	0
					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
0300	LIBRARY OF CONGRESS		1	0	0	0
0400	GOVERNMENT PRINTING OFFICE		2	5	5	0
1300	Department of Commerce		22	29	29	0
1400	Department of the Interior		152	182	182	0
1500	Department of Justice		1	0	0	0
1601	Department of Labor		13	12	12	0
1900	Department of State		1	0	0	0
2000	Department of the Treasury		2	1	1	0
2400	Office of Personnel Management		11	18	18	0
2800	Social Security Administration		2	0	0	0
4700	General Services Administration		87	96	96	0

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Financial Management Service
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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF NET COST

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
6900	Department of Transportation		6	8	8	0
7000	Department of Homeland Security		9	7	7	0
7500	Department of Health and Human Services		1	2	2	0
8800	NATIONAL ARCHIVES AND RECORDS ADM.		1	0	0	0
9500	Independent and Other Agencies		3	5	5	0
9900	Treasury General Fund		0	(10)	(10)	0
DE00	Department of Defense		4	5	5	0
Total			318	360	360	0

Agency FS	Status	CP Line Description	Account Type	NB	2013-SEPTEMBER	2012-SEPTEMBER
NCS		Imputed Costs	GC	D	34	34
Variance:					0	0

Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2400	Office of Personnel Management		34	34	34	0
Total			34	34	34	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF CHANGES IN NET POSITION

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Accrual for Non-entity Amounts to be Collected and Transferred to the General Fund	CF	D	6,209	(2,815)
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9900	Treasury General Fund		6,209	(2,815)	(2,815)	0
	Total		6,209	(2,815)	(2,815)	0

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Non-Entity Collections Transferred to the General Fund	CF	D	48,681	40,730
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9900	Treasury General Fund		48,681	40,730	40,730	0
	Total		48,681	40,730	40,730	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF CHANGES IN NET POSITION

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Nonexpenditure Transfers-out of Financing Sources - Capital Transfers	CF	D	(3,857)	29
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9100	Department of Education		(3,857)	29	51	(22)
	Total		(3,857)	29	51	(22)

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Imputed Financing Source	F	C	34	34
				Variance:	0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
2400	Office of Personnel Management		34	34	34	0
	Total		(34)	(34)	(34)	0

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GF004F - Trading Partner Summary Note Report

Statement: STATEMENT OF CHANGES IN NET POSITION

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 - Department of Education

Reported in: MILLIONS

Decimal Point: ZERO

Amounts presented as debits and credits()

I = Inactive Line

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Nonexpenditure Transfers-In of Financing Sources - Capital Transfers	F	C	(3,880)	(22)
Variance:					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9100	Department of Education		(3,880)	(22)	0	(22)
Total			3,880	22	0	(22)

<u>Agency FS</u>	<u>Status</u>	<u>CP Line Description</u>	<u>Account Type</u>	<u>NB</u>	<u>2013-SEPTEMBER</u>	<u>2012-SEPTEMBER</u>
SCNP		Other budgetary financing sources	F	C	3,859	393
Variance:					0	0
Trading Partner	Name	Status	2013-SEPTEMBER	2012-SEPTEMBER	Previously Reported	Line item Changes
9900	Treasury General Fund		3,859	393	393	0
Total			(3,859)	(393)	(393)	0

**U.S. Department of the Treasury
Financial Management Service
Governmentwide Financial Report System
GF006 - FR Notes Report**

Note: 01	Federal Reserve Earnings, Subsequent Events, and Other Pertinent Information	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 1	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: B	Section Name: Related Parties, External to the Reporting Entity for the Financial Report	No Data Flag: YES	Line Attributes: Dollars	Rounding Method: Millions	Decimal: Zero		
Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Related party receivables	Debit				
2		Related party payables	Credit				
3		Related party operating revenue	Credit				
4		Related party net cost of operations	Debit				
5		Related party economic dependency transactions	Debit				
6		Investments in related parties	Debit				

**U.S. Department of the Treasury
Financial Management Service
Governmentwide Financial Report System
GF006 - FR Notes Report**

Note: 01 Federal Reserve Earnings, Subsequent Events, and Other Pertinent Information

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 1

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line	Question	Answer
1	Describe any significant events or transactions that occurred after the date of the Balance Sheet but before the issuance of agency's audited financial statements that have a material effect on the financial statements and, therefore, require adjustments or disclosure in the statements.	<p>The changes listed had no effect on total assets, liabilities, net position, or net cost of operations.</p> <p>As required by Treasury and Departmental guidance, excess collections from pre-1992 FFEL loan guarantees, the College Housing Loan program, and the Higher Education Facilities Loan program, which are payable to Treasury, are to be reported as non-current liabilities not covered by budgetary resources. This reclassification has resulted in a \$3 billion reduction of the FY 2012 reported balance of Intragovernmental Accounts Payable and a corresponding increase in the FY 2012 reported Other Liabilities balance.</p> <p>The presentation of the FY 2012 Liability for Loan Guarantees is in the liability section of the Balance Sheet, while the presentation of the FY 2013 liability is in the Credit Program Receivables Balance Sheet line item. The Liability for Loan Guarantees schedule in the notes presents both years.</p>
2	Describe any departures from U.S. Generally Accepted Accounting Procedures (GAAP).	
3	When applying the general rule of the Statements of Federal Financial Accounting Standards (SFFAS) No. 7, par. 48, describe the specific potential accruals that are not made and the practical and inherent limitations affecting the accrual of taxes and duties.	
4	Describe any change in accounting if a collecting entity adopts accounting standards that embody a fuller application of accrual accounting concepts that differ from that prescribed by SFFAS No. 7, par. 48.	
5	List all of the agency's components for which balances and activities are not combined into the agency's financial statements, and, therefore, are represented in the GFRS data.	
6	List all of the agency's components for which balances and activities are combined into the agency's financial statements, and, therefore, are represented in the GFRS data.	<p>The components whose balances and activities are combined into the financial statements and presented in the GFRS data are Federal Student Aid (FSA), Office of Elementary and Secondary Education (OESE), Office of Special Education and Rehabilitative Services (OSERS), Office of Vocational and Adult Education (OVAE), Office of Postsecondary Education (OPE), Institute of Education Sciences (IES), Office of English Language Acquisition (OELA), Office of Innovation and Improvement (OII), American Recovery and Reinvestment Act of 2009 and Educations Jobs Fund (RA/JF) activities, Office of Management, Office for Civil Rights (OCR), and Hurricane Education Recovery (HR) activities.</p>
7	Describe any additional significant accounting policies specific to the agency not included in GFRS Module GF006 - FR Notes.	
8	Provide any other relevant information pertaining to the Federal Reserve Earnings.	
9	Describe the nature of the related party relationship and transactions pertaining to the amount in the ,Other Notes Info, tab, Related party receivables' line.	

**U.S. Department of the Treasury
Financial Management Service
Governmentwide Financial Report System
GF006 - FR Notes Report**

Note: 01 Federal Reserve Earnings, Subsequent Events, and Other Pertinent Information

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 1

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line	Question	Answer
10	Describe the nature of the related party relationship and transactions pertaining to the amount in the "Other Notes Info " tab," Related party payables" line.	
11	Describe the "Other Notes Info" tab, "Related party operating revenue" transactions along with the related party relationship and include transactions with zero or nominal balances, guarantees, and other terms. Also, describe changes in related party terms.	
12	Describe the "Other Notes Info" tab, "Related party net cost of operations" transactions along with the related party relationship and include transactions with zero or nominal balances, guarantees, and other terms. Also, describe changes in related party terms.	
13	Describe related party economic dependency (that is, major customers, suppliers, franchisors, franchisees, distributors, general agents, borrowers, and lenders) relationships and transactions included in the "Other Notes Info" tab, "Related party economic dependency transactions" section.	
14	Provide details on the investments in related parties.	
15	Provide details on related party leases.	
16	Describe control relationships with entities under common ownership, management control, and conservatorship if the operating results or financial position could be significantly impacted as a result of the relationship. Include control relationships with and without transactions.	
17	Provide any other useful information on related parties.	

**U.S. Department of the Treasury
Financial Management Service
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GF006 - FR Notes Report**

Note: 02	Cash and Other Monetary Assets	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 5	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Cash and Other Monetary Assets		D	A	1,482	1,307		
		Variance:		0	0	Rounding Method: Millions	Decimal: Zero
Line Status	Line Description			2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
3	Other cash - not restricted						
4	Other cash - restricted			1,482	1,307	1,307	0
7	Foreign currency						
	Total			1,482	1,307	1,307	0

Threshold		
Line Description	Question	Answer
Line Item Notes - Other cash - restricted (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	This change reflects the impact of guaranty agencies' ongoing operations.

**U.S. Department of the Treasury
Financial Management Service
Governmentwide Financial Report System
GF006 - FR Notes Report**

Note: 02 Cash and Other Monetary Assets

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 5

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: C

Section Name: Analysis of Cash Held Outside Treasury

No Data Flag: YES

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER
1		Total Cash Held Outside Treasury (reported to Treas central account thru the statement of Transac/ Stat of Accountbilit	Credit		
2			Credit		
3			Credit		
4			Credit		
5			Credit		
6			Credit		
7		Total cash reported in Note 2.	N/A		

Tab: Text Data

Line	Question	Answer
1	Describe the nature of the amount in the line item "other cash - not restricted."	
3	If the cash is restricted because it is non-entity, state the entity for which the cash is being held.	Cash and Other Monetary Assets consist of reserves held in the FFEL Guaranty Agency Federal Funds.
4	Is the reported restricted cash being held in a financial institution? If yes, is it a Treasury designated bank?	
5	If the agency has restricted cash, is the restricted cash invested? If yes, is it invested in the Bureau of the Fiscal Service (BFS) security, agency security, and/or non-Federal security?	
6	Describe the nature of the amount in the line item "Foreign currency."	
7	Disclose any restrictions on the use (for example, by law, regulation, or agreement) of the amount in the line item "Foreign Currency."	
8	Disclose the method of exchange rate used on the financial statement date (Treasury exchange rate or prevailing market rate).	
9	Provide additional details describibg the nature and cause of reconciling items reported in Section C, lines 2 through 6.	
10	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	Cash and Other Monetary Assets consist of guaranty agency reserves that represent the federal government's interest in the net assets of state and nonprofit FFEL Program guaranty agencies. Guaranty agency reserves include initial federal start-up funds, receipts of federal reinsurance payments, insurance premiums, guaranty agency share of collections on defaulted loans, investment income, administrative cost allowances, and other assets.

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Note: 03	Accounts and Taxes Receivable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 4	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Accounts and Taxes Receivable		D	A	121	92		
		Variance:		0	0	Rounding Method: Millions	Decimal: Zero
Line Status	Line Description		2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes	
1	Accounts receivable, gross		306	317	317	0	
2	Related interest receivable - accounts receivable						
3	Penalties, fines, and administrative fees receivable						
4	Less: allowance for loss on accounts receivable		-185	-225	-225	0	
5	Less: allowance for loss on interest receivable						
6	Less: allowance for loss on penalties, fines, and admin. fees rec.						
Total			121	92	92	0	

Tab: Text Data

Line	Question	Answer
1	Describe the method(s) used to calculate the allowances on accounts receivable.	The estimate of the allowance for loss on uncollectible accounts is based on Department experience in the collection of receivables and an analysis of the outstanding balances.
3	Explain any material difference between the balance of accounts receivable and the amounts reported on the Treasury Report on Receivables.	
4	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 04A Direct Loans Receivable and Mortgage Backed Securities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100 Department of Education	Agency Notes: Note 6	
Status: Complete	The accompanying notes are an integral part of these financial statements.	
I = Inactive Line		

Tab: Line Item Notes

Closing Package Line Description	NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Loans Receivable and mortgage backed securities	D	A	826,684	673,488		
		Variance:	0	0	Rounding Method: Millions	Decimal: Zero

Line Status	Line Description	CY Face Value of loans outstanding	CY Long-term cost of loans outstanding	CY Net loans receivable	PY Face Value of loans outstanding	PY Long-term cost of loans outstanding	PY Net loans receivable
1	Federal Direct Student Loans	613,860	-65,247	679,107	493,959	-32,076	526,035
4	Federal Family Education Loan	143,598	-2,133	145,731	147,003	898	146,105
17	Facilities Loan Program	1,221	197	1,024	1,068	415	653
18	Perkins Loan Program	523	154	369	495	144	351
19	Other Loans Receivable	559	106	453	437	93	344
20							
21							
22	All other loans receivable						
	Total	759,761	-66,923	826,684	642,962	-30,526	673,488

Line Description	Question	Answer
Line Item Notes - Federal Direct Student Loans (CY Face Value of loans outstanding)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The increase is due to new loan originations and consolidations, net of collections from borrowers.
Line Item Notes - Facilities Loan Program (CY Face Value of loans outstanding)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	Increase is primarily due to new HBCU loans disbursed.
Line Item Notes - Facilities Loan Program (CY Long-term cost of loans outstanding)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	Decrease is primarily due to downward subsidy re-estimates.
Line Item Notes - Other Loans Receivable (CY Face Value of loans outstanding)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The increase is due to TEACH loans disbursed during FY 2013, net of collections from borrowers.
Line Item Notes - Other Loans Receivable (CY Long-term cost of loans outstanding)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The increase is primarily due to the effect of subsidy transfers and upward subsidy re-estimates executed during FY 2013.

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Note: 04A Direct Loans Receivable and Mortgage Backed Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Subsidy Expense/(Income)

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Federal Direct Students Loans	Debit	-39,557	-10,720	-10,720	0
4		Federal Family Education Loan	Debit	-921	-2,799	-2,799	0
17			Debit				
18			Debit				
19			Debit				
20			Debit				
21			Debit				
22		All other loans receivable	Debit	3	35	35	0
23		Total	N/A	-40,475	-13,484	-13,484	0

Threshold

Line Description	Question	Answer
Other Notes Info - All other loans receivable (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The change is largely due to a net downward re-estimate.

Section: B **Section Name:** Foreclosed Assets - Balances (SFFAS No. 3, par. 91)

No Data Flag: YES

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Balances for property held Pre-1992	Debit				
2		Balances for property held Post-1991	Debit				

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Note: 04A Direct Loans Receivable and Mortgage Backed Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line	Question	Answer
1	Provide a broad description of foreclosed property.	
2	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	<p>The Department administers the William D. Ford Federal Direct Student Loan (Direct Loan) Program, to help students finance the costs of higher education. The Direct Loan Program, authorized by the Student Loan Reform Act of 1993, enables the Department to make loans directly to eligible undergraduate and graduate students and their parents through participating schools. Under this program, loans are made to individuals who meet statutorily set eligibility criteria and attend eligible institutions of higher education-public or private two- and four-year institutions, graduate schools, and vocational training schools.</p> <p>The Federal Credit Reform Act of 1990 (Credit Reform Act) underlies the proprietary and budgetary accounting treatment of direct loans. The long-term cost to the government for direct loans, other than for general administration of the programs, is referred to as "subsidy cost." Under the Credit Reform Act, subsidy costs for loans obligated beginning in fiscal year 1992 are estimated at the net present value of projected lifetime costs in the year the loan is obligated. Subsidy costs are then revalued annually through the re-estimate process.</p> <p>The Ensuring Continued Access to Student Loans Act of 2008 (ECASLA) amended the FFEL Program to authorize the Secretary to purchase or enter into forward commitments to purchase FFEL loans. This temporary loan purchase authority was to expire on September 30, 2009; however, Public Law (P.L.) 110-350 extended the authority through September 30, 2010. The Department has implemented three activities under this temporary loan purchase authority. These activities are: (1) loan purchase commitments under which the Department purchases loans directly from FFEL lenders; (2) loan participation purchases in which the Department purchases participation interests in FFEL loans; and (3) an Asset-Backed Commercial Paper (ABCP) Conduit in which the Department enters into a forward commitment to purchase FFEL loans from a conduit, as needed, to allow the conduit to repay short-term liquidity loans used to re-finance maturing commercial paper.</p> <p>The Teacher Education Assistance for College and Higher Education Grant (TEACH) Program was implemented beginning July 1, 2008. This program, added to the HEA by the College Cost Reduction and Access Act (CCRAA), awards annual grants to students who agree to teach in a high-need subject area in a public or private elementary or secondary school that serves low-income students.</p> <p>Estimates for credit program receivables and liabilities contain assumptions that have a significant impact on the financial statements. The primary components of this assumption set include, but are not limited to, collections (including loan consolidations), repayments, default rates, prevailing interest rates and loan volume. Actual loan volume, interest rates, cash flows and other critical components used in the estimation process may differ significantly from the assumptions made at the time the financial statements are prepared. Minor adjustments to any of these components may create significant changes to the estimate. The Department estimates all future cash</p>

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Note: 04A Direct Loans Receivable and Mortgage Backed Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line

Question

Answer

flows associated with the Direct Loan, FFEL and TEACH Programs. Projected cash flows are used to develop subsidy estimates. Subsidy cost can be positive or negative; negative subsidies occur when expected program inflows of cash (e.g., repayments and fees) exceed expected outflows. Subsidy cost is recorded as the initial amount of the loan guarantee liability when guarantees are made or as a valuation allowance to government-owned loans and interest receivable (i.e., direct and defaulted guaranteed loans).

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Note: 04B	Loan Guarantees	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 6	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes							
Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Loan Guarantee Liabilities		C	L	0	1,037		
Variance:				0	0	Rounding Method: Millions Decimal: Zero	
Line Status	Line Description			2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Federal Family Education Loans						
13	Federal Family Education Loans			0	1,037	1,037	0
14							
15							
16							
17							
18	All other loan guarantee liabilities						
	Total			0	1,037	1,037	0

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Note: 04B Loan Guarantees
Entity: 9100 Department of Education

Fiscal Year: 2013 **Period:** SEPTEMBER
Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Other Related Information

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	CY Face Value of Loans Outstanding D	CY Amount Guaranteed by the Government D	CY Subsidy Expense D	PY Face Value of Loans Outstanding D	PY Amount Guaranteed by the Government D	PY Subsidy Expense D
1		Federal Family Education Loans	N/A	263,984	258,434	-7,832	290,668	284,552	-11,582
13			N/A						
14			N/A						
15			N/A						
16			N/A						
17			N/A						
18		All other loans guarantee liabilities	N/A						
19		Total:	N/A	263,984	258,434	-7,832	290,668	284,552	-11,582

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Note: 04B Loan Guarantees
Entity: 9100 Department of Education

Fiscal Year: 2013 **Period:** SEPTEMBER
Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line

1

Question

Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.

Answer

The Department administers the Federal Family Education Loan (FFEL) Program, to help students finance the costs of higher education. The FFEL Program, initially authorized by the Higher Education Act of 1965 (HEA), as amended, cooperates with state and private nonprofit Guaranty Agencies to provide loan guarantees and interest subsidies on loans made by private lenders to eligible students. Under this program, loans are made to individuals who meet statutorily set eligibility criteria and attend eligible institutions of higher education-public or private two- and four-year institutions, graduate schools, and vocational training schools.

The Federal Credit Reform Act of 1990 (Credit Reform Act) underlies the proprietary and budgetary accounting treatment of guaranteed loans. The long-term cost to the government for loan guarantees, other than for general administration of the programs, is referred to as "subsidy cost." Under the Credit Reform Act, subsidy costs for loans obligated beginning in fiscal year 1992 are estimated at the net present value of projected lifetime costs in the year the loan is obligated. Subsidy costs are then revalued annually through the re-estimate process.

Estimates for credit program receivables and liabilities contain assumptions that have a significant impact on the financial statements. The primary components of this assumption set include, but are not limited to, collections (including loan consolidations), repayments, default rates, prevailing interest rates and loan volume. Actual loan volume, interest rates, cash flows and other critical components used in the estimation process may differ significantly from the assumptions made at the time the financial statements are prepared. Minor adjustments to any of these components may create significant changes to the estimate. The Department estimates all future cash flows associated with the Direct Loan, FFEL and TEACH Programs. Projected cash flows are used to develop subsidy estimates. Subsidy cost can be positive or negative; negative subsidies occur when expected program inflows of cash (e.g., repayments and fees) exceed expected outflows. Subsidy cost is recorded as the initial amount of the loan guarantee liability when guarantees are made or as a valuation allowance to government-owned loans and interest receivable (i.e., direct and defaulted guaranteed loans).

The Department uses a computerized cash flow projection Student Loan Model to calculate subsidy estimates for the Direct Loan, FFEL and TEACH Programs. Each year, the Department re-evaluates the estimation methods related to changing conditions. The Department uses a probabilistic technique to forecast interest rates based on different methods to establish the relationship between an event's occurrence and the magnitude of its probability. The Department's approach estimates interest rates under numerous scenarios and then bases interest rates on the average interest rates weighted by the assumed probability of each scenario occurring. Probabilistic methodology facilitates the modeling of the Department's unique loan programs.

For each program, cash flows are projected over the life of the loans, aggregated by loan type, cohort year and risk category. The loan's cohort year represents the year a

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Note: 04B Loan Guarantees
Entity: 9100 Department of Education

Fiscal Year: 2013

Period: SEPTEMBER

Agency Notes: Note 6

Status: Complete

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

I = Inactive Line

Tab: Text Data

Line

Question

Answer

direct loan was obligated or a loan was guaranteed, regardless of the timing of disbursements. Risk categories include two-year colleges, freshmen and sophomores at four-year colleges, juniors and seniors at four-year colleges, graduate schools and proprietary (for-profit) schools.

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Note: 05	Inventories and Related Property	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description	NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Inventories and Related Property	D	A	0	0		
		Variance:	0	0	Rounding Method: Millions	Decimal: Zero

Line Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Gross Inventory - balance beginning of year				
2	Prior-period adjustment (not restated)				
3	Capitalized acquisitions from the public				
4	Capitalized acquisitions from Government agencies				
5	Inventory sold or used				
6	Total allowance for inventories and related property				
	Total				

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Note: 05 Inventories and Related Property

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Inventory Yearend Balances by Category Type **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Inventory purchased for sale	Debit				
2		Inventory held in reserve for future sale to the public	Debit				
3		Inventory and operating materials and supplies held for repair	Debit				
4		Inventory - excess, obsolete, and unserviceable	Debit				
5		Operating materials and supplies held for use	Debit				
6		Operating materials and supplies held in reserve for future use	Debit				
7		Operating materials and supplies excess, obsolete, and unserviceable	Debit				
8		Stockpile materials	Debit				
9		Stockpile materials held for sale	Debit				
10		Forfeited property	Debit				
11		Other related property	Debit				
12		Total allowance for inventories and related property	Credit				
13		Total inventories and related property, net	N/A				

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Note: 05	Inventories and Related Property	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: B	Section Name: Capitalized Acquisitions From Government Agencies by Trading Partner	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		General Services Administration	Debit				
2		Department of Defense	Debit				
3		Department of Justice	Debit				
4		National Aeronautics and Space Administration	Debit				
5		All other departments	Debit				
6		Total Capitalized Assets from Federal Agencies	N/A				

Section: C	Section Name: Other Information - Dollar Value	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Seized property	Debit				
2		Forfeited property	Debit				
3		Goods held under price support and stabilization programs	Debit				

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Note: 05	Inventories and Related Property	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: D	Section Name: Other Information - Number of Items/Volume	No Data Flag: YES	Line Attributes: Units
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Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Seized property	N/A				
2		Forfeited property	N/A				
3		Goods held under price support and stabilization programs	N/A				

Tab: Text Data		No Data Flag: YES
Line	Question	Answer
1	Method used to calculate allowance for each category of inventory.	
2	Significant accounting principles and methods of applying those principles.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 06 Property, Plant, and Equipment

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 7

Status: Complete

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

I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER			
Property, Plant and Equipment		D	A	2	7			
		Variance:		0	0	Rounding Method: Millions	Decimal: Zero	
Line Status	Line Description	CY PP&E	CY Accum. Depr./Amortization	CY Net PP&E	PY PP&E	PY Accum. Depr./Amortization	PY Net PP&E	
1	PP&E - balance beginning of year	179	172	7	179	163	16	
2	Prior-period adjustments (not restated)							
3	Capitalized acquisitions from the public	1		1	0		0	
4	Capitalized acquisitions from Government agencies							
5	Deletions from the Balance Sheet							
6	Revaluations							
7	Stewardship reclassifications							
8	Depreciation/amortization		6	-6		9	-9	
	Total	180	178	2	179	172	7	

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Note: 06 Property, Plant, and Equipment

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 7

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Cost of PP&E for each category

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Buildings, structures, and facilities (including improvement to land)	Debit				
2		Furniture, fixtures, and equipmen (including aircraf,ships, vessels, small boats, and vehicles)	Debit	3	3	3	0
3		Construction in progress	Debit				
4		Land and Land Rights	Debit				
5		Internal use software	Debit	177	176	176	0
6		Assets under capital lease	Debit				
7		Leasehold improvements	Debit				
8		Other property, plant and equipment	Debit				
9		Total property, plant and equipment	N/A	180	179	179	0

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Note: 06 Property, Plant, and Equipment

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 7

Status: Complete

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

I = Inactive Line

Section: B **Section Name:** Accumulated Depreciation/Amortization

Line Attributes: Dollars
Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Buildings, structures, and facilities (including improvements to land)	Credit				
2		Furniture, fixtures, and equipment (including aircraft, ships, vessels, small boats, and vehicles)	Credit	3	3	3	0
3		Internal use software	Credit	175	169	169	0
4		Assets under capital lease	Credit				
5		Leasehold improvements	Credit				
6		Other property, plant, and equipment	Credit				
7		Total accumulated depreciation/amortization	N/A	-178	-172	-172	0

Section: C **Section Name:** Intragovernmental Capitalized acquisition amounts

No Data Flag: YES

Line Attributes: Dollars
Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		General Services Administration	Debit				
2		Department of Defense	Debit				
3		Department of the Interior	Debit				
4		Department of Justice	Debit				
5		National Aeronautics and Space Administration	Debit				

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Note: 06 Property, Plant, and Equipment

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 7

Status: Complete

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

I = Inactive Line

Section: C **Section Name:** Intragovernmental Capitalized acquisition amounts **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
6		All other departments	Debit				
7		Total capitalized assets from Federal agencies	N/A				

Section: D **Section Name:** Gain/Loss on Sale/Disposition **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: User-Defined **Decimal:** User-Defined

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Gain/loss on sale/disposition of property, plant and equipment	Credit				

Tab: Text Data

Line	Question	Answer
1	Provide the physical quantity information by category for multiuse heritage assets that are included in the "Line Item Notes" tab of this note (SFFAS No. 29, par 25).	
2	Provide any other relevant information pertaining to this note and any material changes from the prior fiscal years' depreciation methods and capitalization thresholds. In addition, describe briefly the significant accounting policies pertaining to this note.	The Department capitalizes single items of property and equipment with a cost of \$50,000 or more that have an estimated useful life of two years or more. Additionally, the Department capitalizes bulk purchases of property and equipment with an aggregate cost of \$500,000 or more. A bulk purchase is defined as the purchase of like items related to a specific project, or the purchase of like items occurring within the same fiscal year that have an estimated useful life of at least two years. Property and equipment are depreciated over their estimated useful lives using the straight-line method of depreciation. Internal Use Software meeting the above cost and useful life criteria is also capitalized. Internal Use Software is either purchased off the shelf, internally developed, or contractor developed solely to meet the Department's needs.

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Note: 07	Debt and Equity Securities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description	NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Debt and Equity Securities	D	A	0	0		
		Variance:	0	0	Rounding Method: Millions	Decimal: Zero

Line Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Fixed/Debt Securities (FASB ASC 320-10-50-1 and 320-10-50-9): Non-U.S. Government Securities				
2	Fixed/Debt Securities (FASB ASC 320-10-50-1 and 320-10-50-9): Commercial Securities				
3	Fixed/Debt Securities (FASB ASC 320-10-50-1 and 320-10-50-9): Mortgage/asset backed Securities				
4	Fixed/Debt Securities (FASB ASC 320-10-50-1 and 320-10-50-9):Corporate and other bonds				
5	All other Fixed Income/Debt Securities (FASB ASC 320-10-50-1 and 320-10-50-9) All:Other fixed/debt securities				
6	Equity Securities (FASB ASC 320-10-50-1 and 320-10-50-9): Common Stocks				
7	Equity Securities (FASB ASC 320-10-50-1 and 320-10-50-9): Unit Trusts				
8	Equity Securities (FASB ASC 320-10-50-1 and 320-10-50-9): All Other Equity				

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Note: 07	Debt and Equity Securities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Line	Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
		Securities				
9		Other				
		Total				

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Note: 07	Debt and Equity Securities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A Section Name: Investment Category - Held-to-Maturity Securities No Data Flag: YES Line Attributes: Dollars Rounding Method: Millions Decimal: Zero									
Line	Status	Line Description	NB	CY Basis (Costs) D	CY Unamortized Premium/Discount D	CY Net Investment	PY Basis (Costs) D	PY Unamortized Premium/Discount D	PY Net Investment
1		Fixed/Debt Securities: Non-U.S. Government securities	N/A						
2		Fixed/Debt Securities: Non-U.S. Commercial securities	N/A						
3		Fixed/Debt Securities: Mortgage/asset backed securities	N/A						
4		Fixed/Debt Securities: Corporate and other bonds	N/A						
5		Fixed/Debt Securities: All other fixed income/debt securities	N/A						
6		Equity Securities: Common stocks	N/A						
7		Equity Securities: Unit trusts	N/A						
8		Equity Securities: All Other equity securities	N/A						
9		Other	N/A						
10		Total Held-to-Maturity Securities	N/A						

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Note: 07 Debt and Equity Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: B **Section Name:** Investment Category - Available-for-Sale Securities **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	CY Basis (Costs) D	CY Unrealized Gain/Loss D	CY Market Value	PY Basis (Costs) D	PY Unrealized Gain/Loss D	PY Market Value
1		Fixed/Debt Securities: Non-US Government securities	N/A						
2		Fixed/Debt Securities: Commercial securities	N/A						
3		Fixed/Debt Securities: Mortgage/asset backed securities	N/A						
4		Fixed/Debt Securities: Corporate and other bonds	N/A						
5		Fixed/Debt Securities: All other fixed income/debt securities	N/A						
6		Equity Securities: Common stocks	N/A						
7		Equity Securities: Unit trusts	N/A						
8		Equity Securities: All other equity securities	N/A						
9		Other	N/A						
10		Total Available-for-Sale Securities	N/A						

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Note: 07 Debt and Equity Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: C **Section Name:** Investment Category - Trading Securities **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	CY Basis (Costs) D	CY Unrealized Gain/Loss D	CY Market Value	PY Basis (Costs) D	PY Unrealized Gain/Loss D	PY Market Value
1		Fixed/Debt Securities: Non-US Government securities	N/A						
2		Fixed/Debt Securities: Commercial securities	N/A						
3		Fixed/Debt Securities: Mortgage/asset backed securities	N/A						
4		Fixed/Debt Securities: Corporate and other bonds	N/A						
5		Fixed/Debt Securities: All other fixed income/debt securities	N/A						
6		Equity Securities: Common stocks	N/A						
7		Equity Securities: Unit trusts	N/A						
8		Equity Securities: All other equity securities	N/A						
9		Other	N/A						
10		Total Trading Securities	N/A						

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Note: 07 Debt and Equity Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: D **Section Name:** Other Information **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Change
1		Proceeds from sales of available-for-sale securities (FASB ASC 320-10-50-9)	Debit				
2		Gross realized gains (included in earnings) from sales of available-for-sale securities (FASB ASC 320-10-50-9)	Debit				
3		Gross realized losses (included in earnings) from sales of available-for-sale securities (FASB ASC 320-10-50-9)	Credit				
4		Gross gains included in earnings from s from transfers of securities from available-for-sale into trading	Debit				
5		Gross losses included in earnings from s from transfers of securities from available-for-sale into trading	Credit				
6		Net unrealized holding gain on available-for-sale securities included in accumulated other comprehensive income	Debit				

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Note: 07 Debt and Equity Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: D **Section Name:** Other Information **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Change
7		Net unrealized holding loss on available-for-sale securities included in accumulated other comprehensive income	Credit				
8		Amount of gains/losses reclassified out of accumulated other comprehensive income into earnings for the period	Debit				
9		Portion of trading gains/losses that relates to trading securities still held at the reporting date	Debit				
10		Net carrying amount of sold/transferred held-to-maturity securities (FASB ASC 320-10-50-10)	Debit				
11		Net gain/loss in accum. other comp. income for any derivative that hedged the forecasted acquisition of HTM security	Debit				

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Note: 07 Debt and Equity Securities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Tab: Text Data

No Data Flag: YES

Line	Question	Answer
1	Provide a description of the amounts reported on the "Line Item Notes" tab for lines 5, 8 and 9.	
2	Provide a description of the amounts reported on the "Other Notes Infor" tab for lines 5, 8 and 9 in Sections A through C.	
3	Provide the basis on which the cost of a security sold or the amount reclassified out of accumulated other comprehensive income into earnings was determined (FASB ASC 320-10-50-9).	
4	Provide the circumstances leading to the decision to sell or transfer the security for held-to-maturity securities (FASB ASC 320-10-50-10).	
5	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 08 Other Assets
Entity: 9100 Department of Education
Status: Complete

Fiscal Year: 2013 **Period:** SEPTEMBER
Agency Notes: Note 8

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

I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Other Assets		D	A	13	21		
			Variance:	0	0	Rounding Method: Millions	Decimal: Zero
Line Status	Line Description			2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Advances and prepayments			6	9	9	0
4	Regulatory assets						
5	Derivative assets						
6	Other assets			7	12	12	0
	Total			13	21	21	0

Threshold

Line Description	Question	Answer
Line Item Notes - Advances and prepayments (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	These balances primarily represent estimated grant advances for ARRA and Education Jobs Fund appropriations. The decrease in the estimate from FY 2012 to FY 2013 is related to the decrease in the available balance of ARRA and Education Jobs Fund appropriations.
Line Item Notes - Advances and prepayments (2012 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	These balances primarily represent estimated grant advances for ARRA and Education Jobs Fund appropriations. The decrease in the estimate from FY 2012 to FY 2013 is related to the decrease in the available balance of ARRA and Education Jobs Fund appropriations.
Line Item Notes - Other assets (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The decrease is due to a decrease in in-process invoices for FFEL interest benefits and special allowance payments to lenders.
Line Item Notes - Other assets (2012 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The decrease is due to a decrease in in-process invoices for FFEL interest benefits and special allowance payments to lenders.

Tab: Text Data

Line	Question	Answer
1	Provide a description of advances and prepayments on the "Line Item Notes" tab for line 1.	Advances and Prepayments consist of payments made to grant recipients in advance of their expenditures and in-process invoices for interest benefits and special allowances for the FFEL Program.
2	Provide a description and related amounts for balances that exceed \$1 billion in the line titled "Other Assets" on the "Line Item Notes" tab.	
3	Provide the amounts that are designated as either non-hedging or hedging instruments.	
4	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 09	Accounts Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 9	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes							
Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Accounts Payable		C	L	4,127	4,098		
			Variance:	0	0	Rounding Method: Millions	
						Decimal: Zero	
Line Status	Line Description			2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Accounts Payable			4,127	4,098	4,098	0
	Total			4,127	4,098	4,098	0

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Note: 09	Accounts Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 9	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Interest	No Data Flag: YES	Line Attributes: Dollars							
			Rounding Method: Millions							
			Decimal: Zero							
Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	C	Previously Rptd	C	Line Item Changes	D
1		Interest accrued and owed to others	N/A							

Tab: Text Data **No Data Flag:** YES

Line	Question	Answer
1	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 10B	Treasury securities held by the Government trust, revolving, and special funds	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Investments in Federal Debt securities **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: User-Defined **Decimal:** User-Defined

Line	Status	Line Description	NB	CY Par value of the investment D	CY Unamortized Discount C	CY Unamortized premium D	CY Net Investment	PY Par Value of the investment D	PY Unamortized discount C
23			N/A						
24			N/A						
25			N/A						
26		All other programs and funds	N/A						
27		Total	N/A						

Line	Status	Line Description	NB	PY Unamortized premium D	PY Net Investment
23			N/A		
24			N/A		
25			N/A		
26		All other programs and funds	N/A		
27		Total	N/A		

Section: B **Section Name:** Fiduciary Funds - Tresury Securities Held by Deposit Funds (or Held by Non-Federal Custodians) with Fiduciary Activity **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	CY Par value of the investment D	CY Unamortized discount C	CY Unamortized premium D	CY Net Investment	PY Par value of the investment D	PY Unamortized discount C
1			N/A						
2			N/A						
3			N/A						
4			N/A						
5			N/A						
6			N/A						
7			N/A						
8			N/A						
9			N/A						
10			N/A						
11			N/A						
12			N/A						

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Note: 10B	Treasury securities held by the Government trust, revolving, and special funds	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: B	Section Name: Fiduciary Funds - Tresury Securities Held by Deposit Funds (or Held by Non-Federal Custodians) with Fiduciary Activity	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: Millions
			Decimal: Zero

Line	Status	Line Description	NB	CY Par value of the investment D	CY Unamortized discount C	CY Unamortized premium D	CY Net Investment	PY Par value of the investment D	PY Unamortized discount C
13			N/A						
14			N/A						
15			N/A						
16		Total	N/A						

Line	Status	Line Description	NB	PY Unamortized premium D	PY Net Investment
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11			N/A		
12			N/A		
13			N/A		
14			N/A		
15			N/A		
16		Total	N/A		

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Note: 10B	Treasury securities held by the Government trust, revolving, and special funds	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.	I = Inactive Line	

Section: C		Section Name: Fiduciary Funds-Treasury Securities Held by All Other Agency Funds with Fiduciary Activity		No Data Flag: YES		Line Attributes: Dollars Rounding Method: Millions		Decimal: Zero	
Line	Status	Line Description	NB	CY Par value of the investment D	CY Unamortized discount C	CY Unamortized premium D	CY Net Investment	PY Par value of the investment D	PY Unamortized discount C
1			N/A						
2			N/A						
3			N/A						
4			N/A						
5			N/A						
6			N/A						
7			N/A						
8			N/A						
9			N/A						
10			N/A						
11			N/A						
12			N/A						
13			N/A						
14			N/A						
15			N/A						
16		Total	N/A						

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Note: 10B	Treasury securities held by the Government trust, revolving, and special funds	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C	Section Name: Fiduciary Funds-Treasury Securities Held by All Other Agency Funds with Fiduciary Activity	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	PY Unamortized premium C	PY Net Investment
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11			N/A		
12			N/A		
13			N/A		
14			N/A		
15			N/A		
16		Total	N/A		

Tab: Text Data		No Data Flag: YES
Line	Question	Answer
1	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 11	Federal Employee and Veteran Benefits Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 11	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes						
Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER	
Federal Employee and Veteran Benefits Payable		C	L	15	16	
		Variance:		0	0	Rounding Method: Millions Decimal: Zero
Line Status	Line Description		2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	Pension and accrued benefits					
2	Post-retirement health and accrued benefits					
3	Veteran's compensation and burial benefits					
4	Life Insurance and accrued benefits					
5	FECA Benefits		15	16	16	0
6	Liability for other retirement and postemployment benefits					
	Total		15	16	16	0

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Note: 11 Federal Employee and Veteran Benefits Payable

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 11

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Pension and Accrued Benefits Liability-To be completed for the amount entered for pension and accrued benefits in the "Line Item Notes" tab **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Pension and accrued benefits liability- beginning of period	Credit				
2		Prior-period adjustments(not restated)	Credit				
3		Prior (and past) service costs from plan amendments (or the initiation of a new plan) during the period	Credit				
4		Normal Costs (SFFAS No. 5, par. 72)	Credit				
5		Interest on pension liability during the period	Credit				
6		Prior (and past) service cost (from the initiation of a new plan)	Credit				
7		Actuarial (gains)/losses (from experience) (SFFAS No. 33, par. 22)	Credit				
8		Actuarial (gains)/losses (from assumption changes) (SFFAS No. 33, par. 22)	Credit				
9		Other	Credit				
10		Total pension expense (SFFAS No. 5, par.72)	N/A				
11		Less Benefits Paid	Debit				

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Note: 11 Federal Employee and Veteran Benefits Payable

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 11

Status: Complete

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

I = Inactive Line

Section: A **Section Name:** Pension and Accrued Benefits Liability-To be completed for the amount entered for pension and accrued benefits in the "Line Item Notes" tab **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
12		Pension and Accrued Benefits Liability-end of period	N/A				

Section: B **Section Name:** Pension Liability Long-Term Significant Assumptions Used in the Current FY and Prior FY Valuation **No Data Flag:** YES **Line Attributes:** Percent

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Rate of Interest (except OPM)	N/A				
2		Rate of inflation (except OPM)	N/A				
3		Projected salary increases (except OPM)	N/A				

Section: C **Section Name:** Postretirement Health and Accrued Benefits **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Postretirement health and accrued benefits liability-beginning of period (SFFAS No. 5, par.88)	Credit				
2		Prior-period adjustments (not restated)	Credit				
3		Prior (and past) service costs from plan amendments (or the initiation of	Credit				

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Note: 11	Federal Employee and Veteran Benefits Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 11	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C	Section Name: Postretirement Health and Accrued Benefits	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: Millions
			Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
		a new plan) during the period					
4		Normal costs	Credit				
5		Interest on liability	Credit				
6		Actuarial (gains)/losses (from experience)	Credit				
7		Actuarial (gains)/losses (from assumption changes)	Credit				
8		Other	Credit				
9		Total postretirement health benefits expense	N/A				
10		Less claims paid	Debit				
11		Postretirement health and accrued benefits liability-end of period	N/A				

Section: D	Section Name: Postretirement Health Liability Significant Assumptions Used in Determining the Current FY and Prior FY Valuation	No Data Flag: YES	Line Attributes: Percent
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Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Rate of Interest	N/A				
2		Ultimate rate of medical trend	N/A				
3		Single equivalent rate of medical trend	N/A				

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Note: 11	Federal Employee and Veteran Benefits Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 11	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: F	Section Name: Other	No Data Flag: YES	Line Attributes: Dollars	Rounding Method: User-Defined	Decimal: User-Defined
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Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Non-marketable Treasury securities held by Thrift Savings Plan (TSP) Fund	Debit				
2		Total assets of pension (SFFAS No.5, par. 68)	Debit				
3		Market value of investments in market-based and marketable securities included in line 2	Debit				
4		Total assets of other retirement benefit plans (SFFAS No. 5, par. 85)	Debit				
5		Market value of investments in market-based and marketable securities included in line 4 (SFFAS no. 5, par.85)	Debit				

Section: K	Section Name: Workers' Compensation Benefits (to be completed by DOL)	No Data Flag: YES	Line Attributes: Percent
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Line	Status	Line Description	NB	COLA	CPIM
5	I	2017+	N/A		

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Note: 11 Federal Employee and Veteran Benefits Payable

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 11

Status: Complete

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

I = Inactive Line

Tab: Text Data

No Data Flag: YES

Line	Question	Answer
1	Provide the following information as it relates to the future policy benefits for noncancelable and renewable life insurance (other than whole life) (SFFAS No. 5, par. 110, table 9): a description of each component of the liability for future policy benefits, an explanation of its projected use, and any other potential uses.	
2	For pension plans that differ from the Civil Service Retirement System (CSRS), the Federal Employee Retirement System (FERS), and the Military Retirement System (MRS), describe how and why the assumptions differ from one of those plans (SFFAS No. 5, par. 67).	
3	Provide the long-term projection of the significant economic assumptions used in determining pension liability and the related expense (example of assumptions: actuarial, economic, interest rate, and trend).	
4	Provide a description of the changes in the significant assumptions used in determining pension liability and the related expense (SFFAS No. 33, par.19).	
5	Provide the long-term projection of the significant economic assumptions used in determining the postretirement health benefits liability and the related expense (example of assumptions: actuarial, economic, interest rate, and trend).	
6	Provide a description of the changes in the significant assumptions used in determining the postretirement health benefits liability and the related expense (SFFAS No. 33, par. 19).	
10	Provide the source(s) of the information entered for Line Item Notes tab lines 4, 5, and 6.	
11	Provide the source(s) for the components of pension expense entered in Section A.	
12	Provide the source(s) for the interest rate for pension expense entered in Section B.	
13	Provide the source(s) for the components of postretirement expense entered in Section C.	
14	Provide the source(s) for the interest rate for pension expense entered in Section D.	
17	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 12	Environmental and Disposal Liabilities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes						
Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER	
Environmental and Disposal Liabilities		C	L	0	0	
		Variance:		0	0	
				Rounding Method: Millions		
				Decimal: Zero		
Line	Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
9						
10						
11						
12						
13						
14		Other Environmental and Disposal Liabilities				
		Total				

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Note: 12	Environmental and Disposal Liabilities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Other Related Information	No Data Flag: YES	Line Attributes: Dollars	Rounding Method: User-Defined	Decimal: User-Defined		
Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Unrecognized portion of estimated total cleanup costs associated with general property, plant, and equipment	Debit				

Tab: Text Data **No Data Flag: YES**

Line	Question	Answer
1	List the applicable laws and regulations covering cleanup requirements	
2	Provide a description of the type of environmental and disposal liabilities identified.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 13	Benefits Due and Payable	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description	NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Benefits Due and Payable	C	L	0	0		
		Variance:	0	0	Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
9		Other Entitlement Benefits Due and Payable				
		Total				

Tab: Text Data **No Data Flag: YES**

Line	Question	Answer
1	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

**U.S. Department of the Treasury
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Note: 14	Insurance and Guarantee Program Liabilities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Insurance and Guarantee Program Liabilities		C	L	0	0		
Variance:				0	0	Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
7		Other Insurance Programs				
8						
9						
Total						

Tab: Text Data **No Data Flag: YES**

Line	Question	Answer
1	Provide a description for the type of insurance or guarantee programs identified in the "Line Item Notes" tab.	
2	Provide the name, description, and the related amounts of the insurance or guarantee programs entered on the line titled, "Other insurance programs" in the "Line Item Notes" tab.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 15 Other Liabilities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: Note 11

Status: Complete

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

I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description		NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Other Liabilities		C	L	2,302	3,036		
		Variance:		0	0	Rounding Method: Millions	Decimal: Zero
Line Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes		
1	Deferred revenue	31	36	36	0		
2	Accrued wages and benefits	28	26	26	0		
4	Other debt						
6	Legal and other contingencies						
7	Grant payments due to State and local governments and others	2,170	2,901	2,901	0		
8	Other employee and actuarial liabilities						
10	D.C. pension liability						
11	Custodial liabilities						
12	Accrued annual leave	36	37	37	0		
14	Advances and prepayments						
15	Farm and other subsidies						
16	Deposit funds	37	36	36	0		
17	Bonneville Power Administration non-Federal power projects and capital lease liabilities and disposal liabilities						
18	Derivative liabilities						
19							
20							
21							
22	Other Liabilities						
Total		2,302	3,036	3,036	0		

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Note: 15 Other Liabilities
Entity: 9100 Department of Education

Fiscal Year: 2013

Period: SEPTEMBER

Agency Notes: Note 11

Status: Complete

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

I = Inactive Line

Threshold

Line Description	Question	Answer
Line Item Notes - Deferred revenue (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	The decrease is primarily the result of a reduction of in process collections of negative special allowance.
Line Item Notes - Grant payments due to State and local governments and others (2013 - SEPTEMBER)	Please provide explanations for any amounts that have changed by 10% or more and or greater than 500,000 between the current fiscal year and prior fiscal year. (Unaudited)	These balances represent estimated liabilities for expenditures incurred by grantees prior to their receiving grant funds to cover the expenditures. The decrease reflects the impact of the cumulative disbursement of funds originally made available by the American Recovery and Reinvestment Act of 2009 and normal changes in the estimate of the amount based on statistical sampling.

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Note: 15	Other Liabilities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 11	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Other Information	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Reported
8		Grant payments due to State and local government and others (Transportation, HHS, and Education only)	Credit	2,170	2,901	

Tab: Text Data

Line	Question	Answer
1	Provide more details on the liabilities reported on the "Line Item Notes" tab for each line 1 through 21 by including a description of the significant related amounts and providing the page number and the documentation support by email to FRD's central mailbox at financial.reports@fms.treas.gov if amounts identified cannot be directly traced to the agency's financial report.	Other liabilities consists of liabilities not recognized in specific categories, including (but is not limited to) liabilities related to grants payable, and accrued liabilities related to ongoing continuous expenses such as Federal employee salaries and accrued employee annual leave.
2	Provide a description and related amounts for balances that exceed \$50 million on the Line Item Notes tab, line 21, "Other liabilities," and provide the page number of the agency's financial report where the amount is identified.	
3	Provide the amounts that are designated as either non-hedging or hedging instruments.	
4	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 17	Prior-Period Adjustments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Non-Federal Prior-Period Adjustments - Restated	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	Amount	C
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11		Total	N/A		

Section: B	Section Name: Federal Prior-Period Adjustments - Restated	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	Amount	C
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11		Total	N/A		

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Note: 17	Prior-Period Adjustments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C	Section Name: Non-Federal Correction of Errors	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	
Line	Status	Line Description	NB	Amount C
1			N/A	
2			N/A	
3			N/A	
4			N/A	
5			N/A	
6			N/A	
7			N/A	
8			N/A	
9			N/A	
10			N/A	
11		Total	N/A	

Section: D	Section Name: Federal Correction of Errors	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	
Line	Status	Line Description	NB	Amount C
1			N/A	
2			N/A	
3			N/A	
4			N/A	
5			N/A	
6			N/A	
7			N/A	
8			N/A	
9			N/A	
10			N/A	
11		Total	N/A	

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Note: 17	Prior-Period Adjustments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: E	Section Name: Non-Federal Immaterial Errors	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	Amount	C
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11		Total	N/A		

Section: F	Section Name: Federal Immaterial Errors	No Data Flag: YES	Line Attributes: Dollars	Decimal: Zero
			Rounding Method: Millions	

Line	Status	Line Description	NB	Amount	C
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11		Total	N/A		

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Note: 17 Prior-Period Adjustments

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: G **Section Name:** Closing Package Adjustments

Line Attributes: Dollars

Rounding Method: Millions

Decimal: Zero

Line	Status	Line Description	NB	Amount	C
1		9.2 Net Position - Funds from Dedicated Collections	N/A	3	
2			N/A		
3			N/A		
4			N/A		
5			N/A		
6			N/A		
7			N/A		
8			N/A		
9			N/A		
10			N/A		
11		Total	N/A	-3	

Tab: Text Data

Line	Question	Answer
1	Describe the restatements to the prior year that resulted from correcting errors that occurred in the prior year (data reported in Sections A and B).	
2	Describe any errors that occurred in years preceding the prior year that adjusted the prior-year beginning net position (data reported in Sections C and D).	
3	Describe any immaterial errors that occurred in the prior period(s) that were corrected against the current-year operations (data reported in Sections E and F).	
4	Describe any adjustments of the previous year (2011) reclassification in this year's (2012) Closing Package prior-year (2011) reporting (data reported in Section G), excluding amounts reported as restatements in Section A and B.	The Department elected to split the presentation of the Balance Sheet line item - Net Position into 9.1 Net Position - all other funds and Net Position - Funds from Dedicated Collections to show the funds from dedicated collections separately from other funds, even though the amount is immaterial to the financial statements.
5	Describe the adjustments to the current-year or prior-year beginning net position that resulted from changes in accounting principles as reported on the Reclassified Statement of Changes in Net Position, line 2.1 and/or line 3.1.	
6	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 18	Contingencies (SFFAS Nos. 5 and 12)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 20	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Insurance Contingencies (Reasonably Possible Only)	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
4			Credit				
5			Credit				
6			Credit				
7			Credit				
8			Credit				
9		Other insurance contingencies	Credit				
10		Total	N/A				

Section: B	Section Name: Insurance in force (Sum of Policy Face Value and Dividends Paid)	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
3	I		Credit				
4	I		Credit				
5	I		Credit				
6	I		Credit				
7	I		Credit				
8	I	Other insurance in force	Credit				
9	I	Total	Debit				

Section: C	Section Name: Civil Litigation, Claims and Assessments	Line Attributes: Dollars	Decimal: Zero
		Rounding Method: Millions	

Line	Status	Line Description	NB	CY Accrued/Estimated amount	CY Estimated Range(Low end)	CY Estimated Range (High end)	CY Claim amount(Unable to determine loss)	PY Accrued/Estimated amount	PY Estimated Range(Low end)
1		Probable	Credit						
2		Reasonably Possible	Credit			0			0

Line	Status	Line Description	NB	PY Estimated Range (High end)	PY Claim amunt (unable to determine)
1		Probable	Credit		
2		Reasonably Possible	Credit		

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Note: 18	Contingencies (SFFAS Nos. 5 and 12)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 20	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: D	Section Name: Environmental Litigation, Claims, and Assessments	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	CY Accrued/Estimated amount	CY Estimated Range (Low end)	CY Estimated Range (High end)	CY Claim amount (unable to determine)	PY Accrued/Estimated amount	PY Estimated Range (Low end)
1		Probable	Credit						
2		Reasonably Possible	Credit						

Line	Status	Line Description	NB	PY Estimated Range (High Range)	PY Claim amount (unable to determine)
1		Probable	Credit		
2		Reasonably Possible	Credit		

Section: E	Section Name: Other Contingencies	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	CY Probable	CY Reasonably Possible	PY Probable	PY Reasonably Possible
3			Credit				
4			Credit				
5			Credit				

Tab: Text Data		
Line	Question	Answer
1	Provide the nature of the insurance contingencies.	
2	Provide the nature of the litigation contingencies, including the range of loss for probable liabilities.	
3	Provide the nature of the litigation contingencies including the range of loss for reasonably possible contingencies.	The Department is involved in various lawsuits incidental to its operations. The Treasury Judgment Fund pays judgments resulting from litigation against the Department. In the opinion of management, the ultimate resolution of pending litigation will not have a material effect on the Department's financial position.
4	Provide the total claim amount for cases assessed as "unable to determine" if significant. Also, provide a statement on whether this materiality affects the financial statements.	
5	Describe the other claims that may derive from treaties or international agreements.	
6	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 19	Commitments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: Note 7 and 16	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Capital leases-Asset	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: User-Defined
			Decimal: User-Defined

Line	Status	Line Description	NB	CY Federal	CY Non-Federal	PY Federal	PY Non-Federal
1		Building	Debit				
2		Land	Debit				
3		Equipment	Debit				
4		Software license	Debit				
5		Other	Debit				
6		Accumulated depreciation/amortization	Credit				
7		Net assets under capital leases	N/A				

Section: B	Section Name: Capital leases - Liability	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: User-Defined
			Decimal: User-Defined

Line	Status	Line Description	NB	CY Federal	CY Non-Federal	PY Federal	PY Non-Federal
1		Future minimum lease programs	Credit				
2		Imputed interest	Debit				
3		Executory costs including any profit	Debit				
4		Total capital lease liability	N/A				

Section: C	Section Name: Commitments: Operating leases and undelivered orders	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: Millions
			Decimal: Zero

Line	Status	Line Description	NB	CY Federal	CY Non-Federal	PY Federal	PY Non-Federal
1		Operating leases	Credit	562	0	295	0
2		Undelivered orders	Credit	0	215,604	0	230,775

Threshold

Line Description	Question	Answer

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Note: 19	Commitments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 7 and 16
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C	Section Name: Commitments: Operating leases and undelivered orders	Line Attributes: Dollars	Decimal: Zero
		Rounding Method: Millions	

Threshold

Line Description	Question	Answer
Other Notes Info - Operating leases (CY Federal)	Please provide explanations for any amounts that have changed by 10% or more and or greater than \$500,000 between the current fiscal year and prior fiscal year. (unaudited)	The increase is primarily due to the change in requirements of A-136 to begin reporting both private and publicly owned buildings in fiscal year 2013. In fiscal year 2012, the requirement was to only record publicly owned building lease amounts. The new disclosure requirements includes 22 privately owned in addition to the previously recorded 8 publicly owned buildings in 19 cities.

Section: D	Section Name: Other Commitments	No Data Flag: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	CY Federal	CY Non-Federal	PY Federal	PY Non-Federal
9			Credit				
10			Credit				
11			Credit				
12			Credit				
13			Credit				
14		Total	N/A				

Tab: Text Data

Line	Question	Answer
1	Describe the lessee's leasing arrangements including the basis on which contingent rental payments are determined, the existence and terms of renewal or purchase options, escalation clauses and restrictions imposed by lease agreements.	The Department leases office space from the General Services Administration (GSA). The lease contracts with GSA for privately and publicly owned buildings are operating leases. Future lease payments are not accrued as liabilities, but expensed as incurred.
2	Explain any amounts listed in Section D in detail and reference the note, and/or location, in the agency's Performance and Accountability Report (PAR).	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Assets - Current Year **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	Cash and other monetary assets D	Fund balance with Treasury D	Inv in U. S. Treas. Sec.(net of prem. & disc) D	Interest Receivable D	Other Federal Assets (Funds from Dedicated Collec) D	Other Federal Assets (Funds not From Dedicat Coll) D
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A		3				
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A		3				

Line	Status	Line Description	NB	Other non-Federal Assets D	Total assets
26			N/A		
27			N/A		
28			N/A		
29			N/A		
30			N/A		
31		All other funds from dedicated collections	N/A		3
32		Intra-agency funds from dedicated collections elimination amounts	N/A		
33		Total	N/A		3

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: B		Section Name: Assets - Prior Year			Line Attributes: Dollars		Rounding Method: Millions		Decimal: Zero	
Line	Status	Line Description	NB	Cash and other monetary assets D	Fund balance with Treasury D	Inv. in U.S. Treas. Sec. (net of prem. & disc.) D	Interest Receivable D	Other Federal assets (Funds From Dedicated Collec) D	Other Federal Assets (Funds not from Dedicat Coll) D	
26			N/A							
27			N/A							
28			N/A							
29			N/A							
30			N/A							
31		All other funds from dedicated collections	N/A		3					
32		Intra-agency funds from dedicated collections elimination amounts	N/A							
33		Total	N/A		3					
Line	Status	Line Description	NB	Other non-Federal assets D	Total assets					
26			N/A							
27			N/A							
28			N/A							
29			N/A							
30			N/A							
31		All other funds from dedicated collections	N/A		3					
32		Intra-agency funds from dedicated collections elimination amounts	N/A							
33		Total	N/A		3					

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C **Section Name:** Liabilities and Net Position - Current Year **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	Benefits due and payable C	Other Fed. Liab. (Funds From Dedicated Collection) C	Other Fed. Liab. (Funds not from Dedicated Collec) C	Other non-Federal liabilities C	Total liabilities	Ending net position C
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A						3
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A						-3

Line	Status	Line Description	NB	Total liabilities and net position
26			N/A	
27			N/A	
28			N/A	
29			N/A	
30			N/A	
31		All other funds from dedicated collections	N/A	-3
32		Intra-agency funds from dedicated collections elimination amounts	N/A	
33		Total	N/A	-3

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: D **Section Name:** Liabilities and Net Position - Prior Year **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	Benefits due and payable C	Other Fed. Liab. (Funds From Dedicated Collection) C	Other Fed. Liab. (Funds not from Dedicated Collec) C	Other non-Federal liabilities C	Total liabilities	Ending net position C
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A						3
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A						-3

Line	Status	Line Description	NB	Total liabilities and net position
26			N/A	
27			N/A	
28			N/A	
29			N/A	
30			N/A	
31		All other funds from dedicated collections	N/A	-3
32		Intra-agency funds from dedicated collections elimination amounts	N/A	
33		Total	N/A	-3

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: E **Section Name:** Revenue, Financing, Expenses, and Other - Current Year
Line Attributes: Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	Net position, beginning of period C	Prior-period adjustment C	Investment revenue from Treasury Securities C	Individual income taxes and payroll tax withhold C	Unemployment and excise taxes C	Other taxes and receipts C
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A	3					
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A	-3					

Line	Status	Line Description	NB	Royalties and other special revenue C	All other financing sources C	Program gross cost or benefit payments D	Program earned revenues D	Non-program expenses D	Net position, end of period
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A			0	0		-3
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A			0	0		-3

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: F **Section Name:** Revenue, Financing, Expenses, and Other - Prior Year
Line Attributes: Dollars **Rounding Method:** Millions **Decimal:** Zero

Line	Status	Line Description	NB	Net position, beginning of period C	Prior-period adjustment C	Investment revenue from Treasury Securities C	Individual income taxes and payroll tax withhold C	Unemployment and excise taxes C	Other taxes and receipts C
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A	3					
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A	-3					

Line	Status	Line Description	NB	Royalties and other special revenue C	All other financing sources C	Program gross cost or benefit payments D	Program earned revenues D	Non-program expenses D	Net position, end of period
26			N/A						
27			N/A						
28			N/A						
29			N/A						
30			N/A						
31		All other funds from dedicated collections	N/A			0	0		-3
32		Intra-agency funds from dedicated collections elimination amounts	N/A						
33		Total	N/A			0	0		-3

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Note: 22	Funds From Dedicated Collections	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: G	Section Name: Number of Agency Funds From Dedicated Collections	Line Attributes: Units
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Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Total number of funds from dedicated collections	N/A	2.0000	2.0000		2.0000

Tab: Text Data		
Line	Question	Answer
1	Provide a general description of the individual funds from dedicated collections reported in the Other Notes Info tab (SFFAS No. 27, par. 33, as amended by SFFAS No. 43). Also describe how the entity accounts for and reports the fund (SFFAS No. 27, par. 23.1, as amended by SFFAS No. 43).	Funds from dedicated collections are recorded as specifically identified revenues, often supplemented by other financing sources, which remain available over time. These funds are required by statute to be used for designated activities, benefits, or purposes. The Department's funds from dedicated collections are primarily related to the 2005 Hurricane Relief efforts.
2	State the legal authority for the administrative entity of each fund to use the revenues and other financing sources based on SFFAS No. 27, par. 23.1, as amended by SFFAS No. 43.	Funds from dedicated collections are recorded as specifically identified revenues, often supplemented by other financing sources, which remain available over time. These funds are required by statute to be used for designated activities, benefits, or purposes. The Department's funds from dedicated collections are primarily related to the 2005 Hurricane Relief efforts.
3	Explain any change in legislation during or subsequent to the reporting period and before the issuance of the financial statements that significantly change the purpose of the fund or that redirect a material portion of the accumulated balance (SFFAS No. 27, par. 23.3, as amended by SFFAS No. 43).	
4	Provide the sources of revenue and other financing for amounts reported in columns 3 through 8 of Sections E and F in the Other Notes Info tab (SFFAS No. 27, par. 23.2, as amended by SFFAS No. 43).	In the aftermath of Hurricane Katrina, a number of foreign governments, international entities and individuals made donations of financial assistance to the U.S. Government to support Katrina relief and recovery efforts. These donations were received by the U.S. Department of State as an intermediary. Subsequently, \$61 million was transferred to the Department to finance educational initiatives in Louisiana and Mississippi under a Memorandum of Understanding issued in March 2006.
5	Provide any other relevant information pertaining to this note, including explanation for prior-period adjustments, if any. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 25	Stewardship Land	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: A **Section Name:** Stewardship Land (SFFAS No. 29, par. 40d) **No Data Flag:** YES **Line Attributes:** Units

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Public Land	N/A				
2		National Forest System	N/A				
3		National Wildlife Refuge System	N/A				
4		National Park System	N/A				
5		Withdrawn public land	N/A				
6		Mission Land	N/A				
7		Water, power, and recreation	N/A				
8		Geographic management areas	N/A				
9		National fish hatcheries	N/A				
10		Conservation areas	N/A				
11		National marine monuments	N/A				
12		All other	N/A				

Tab: Text Data **No Data Flag: YES**

Line	Question	Answer
1	Describe the predominant uses of the stewardship land (SFFAS 29, par. 40c).	
2	Provide the condition of the stewardship land (SFFAS 29, par. 41).	
3	Provide a brief statement explaining how the stewardship land relates to the mission of the agency (SFFAS No. 29, par. 40a).	
4	Provide a brief description of the agency's stewardship policies for stewardship land (SFFAS No. 29, par. 40b).	
5	Provide any other information relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 26	Heritage Assets	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: A	Section Name: Collection Type Heritage Assets (SFFAS No. 29, par. 25d)	No Data Flag: YES	Line Attributes: Units		
Line	Status	Line Description	NB	Physical units at the end of the Current FY	Physical units at the end of the Prior FY
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		

Section: B	Section Name: Non-Collection Type Heritage Assets (SFFAS No. 29, par. 25d)	No Data Flag: YES	Line Attributes: Units		
Line	Status	Line Description	NB	Physical units at the end of the Current FY	Physical units at the end of the Prior FY
1			N/A		
2			N/A		
3			N/A		
4			N/A		
5			N/A		

Tab: Text Data		No Data Flag: YES
Line	Question	Answer
1	Provide a brief statement explaining how heritage assets relate to the mission of the agency (SFFAS No. 29, par. 25a).	
2	Provide a brief description of the agency's stewardship policies for each major category of the heritage assets (SFFAS No. 29, par. 25b).	
3	Provide a brief description of the condition of each category of the heritage assets (SFFAS 29, par. 26).	
4	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 27	Fiduciary Activities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Schedule of Fiduciary Net Assets - Deposit Funds - Current Year	No Data Flag: YES	Line Attributes: Dollars Rounding Method: Millions Decimal: Zero
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Line	Status	Line Description	NB	Inv. in Fed. debt secs-net of unam. prems & discs. D	Fid. FBWT (USSGL account 1010 only) D	Interest Receivable on Fed. debt securities D	Invest. in non-Fed. debt secs.(& relaed int. rec.) D	Cash & cash equivalents D	Other assets D
8			N/A						
9			N/A						
10			N/A						
11			N/A						
12			N/A						

Line	Status	Line Description	NB	Liability due & payable to beneficiaries C	Other liabilities C	Total fiduciary net assets
8			N/A			
9			N/A			
10			N/A			
11			N/A			
12			N/A			

Section: B	Section Name: Schedule of Fiduciary Net Assets - Deposit Funds - Prior Year	No Data Flag: YES	Line Attributes: Dollars Rounding Method: Millions Decimal: Zero
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Line	Status	Line Description	NB	Inv. in Fed. debt secs-net of unam. prems & discs. D	Fid. FBWT (USSGL account 1010 only) D	Interest Receivable on Fed. debt securities D	Invest. in non-Fed. debt secs.(& relaed int. rec.) D	Cash & cash equivalents D	Other assets D
8			N/A						
9			N/A						
10			N/A						
11			N/A						
12			N/A						

Line	Status	Line Description	NB	Liability due & payable to beneficiaries C	Other liabilities C	Total fiduciary net assets
8			N/A			
9			N/A			
10			N/A			
11			N/A			
12			N/A			

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Note: 27	Fiduciary Activities	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Section: C		Section Name: Schedule of Fiduciary Net Assets - All Other Agency Funds- Current Year			No Data Flag: YES		Line Attributes: Dollars		Decimal: Zero	
							Rounding Method: Millions			
Line	Status	Line Description	NB	Inv. in Fed. debt secs-net of unam. prems & discs. D	Fid. FBWT (USSGL account 1010 only) D	Interest Receivable on Fed. debt securities D	Invest. in non-Fed. debt secs.(& relaed int. rec.) D	Cash & cash equivalents D	Other assets D	D
3			N/A							
4			N/A							
5			N/A							
6			N/A							
7			N/A							
Line	Status	Line Description	NB	Liability due & payable to beneficiaries C	Other liabilities C	Total fiduciary net assets				
3			N/A							
4			N/A							
5			N/A							
6			N/A							
7			N/A							

Section: D		Section Name: Schedule of Fiduciary Net Assets - All Other Agency Funds - Prior Year			No Data Flag: YES		Line Attributes: Dollars		Decimal: Zero	
							Rounding Method: Millions			
Line	Status	Line Description	NB	Inv. in Fed. debt secs-net of unam. prems & discs. D	Fid. FBWT (USSGL account 1010 only) D	Interest Receivable on Fed. debt securities D	Invest. in non-Fed. debt secs.(& relaed int. rec.) D	Cash & cash equivalents D	Other assets D	D
3			N/A							
4			N/A							
5			N/A							
6			N/A							
7			N/A							
Line	Status	Line Description	NB	Liability due & payable to beneficiaries C	Other liabilities C	Total fiduciary net assets				
3			N/A							
4			N/A							
5			N/A							
6			N/A							
7			N/A							

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Note: 27 Fiduciary Activities

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Section: E **Section Name:** Number of Agency Fiduciary Activities **No Data Flag:** YES **Line Attributes:** Units

Line	Status	Line Description	NB	CY Total number of fiduciary funds- all funds	PY Total number of fiduciary funds- all funds
1			N/A		
2			N/A		
3			N/A		
4			N/A		

Tab: Text Data **No Data Flag:** YES

Line	Question	Answer
1	Describe the fiduciary relationship, for example, the applicable legal authority, the objectives of the fiduciary activity, and a general description of the beneficial owners or class of owners of each fiduciary fund (SFFAS No. 31, par. 18(a)).	
2	Provide information on any significant changes in fiduciary net assets from the prior period (SFFAS No. 31, par. 18(c)).	
3	Provide the TAS for all funds with fiduciary activities.	
4	For any cash included in the Schedules of Fiduciary Net Assets, indicate if the cash is represented by balances on deposit with either the U.S. Treasury or with a commercial banking institution (SFFAS No. 31, par. 12).	
5	Provide a description of any cash equivalents included in the Schedules of Fiduciary Net Assets.	
6	If separate audited financial statements are issued for an individual fiduciary activity with a fiscal yearend other than September 30, indicate the fiduciary activity's FY (SFFAS No. 31, par. 18(e)).	
7	If separate audited financial statements are issued for an individual fiduciary activity, disclose the basis of accounting used and the auditor's opinion on the current or most recent financial statements. If the auditor's opinion was not unqualified, disclose the reason(s) stated by the auditors and refer the reader to the audit opinion for further information (SFFAS No. 31, par. 22(a)).	
8	If separate audited financial statements are issued for an individual fiduciary activity, provide information on how the reader can obtain a copy of the financial statements and the audit opinion thereon (SFFAS No. 31, par. 22(b)).	
9	If more than one agency is responsible for administering a fiduciary activity, and the separate portions of the activity can be clearly identified with another responsible agency, identify the other agency(ies) involved in managing the activity (SFFAS No.31.par.19).	
10	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 28A	Financial and Housing Market Stabilization - Investment in Government Sponsored Enterprises (GSE)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes

Closing Package Line Description	NB	Account Type	2013 - SEPTEMBER	2012 - SEPTEMBER		
Investment in Government sponsored enterprises (GSEs)	D	A	0	0		
		Variance:	0	0	Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	CY Gross investment as of September 30	CY Cumulative valuation (gain/loss)	CY September 30 fair value	PY Gross investment as of September 30	PY Cumulative valuation (gain/loss)	PY September 30 fair value
1		Fannie Mae senior preferred stock						
2		Freddie Mac senior preferred stock						
3		Fannie Mae warrants common stock						
4		Freddie Mac warrants common stock						
5								
6								
7								
8		Total GSE investment						
		Total						

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Note: 28A Financial and Housing Market Stabilization - Investment in Government Sponsored Enterprises (GSE)

Fiscal Year: 2013

Period: SEPTEMBER

Entity: 9100 Department of Education

Agency Notes: NA

Status: Complete

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

I = Inactive Line

Tab: Other Notes Info.

Section: A **Section Name:** Other Related Information **No Data Flag:** YES **Line Attributes:** Dollars
Rounding Method: Millions **Decimal:** Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Revenue recognized from acquisition of preferred stocks and warrants and valuation (gain)/loss on GSE preferred stocks	Credit				
2		Revenue recognized from dividends	Credit				

Section: B **Section Name:** Other Related Information (in Percentages) **No Data Flag:** YES **Line Attributes:** Percent

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Nominal cost percentage of common stock on a fully diluted basis	N/A				
2		Rate of dividends	N/A				

Section: C **Section Name:** Other Related Information in Units **No Data Flag:** YES **Line Attributes:** Units

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Number of non-voting senior preferred stock - shares	N/A				

**U.S. Department of the Treasury
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Note: 28A	Financial and Housing Market Stabilization - Investment in Government Sponsored Enterprises (GSE)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Text Data	No Data Flag: YES	
Line	Question	Answer
1	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Note: 28B	Financial and housing Market Stabilization - Liabilities to Government Sponsored Enterprises (GSE)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Line Item Notes					
Closing Package Line Description		NB	Account Type	Current FY	Current FY
Liabilities to Government Sponsored Enterprises		C	L	0	0
		Variance:		0	0
				Rounding Method: Millions	
				Decimal: Zero	
Line Status	Line Description	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1	GSE accrued liability				
2	GSE contingent liability				
3	I				
4	I				
5	I				
6	All other liabilities				
	Total				

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Note: 28B	Financial and housing Market Stabilization - Liabilities to Government Sponsored Enterprises (GSE)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	The accompanying notes are an integral part of these financial statements.		I = Inactive Line

Tab: Other Notes Info.

Section: A	Section Name: Other Related Information	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: Millions
			Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Actual payment made to the GSE	Debit				

Section: B	Section Name: Case Scenarios	No Data Flag: YES	Line Attributes: Dollars
			Rounding Method: Millions
			Decimal: Zero

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Optimistic case scenario	N/A				
2		Extreme case scenario	N/A				

Tab: Text Data	No Data Flag: YES	
Line	Question	Answer
1	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Other Data: 01	Taxes	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: A	Section Name: Taxes (SSFAS No.7, par. 67-69)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Estimated realized value of compliance assessments as of the end of the period	Debit				
2		Estimated realizable value of pre-assessment work-in-progress	Debit				
3		Changes in 1 and 2 above	Debit				
4		Other claims for refunds not yet accrued but likely to be paid when administrative actions are completed	Debit				
5		Management's best estimate of unasserted claims for refunds	Debit				
6		Changes in 4 and 5 above	Debit				
7		Amount of assessments written off that continue to be statutorily collectible	Debit				

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Other Data: 01	Taxes	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: B	Section Name: Provide the following amount if a range is estimable and not included in Sec. A (SFFAS No. 7 par 67-69)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	CY Low	CY High	PY Low	PY High
1		Estimated realizable value of pre-assessment work-in-progress	Debit				
2		Changes in line 1 above	Debit				
3		Management's best estimate of unasserted claims for refunds	Debit				
4		Changes in line 3 above	Debit				

Tab: Other Text Data

Section: A	Section Name: Taxes (SSFAS No.7, par. 67-69)	No Data: YES
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Line	Question	Answer
1	Provide the explicit definitions of estimated amounts of the size of the tax gap.	
2	Provide the appropriate explanation of the limited reliability of the estimates of the size of the tax gap.	
3	Provide cross-references to portions of the tax gap due from identified noncompliant taxpayers and importers.	
4	Provide the estimates of the annual tax gap (amounts should specifically define whether it includes or excludes estimates of tax due on illegally earned revenue).	
5	Disclose the amounts by which trust funds may be over- or under-funded in comparison with the requirements of law, if reasonable estimable.	

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Other Data: 08	Stewardship Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: A	Section Name: Investment in Non-Federal physical property (SFFAS No. 8, par 87)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
1			Debit					
2			Debit					
3			Debit					
4			Debit					
5			Debit					
6		Other non-Federal physical property	Debit					

Section: B	Section Name: Research and Development: Investment in Development (SFFAS No. 8, par. 94, 99 & 100)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
1			Debit					
2			Debit					
3			Debit					
4			Debit					
5			Debit					
6		Other investment in development	Debit					

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Other Data: 08	Stewardship Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: C	Section Name: Investment in Human Capital (SFFAS No. 8, par 100)	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
1		Federal Student Aid	Debit	-14,292	9,401	-5,555	11,096	-22,055
2		Elementary and Secondary Education	Debit	22,332	22,137	21,195	21,608	21,443
3		Special Education and Rehab Services	Debit	15,097	16,139	15,357	15,227	15,075
4		Other Departmental Programs	Debit	5,246	6,211	7,341	7,067	7,150
5		Salaries and Administration	Debit	504	481	504	502	472
6		Other Investments in human capital	Debit	2,623	7,651	27,945	44,019	21,616

Threshold

Line Description	Question	Answer
Other Data Info - Federal Student Aid (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	Change is primarily due to the change in the FFEL Program and Direct Loan Program subsidy expense.
Other Data Info - Elementary and Secondary Education (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	Within threshold.
Other Data Info - Special Education and Rehab Services (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	Within threshold.
Other Data Info - Other Departmental Programs (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	Within threshold.
Other Data Info - Salaries and Administration (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	Within threshold.
Other Data Info - Other Investments in human capital (FY 2013)	Please provide explanations for any amounts that have changed by 20% or more and or greater than 5,000,000 between the current fiscal year and prior fiscal year. (Unaudited)	The decrease is the result of the cumulative disbursement of funds originally made available by the American Recovery and Reinvestment Act of 2009.

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Other Data: 08	Stewardship Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: D	Section Name: Research and Development: Investment in Basic Research (SFFAS No. 8, par.99 & 100)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
1			Debit					
2			Debit					
3			Debit					
4			Debit					
5			Debit					
6		Other investments in basic research	Debit					

Section: E	Section Name: Research and Development: Investment in Applied Research (SFFAS No. 8, par 100)	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009
1			Debit					
2			Debit					
3			Debit					
4			Debit					
5			Debit					
6		Other investment in applied research	Debit					

Tab: Other Text Data

Section: A	Section Name: Investment in Non-Federal physical property (SFFAS No. 8, par 87)	No Data: YES
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Line	Question	Answer
1	Provide a description of federally owned physical property transferred to state and local governments. (SFFAS No. 8, par 87)	
2	Provide a description of the major programs of Federal investments in non-Federal physical property used in the "Other Data Info" tab. (SFFAS No.8 par. 87)	

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Other Data: 08	Stewardship Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Text Data

Section: B **Section Name:** Research and Development: Investment in Development (SFFAS No. 8, par. 94, 99 & 100) **No Data:** YES

Line	Question	Answer
1	Provide a description of the major programs of Federal investments in development used in the "Other Data Info" tab. (SFFAS No. 8, par. 100)	
2	Provide a description of the progress of major developmental projects including the results with respect to projects completed or otherwise terminated during the year and the status of projects that will continue (SFFAS No. 8, par. 99).	

Tab: Other Text Data

Section: C **Section Name:** Investment in Human Capital (SFFAS No. 8, par 100)

Line	Question	Answer
1	Provide a description of the major education and training programs considered Federal investments in human capital used in the "Other Data Info" tab (SFFAS No. 8, par. 94).	<p>Federal Student Aid - The Office of Federal Student Aid administers need based financial assistance programs for students pursuing postsecondary education and makes available federal grants, direct loans, guaranteed loans, and work study funding to eligible undergraduate and graduate students.</p> <p>Office of Elementary and Secondary Education - The Office of Elementary and Secondary Education provides leadership, technical assistance, and financial support to state and local educational agencies for the maintenance and improvement of preschool, elementary, and secondary education. Financial assistance programs support services for children in high-poverty schools, institutions for neglected and delinquent children, homeless children, certain Native American children, children of migrant families, and children who live on or whose parents work on Federal property.</p> <p>Office of Special Education and Rehabilitative Services - The Office of Special Education and Rehabilitative Services supports state and local programs that assist in educating children, youth and adults with special needs to increase their level of employment, productivity, independence, and integration into the community. Funding is also provided for research to improve the quality of their lives.</p> <p>Other Departmental Programs - Other Departmental Programs include, but are not limited to, making strategic investments in educational practices; funding research, evaluations, and information dissemination; enabling students with limited English proficiency to become proficient in English; funding vocational and technical education; and promoting reform, innovation and improvement in postsecondary education.</p> <p>The American Recovery and Reinvestment Act of 2009 enacted on February 17, 2009 by P.L. 111-5, provided \$97.4 billion in funding for FY 2009 to the Department for improving schools, raising students' achievement, driving reform, and producing better results for</p>

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Other Data: 08	Stewardship Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Text Data

Section: C **Section Name:** Investment in Human Capital (SFFAS No. 8, par 100)

Line	Question	Answer
		children and young people for the long term health of the nation. Approximately 55 percent of the Department's Recovery Act funding was appropriated for the creation of a new State Fiscal Stabilization Fund with the goal to stabilize state and local government budgets to avoid reductions in education and other essential public services while driving education reform. The Department was tasked with promptly disbursing these funds through a variety of existing and new grant programs, while ensuring the transparency. P.L. 111-226, enacted on August 10, 2010, created the Education Jobs Fund which provided funding to the Department to assist in saving and creating jobs for the 2010-2011 school year. The Department was given the assignment to disburse these funds to states through formula grants promptly, while ensuring transparency and accountability overall.

Tab: Other Text Data

Section: D **Section Name:** Research and Development: Investment in Basic Research (SFFAS No. 8, par.99 & 100) **No Data:** YES

Line	Question	Answer
1	Provide a description of the major programs of Federal investments in basic research used in the "Other Data Info" tab (SFFAS No. 8, par. 100).	
2	Provide a description of any major new discoveries made during the year (SFFAS No. 8, par. 99)	

Tab: Other Text Data

Section: E **Section Name:** Research and Development: Investment in Applied Research (SFFAS No. 8, par 100) **No Data:** YES

Line	Question	Answer
1	Provide a description of the major programs of Federal investments in applied research used in the "Other Data Info" tab (SFFAS No. 8, par. 100).	
2	Provide a description of any major new applications developed during the year (SFFAS No. 8, par. 99)	

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Other Data: 09	Deferred Maintenance	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.															
Section: A		Section Name: Range of Amounts				No Data: YES				Line Attributes: Dollars		Decimal: User-Defined			
										Rounding Method: User-Defined					
Line	Status	Line Description	NB	CY- Low	D	CY- High	D	CY - Critical Maintenance	D	PY- Low	D	PY- High	D	PY - Critical Maintenance	D
1		Buildings, structures, and facilities	N/A												
2		Furniture, fixtures, and equipment	N/A												
3		Other general property, plant, and equipment	N/A												
4		Heritage assets	N/A												
5		Stewardship land	N/A												

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Other Data: 14	Risk Assumed-Federal Insurance and Guarantee Programs(SFFAS No. 5, par. 105, 106,and 114)	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete	I = Inactive Line		

Tab: Other Data Info.

Section: A	Section Name: Risk Assumed	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	2012 - SEPTEMBER	Previously Rptd	Line Item Changes
1		Present value of unpaid expected losses (net of associated premiums)	Debit				
2		Periodic changes	Debit				

Tab: Other Text Data

Section: A	Section Name: Risk Assumed	No Data: YES
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Line	Question	Answer
1	Provide the indicators of the range of uncertainty around Federal insurance and guarantee programs related estimates and sensitivity of the estimates to changes in major assumptions (SFFAS No.5, par.114)	
2	Provide the actuarial or financial methods used to measure the present value of unpaid expected losses (SFFAS No. 5. par. 114)	
3	Provide a listing of the Federal insurance and guarantee programs (SFFAS No. 5, par. 105).	

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Other Data: 15	Budget Deficit Reconciliation	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: A	Section Name: Operating Revenue to Budget Receipts	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	Budget Receipts	D	Operating Revenue	C	Diff Budget Receipts vs Operating Revenue	Cust Collections Trans to GF or Rec Agency	D	Cust Collections Received from Collecting Agency	C	Adj Diff Between Budget Rec vs Operating Rev
1		Individual income tax and tax withholdings	N/A										
2		Corporation income taxes	N/A										
3		Unemployment taxes	N/A										
4		Excise taxes	N/A										
5		Estate and gift taxes	N/A										
6		Customs duties	N/A										
7		Other taxes and receipts	N/A										
8		Earned revenue - to be completed by OPM only	N/A										
9		Total	N/A										

Section: B	Section Name: Net Outlays to SBR	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	CY - MTS Net Outlays	D	CY - SBR Net Outlays	C	CY - DIFFERENCE
1		Net Outlays	N/A					

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Other Data: 15	Budget Deficit Reconciliation	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: C	Section Name: Earned Revenue to Undistributed Offsetting Receipts - Employer Share, Employee Retirement (DOS, DOD and OPM only)	Line Attributes:
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Line	Status	Line Description	NB	CY - MTS Receipts	CY - PAR Amount	CY - Difference

Section: D	Section Name: Earned Revenue to Undistributed Offsetting Receipts - Interest Rec by Trust Funds (DOS, DOD, DOL, SSA, HHS and OPM only)	Line Attributes:
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Line	Status	Line Description	NB	CY - MTS Undistributed Offsetting Receipts, Tble 5	CY - Earned Revenue Rejported on agency PAR	Difference

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Other Data: 15	Budget Deficit Reconciliation	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: E	Section Name: Operating Revenue to Undistributed Offsetting Receipts (DOI only)	Line Attributes:
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Line	Status	Line Description	NB	MTS Undistributed Offsetting Receipts, Tble 5	Miscellaneous Earned Revenue reported on SCNP	Difference
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Tab: Other Text Data

Section: A	Section Name: Operating Revenue to Budget Receipts	No Data: YES
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Line	Question	Answer
1	Note: The normal balance for net outlays is not supported by the USSGL. The MTS Net Outlays are assigned a normal debit balance and the SBR Net Outlays a normal credit balance in GFRS. Please enter net outlays into both columns as normal, that is as a positive number. MTS Net Outlays will appear as a debit and SBR Net Outlays will appear as a credit in GFRS reports. This set-up was required for the difference column to calculate correctly.	
2	Collecting agencies provide the Closing Package line in which the custodial transfer-out (disposition of collection) was recorded and the trading partner code.	
3	Receiving agencies provide the Closing Package line in which the custodial transfer-in/revenue was recorded and the trading partner code.	
4	Provide a detailed description of the difference and whether this difference will be resolved next FY.	

Tab: Other Text Data

Section: B	Section Name: Net Outlays to SBR	No Data: YES
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Line	Question	Answer
1	Provide a detailed description of the difference and whether this difference will be resolved next FY.	

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Other Data: 15	Budget Deficit Reconciliation	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Text Data

Section: C **Section Name:** Earned Revenue to Undistributed Offsetting Receipts - Employer Share, Employee Retirement (DOS, DOD and OPM only) **No Data:** YES

Line	Question	Answer
1	Provide a cross-reference to intragovernmental earned revenue reported in PAR in the "Agency Notes" field.	
2	Provide a detailed description fo the difference and whether this difference will be resolved next FY.	

Tab: Other Text Data

Section: D **Section Name:** Earned Revenue to Undistributed Offsetting Receipts - Interest Rec by Trust Funds (DOS, DOD, DOL, SSA, HHS and OPM only) **No Data:** YES

Line	Question	Answer
1	Provide a cross-reference to intragovernmental earned revenue reported in PAR in the "Agency Notes" field.	
2	Provide a detailed description fo the difference and whether this difference will be resolved next FY.	

Tab: Other Text Data

Section: E **Section Name:** Operating Revenue to Undistributed Offsetting Receipts (DOI only) **No Data:** YES

Line	Question	Answer
1	Provide a detailed description fo the difference and whether this difference will be resolved next FY.	

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: A	Section Name: Components of Direct Loans Receivable, Gross - Current Year	Line Attributes: Dollars	Decimal: Zero
		Rounding Method: Millions	

Line	Status	Line Description	NB	CY-Federal Direct Student Loans	CY-Electric Loans	CY-Rural Housing Service	CY-Federal Family Education Loan	CY-Water and Environmental Loans	CY-Farm Loans
1		Direct Loans Receivable, Gross - Beginning of Year	Debit	493,959			147,003		
2		Disbursements (loans made/securities purchased)	Debit	129,880			9,541		
3		Repayments	Debit	-34,663			-17,724		
4		Losses	Debit						
5		Capitalized interest	Debit	9,857			3,388		
6		Capitalized dividends	Debit						
7		Other	Debit	14,827			1,390		
8		Direct Loans receivable, gross-end of the year	N/A	613,860			143,598		
Line	Status	Line Description	NB	CY-Export-Import Bank Loans	CY-U.S. Agency for International Development	CY-Housing and Urban Development	CY-GSE Mortgage Backed Securities Purchase Program	CY-All other loans receivable	CY-Total
1		Direct Loans Receivable, Gross - Beginning of Year	Debit					2,000	642,962
2		Disbursements (loans made/securities purchased)	Debit					331	139,752
3		Repayments	Debit					-77	-52,464
4		Losses	Debit						
5		Capitalized interest	Debit					12	13,257
6		Capitalized dividends	Debit						
7		Other	Debit					37	16,254
8		Direct Loans receivable, gross-	N/A					2,303	759,761

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: A	Section Name: Components of Direct Loans Receivable, Gross - Current Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	CY-Export-Import Bank Loans	CY-U.S. Agency for International Development	CY-Housing and Urban Development	CY-GSE Mortgage Backed Securities Purchase Program	CY-All other loans receivable	CY-Total
		end of the year							

Section: B	Section Name: Components of Direct Loans Receivable, Gross - Prior Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	PY-Federal Direct Student Loans	PY-Electric Loans	PY-Rural Housing Service	PY-Federal Family Education Loan	PY-Water and Environmental Loans	PY-Farm Loans
1		Direct Loans Receivable, gross - beginning of year	Debit	356,108			147,283		
2		Disbursements (loans made/securities purchased)	Debit	141,903			10,140		
3		Repayments	Debit	-23,650			-16,630		
4		Losses	Debit						
5		Capitalized interest	Debit	9,379			3,879		
6		Capitalized dividends	Debit						
7		Other	Debit	10,219			2,331		
8		Direct Loans receivable, gross-end of the year	N/A	493,959			147,003		

Line	Status	Line Description	NB	PY-Export-Import Bank Loans	PY-U.S. Agency for International Development	PY-Housing and Urban Development	PY-GSE Mortgage Backed Securities Purchase Program	PY-All other loans receivable	PY-Total
1		Direct Loans	Debit					1,545	504,936

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: B	Section Name: Components of Direct Loans Receivable, Gross - Prior Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	PY-Export-Import Bank Loans	PY-U.S. Agency for International Development	PY-Housing and Urban Development	PY-GSE Mortgage Backed Securities Purchase Program	PY-All other loans receivable	PY-Total
		Receivable, gross - beginning of year							
2		Disbursements (loans made/securities purchased)	Debit					279	152,322
3		Repayments	Debit					-75	-40,355
4		Losses	Debit						
5		Capitalized interest	Debit					5	13,263
6		Capitalized dividends	Debit						
7		Other	Debit					246	12,796
8		Direct Loans receivable, gross-end of the year	N/A					2,000	642,962

Section: C	Section Name: Components of Loan Guarantees, Gross - Current Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	CY-Federal Family Education Loans	CY-Federal Housing Administration Loans	CY-Veterans Housing Benefit Program	CY-Export-Import Bank Loans	CY-Small Business Loans	CY-Israeli Loan Guarantee Program
1		Guaranteed Loans, gross-beginning of the year	Debit	290,668					
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit	-22,975					
4		Other	Debit	-3,709					
5		Guaranteed Loans, gross-end of the year	N/A	263,984					

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: C	Section Name: Components of Loan Guarantees, Gross - Current Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	CY-OPIC Credit Program	CY-Rural Housing Service	CY-Business and Industry Loans	CY-Export Credit Guarantee Programs	CY-All other Guaranteed loans	CY-Total
1		Guaranteed Loans, gross-beginning of the year	Debit						290,668
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit						-22,975
4		Other	Debit						-3,709
5		Guaranteed Loans, gross-end of the year	N/A						263,984

Section: D	Section Name: Components of Loan Guarantees, Gross - Prior Year	Line Attributes: Dollars	
		Rounding Method: Millions	Decimal: Zero

Line	Status	Line Description	NB	PY-Federal Family Education Loans	PY-Federal Housing Administration Loans	PY-Veterans Housing Benefit Program	PY-Export-Import Bank Loans	PY-Small Business Loans	PY-Israeli Loan Guarantee Program
1		Guaranteed Loans, gross-beginning of the year	Debit	327,617					
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit	-26,618					
4		Other	Debit	-10,331					
5		Guaranteed Loans, gross-end of the year	N/A	290,668					

Line	Status	Line Description	NB	PY-OPIC Credit Program	PY-Rural Housing Service	PY-Business and Industry Loans	PY-Export Credit Guarantee Programs	PY-All other Guaranteed loans	PY-Total
1		Guaranteed Loans, gross-beginning of the year	Debit						327,617

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: D	Section Name: Components of Loan Guarantees, Gross - Prior Year	Line Attributes: Dollars
		Rounding Method: Millions
		Decimal: Zero

Line	Status	Line Description	NB	PY-OPIC Credit Program	PY-Rural Housing Service	PY-Business and Industry Loans	PY-Export Credit Guarantee Programs	PY-All other Guaranteed loans	PY-Total
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit						-26,618
4		Other	Debit						-10,331
5		Guaranteed Loans, gross-end of the year	N/A						290,668

Section: E	Section Name: Components of TARP Direct Loans and Equity Investments, Gross - Current Year	No Data: YES	Line Attributes: Dollars
			Rounding Method: User-Defined
			Decimal: User-Defined

Line	Status	Line Description	NB	CY-Capital Purchase Program	CY-AIG, Inc., Investment Program	CY-Targeted Investment Program	CY-Automotive Industry Financing Program	CY-Consumer and Business Lending Initiative	CY-Public-Private Investment Program
1		TARP loans and equity investments receivable, gross-beginning of year	Debit						
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit						
4		Losses	Debit						
5		Capitalized interest	Debit						
6		Capitalized dividends	Debit						
7		Other	Debit						
8		TARP loans and equity investments receivable, gross-end of year	N/A						

Line	Status	Line Description	NB	CY-All Other TARP Programs	CY-Total
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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: E	Section Name: Components of TARP Direct Loans and Equity Investments, Gross - Current Year	No Data: YES	Line Attributes: Dollars	Rounding Method: User-Defined	Decimal: User-Defined
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Line	Status	Line Description	NB	CY-All Other TARP Programs	CY-Total
1		TARP loans and equity investments receivable, gross-beginning of year	Debit		
2		Disbursements (loans made/securities purchased)	Debit		
3		Repayments	Debit		
4		Losses	Debit		
5		Capitalized interest	Debit		
6		Capitalized dividends	Debit		
7		Other	Debit		
8		TARP loans and equity investments receivable, gross-end of year	N/A		

Section: F	Section Name: Components of TARP Direct Loans and Equity Investments, Gross - Prior Year	No Data: YES	Line Attributes: Dollars	Rounding Method: User-Defined	Decimal: User-Defined
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Line	Status	Line Description	NB	PY-Capital Purchase Program	PY-AIG, Inc., Investment Program	PY-Targeted Investment Program	PY-Automotive Industry Financing Program	PY-Consumer and Business Lending Initiative	PY-Public-Private Investment Program
1		TARP loans and equity investments receivable, gross-beginning of year	Debit						
2		Disbursements (loans made/securities purchased)	Debit						
3		Repayments	Debit						
4		Losses	Debit						

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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: F	Section Name: Components of TARP Direct Loans and Equity Investments, Gross - Prior Year	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	PY-Capital Purchase Program	PY-AIG, Inc., Investment Program	PY-Targeted Investment Program	PY-Automotive Industry Financing Program	PY-Consumer and Business Lending Initiative	PY-Public-Private Investment Program
5		Capitalized interest	Debit						
6		Capitalized dividends	Debit						
7		Other	Debit						
8		TARP loans and equity investments receivable, gross-end of year	N/A						

Line	Status	Line Description	NB	PY-All Other TARP Programs	PY-Total
1		TARP loans and equity investments receivable, gross-beginning of year	Debit		
2		Disbursements (loans made/securities purchased)	Debit		
3		Repayments	Debit		
4		Losses	Debit		
5		Capitalized interest	Debit		
6		Capitalized dividends	Debit		
7		Other	Debit		
8		TARP loans and equity investments receivable, gross-end of year	N/A		

**U.S. Department of the Treasury
Financial Management Service
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Other Data: 16	Components of Loans and Equity Investments	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	Note 6
Status: Complete		I = Inactive Line	

Tab: Other Text Data

Section: A **Section Name:** Components of Direct Loans Receivable, Gross - Current Year

Line	Question	Answer
1	Provide details regarding the programs reported in Sections A and B that comprise amounts reported in the "all other Loans Receivable" column.	The All Other Loans Receivable column includes the Facilities Loan Program, the Perkins Loan Program, and the TEACH Grant Program.
2	Provide a detailed description of the amounts reported in Sections A and B that compose the "Other" line.	Amounts that comprise the "Other" line primarily consist of accrued interest, reduction of interest receivable due to interest capitalization (offset to the increase to principal reported on line 5), and loan cancellations due to death, disability, and bankruptcy.
3	Provide details regarding the programs reported in Sections C and D that compose the "Other" line in the "all other Guaranteed Loans" column.	
4	Provide a detailed description of the amounts reported in Sections C and D that compose the "Other" line.	Amounts that comprise the "Other" line consist of FFEL loans purchased by the Department.
5	Provide details regarding the programs reported in Sections E and F that comprise amounts reported in the "all other TARP Programs" column.	
6	Provide a detailed description of the amounts reported in Sections E and F that comprise the "Other" line.	

**U.S. Department of the Treasury
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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: A	Section Name: Asset Value for Oil and Gas Proved Resources - Offshore	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	D
1		Oil and Lease Condensate	N/A		
2		Natural Gas, Wet After Lease Separation	N/A		
3			N/A		
4			N/A		
5			N/A		

Section: B	Section Name: Asset Value for Oil and Gas Proved Reserves - Onshore	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	D
1		Oil and Lease Condensate	N/A		
2		Natural Gas, Wet After Lease Separation	N/A		
3			N/A		
4			N/A		
5			N/A		

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: C	Section Name: Quantity of Oil and Gas Proved Reserves - Offshore	No Data: YES	Line Attributes: Units
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Line	Status	Line Description	NB	2013 - SEPTEMBER
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1		Oil and Lease Condensate	N/A	
2		Natural Gas, Wet After Lease Separation	N/A	
3			N/A	
4			N/A	
5			N/A	

Section: D	Section Name: Quantity of Oil and Gas Proved Reserves - Onshore	No Data: YES	Line Attributes: Units
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Line	Status	Line Description	NB	2013 - SEPTEMBER
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1		Oil and Lease Condensate	N/A	
2		Natural Gas, Wet After Lease Separation	N/A	
3			N/A	
4			N/A	
5			N/A	

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete		I = Inactive Line	

Tab: Other Data Info.

Section: E	Section Name: Average of the Regional Average Prices for Oil and Gas Proved Reserves - Offshore	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	D
1		Oil and Lease Condensate	N/A		
2		Natural Gas, Wet After Lease Separation	N/A		
3			N/A		
4			N/A		
5			N/A		

Section: F	Section Name: Average of the Regional Average Prices for Oil and Gas Proved Reserves - Onshore	No Data: YES	Line Attributes: Dollars	Decimal: User-Defined
			Rounding Method: User-Defined	

Line	Status	Line Description	NB	2013 - SEPTEMBER	D
1		Oil and Lease Condensate	N/A		
2		Natural Gas, Wet After Lease Separation	N/A		
3			N/A		
4			N/A		
5			N/A		

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Data Info.

Section: G	Section Name: Average Royalty Rate for Oil and Gas Proved Reserves - Offshore	No Data: YES	Line Attributes: Percent
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Line	Status	Line Description	NB	2013 - SEPTEMBER
1		Oil and Lease Condensate	N/A	
2		Natural Gas, Wet After Lease Separation	N/A	
3			N/A	
4			N/A	
5			N/A	

Section: H	Section Name: Average Royalty Rate for Oil and Gas Proved Reserves - Onshore	No Data: YES	Line Attributes: Percent
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Line	Status	Line Description	NB	2013 - SEPTEMBER
1		Oil and Lease Condensate	N/A	
2		Natural Gas, Wet After Lease Separation	N/A	
3			N/A	
4			N/A	
5			N/A	

Tab: Other Text Data

Section: A	Section Name: Asset Value for Oil and Gas Proved Resources - Offshore	No Data: YES
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Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Text Data

Section: B **Section Name:** Asset Value for Oil and Gas Proved Reserves - Onshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: C **Section Name:** Quantity of Oil and Gas Proved Reserves - Offshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: D **Section Name:** Quantity of Oil and Gas Proved Reserves - Onshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: E **Section Name:** Average of the Regional Average Prices for Oil and Gas Proved Reserves - Offshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying	

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes: NA	
Status: Complete			

I = Inactive Line

Tab: Other Text Data

Section: E **Section Name:** Average of the Regional Average Prices for Oil and Gas Proved Reserves - Offshore **No Data:** YES

Line	Question	Answer
	assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: F **Section Name:** Average of the Regional Average Prices for Oil and Gas Proved Reserves - Onshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: G **Section Name:** Average Royalty Rate for Oil and Gas Proved Reserves - Offshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

Tab: Other Text Data

Section: H **Section Name:** Average Royalty Rate for Oil and Gas Proved Reserves - Onshore **No Data:** YES

Line	Question	Answer
1	Provide a concise statement explaining the nature and valuation (for example, measurement method, significant assumptions, etc.) of federal oil and gas resources.	
2	Describe any significant changes in the estimation methodology, including the underlying assumptions.	

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Other Data: 17	Federal Oil and Gas Resources	Fiscal Year: 2013	Period: SEPTEMBER
Entity: 9100	Department of Education	Agency Notes:	NA
Status: Complete	I = Inactive Line		

Tab: Other Text Data

Section: H	Section Name: Average Royalty Rate for Oil and Gas Proved Reserves - Onshore	No Data: YES
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Line	Question	Answer
3	Provide any other relevant information pertaining to this note. At a minimum, describe briefly the significant accounting policies pertaining to this note.	

U.S. Department of Education
FY 2013 Closing Package Financial Statements
Additional Note No. 1- Closing Package Financial Statement Requirements

The Budget and Accounting Procedures Act of 1950 allows the Secretary of the Treasury to stipulate the format and requirements of executive agencies to furnish financial and operational information to the President and the Congress to comply with the Government Management Reform Act of 1994 (GMRA) (Pub. L. No. 103-356), which requires the Secretary of the Treasury to prepare and submit annual audited financial statements of the executive branch. The Secretary of the Treasury developed guidance in the U.S. Department of the Treasury's *Treasury Financial Manual* (TFM) Volume I, Part 2, Chapter 4700 to provide agencies with instructions to meet the requirements of GMRA. The TFM Chapter 4700 requires agencies to:

1. Reclassify all line items and amounts on the comparative audited consolidated, department-level balance sheets, statement of net cost/income statement, statement of changes in net position, statement of social insurance, statements of changes in social insurance amounts, and statement or note on custodial activity, if applicable, to the closing package financial statements;
2. List closing package financial statement line item amounts identified as Federal by trading partner and amount;
3. Report notes information that is based on the Reclassified Balance Sheet line items and other notes information required to meet FASAB standards; and
4. Report other data information that is not based on the Reclassified Balance Sheet line items and other data noted information required to meet FASAB standards.

Summary of Significant Accounting Policies

Reporting Entity and Programs

The U.S. Department of Education (the Department), a cabinet-level agency of the Executive Branch of the U.S. Government, was established by Congress under the *Department of Education Organization Act* (Public Law 96-88), which became effective on May 4, 1980. The Department is responsible, through the execution of its congressionally enacted budget, for administering direct loans, guaranteed loans, and grant programs, as discussed below.

The Department administers the William D. Ford Federal Direct Loan (Direct Loan) Program, the Federal Family Education Loan (FFEL) Program, the Federal Pell Grant (Pell Grant) Program, and the campus-based student aid programs to help students and their parents finance the costs of postsecondary education.

The Direct Loan Program, added to the *Higher Education Act of 1965* (HEA) in 1993 by the *Student Loan Reform Act of 1993*, authorizes the Department to make loans directly to eligible undergraduate and graduate students and their parents through participating schools. Under this program, the loans are made to individuals who meet eligibility criteria established by statute and attend eligible institutions of higher education—public or private two- and four-year institutions, graduate schools, and vocational training schools. Student borrowers who demonstrate financial need also may receive federal interest subsidies while the students are in school or in a deferment period.

The FFEL Program, authorized by the HEA, operates through state and private nonprofit guaranty agencies to provide loan guarantees and interest subsidies on loans made by private lenders to eligible students. The *SAFRA Act*, formerly the *Student Aid and Fiscal Responsibility Act*, which was included in the *Health Care and Education Reconciliation Act of 2010* (HCERA) and became effective July 1, 2010, provided that no new FFEL loans would be made after June 30, 2010.

The *Ensuring Continued Access to Student Loans Act of 2008* (ECASLA) authorized the Secretary of Education (Secretary) to purchase or enter into forward commitments to purchase FFEL loans. The Department implemented three activities under this temporary loan purchase authority. These activities are: (1) loan purchase commitments; (2) loan participation purchases; and (3) an Asset-Backed Commercial Paper (ABCP) Conduit.

The Federal Pell Grant Program provides need-based grants to low-income undergraduate and certain post baccalaureate students to promote access to postsecondary education.

The Teacher Education Assistance for College and Higher Education (TEACH) Grant Program was implemented beginning July 1, 2008. This program, added to the HEA by the *College Cost Reduction and Access Act*, awards annual grants to students who agree to teach in a high-need subject area in a public or private elementary or secondary school that serves low-income students.

Additionally, the Department administers numerous other grant programs and Facilities Loan Programs. Grant programs include grants to state and local entities for elementary and secondary education; special education and rehabilitative services grants; grants to support institutions of higher education; educational research and improvement grants; grants to assist low-income and first-generation college students to prepare for and transition into college; grants to improve our global awareness and competitiveness; and fellowships for college and graduate students. Through the Facilities Loan Programs, the Department administers low-interest loans to institutions of higher education for the construction and renovation of their facilities.

In addition to student loans and grants, the Department supports state and local education agencies through discretionary grants under a variety of authorizing legislation, which are awarded using a competitive process, and formula (mandatory) grants. Among the largest K-12 discretionary grants are The Federal TRIO Program (TRIO), Race to the Top, and Teacher Incentive Fund. Among the largest formula grants are Title I, *Elementary and Secondary Education Act of 1965*, as amended, (Title I) Grants to Local Educational Agencies and *Individuals with Disabilities Education Act* (IDEA) grants.

The *American Recovery and Reinvestment Act of 2009* (Recovery Act), enacted on February 17, 2009, as Public Law 111-5, provided funding to the Department for improving schools, raising students' achievement, driving reform, and producing better results for children and young people for the long-term health of the nation.

Public Law 111-226 (Education Jobs Fund), enacted on August 10, 2010, provided funding to the Department for saving and creating education jobs.

As of fiscal year 2013, Recovery Act and Education Jobs Fund programs are winding down and have 4 percent and less than 1 percent remaining, respectively, to be expended as of September 30, 2013.

Reporting Groups

The Department has established five reporting groups that administer loan and grant programs. They are:

- Federal Student Aid (FSA)
- Office of Elementary and Secondary Education (OESE)
- American Recovery and Reinvestment Act and Education Jobs Fund (RA/JF)
- Office of Special Education and Rehabilitative Services (OSERS)
- Other

The "Other" reporting group consists of the Office of Vocational and Adult Education (OVAE), Office of Postsecondary Education (OPE), Institute of Education Sciences (IES), Office of English Language Acquisition (OELA), Office of Innovation and Improvement (OII), Office of Management, Office for Civil Rights (OCR), and Hurricane Education Recovery (HR) activities.

Basis of Accounting and Presentation

These financial statements have been prepared to report the financial position, net cost of operations, and changes in net position of the Department. The financial statements were prepared from the books and records of the Department, in accordance with accounting principles generally accepted in the United States of America for federal entities, issued by the Federal Accounting Standards Advisory Board, and the Office of Management and Budget (OMB) Circular No. A-136, *Financial Reporting Requirements*, as revised..

The Department's financial statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. One implication of this is that the liabilities cannot be liquidated without legislation providing resources and legal authority to do so.

The accounting structure of federal agencies is designed to reflect both accrual and budgetary accounting transactions. Under the accrual method of accounting, revenues are recognized when earned, and expenses are recognized when a liability is incurred, without regard to receipt

or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds.

Intradepartmental transactions and balances have been eliminated from the consolidated financial statements.

Credit Reform Accounting: Federal Credit Reform

The *Federal Credit Reform Act of 1990* (CRA) became effective on October 1, 1991. Its purpose is to measure the cost of Federal credit programs and to place the cost of each credit program on a basis equivalent with other Federal spending, i.e., calculate the cost of Direct Loan Programs evenly with the cost of Guaranteed Loan Programs. Under CRA, subsidy cost is estimated using the net present value of future cash flows to, and from, the Department.

A loan guarantee is any guarantee, insurance, or other pledge with respect to the payment of all or part of the principal or interest on any debt obligation of a non-Federal borrower to a non-Federal lender. A direct loan is any debt instrument issued to the public by the federal government. CRA establishes the use of Program, Financing, and General Fund Receipt Accounts for loan guarantees committed and direct loans obligated after September 30, 1991. It also establishes Liquidating Accounts for activity relating to any loan guarantees committed or direct loans obligated before October 1, 1991.

The Program Account is a budget account that receives and obligates appropriations to cover the subsidy cost of a direct loan or loan guarantee and disburses the subsidy cost to the Financing Account. A Program Account also receives appropriations for administrative expenses. The Financing Account is a non-budgetary account that records all of the cash flows resulting from CRA direct loans or loan guarantees. It disburses loans, collects repayments and fees, pays claims, borrows from U.S. Treasury, earns and pays interest, and receives the subsidy cost payment from the Program Account. The General Fund Receipt Account is a budget account used by Treasury for the receipt of amounts paid from the Financing Account when there are negative subsidies for original cost estimates or downward re-estimates of prior subsidy costs.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make assumptions and estimates that directly affect the amounts reported in the financial statements. Actual results may differ from those estimates.

The *Federal Credit Reform Act of 1990* (Credit Reform Act) underlies the proprietary and budgetary accounting treatment of direct and guaranteed loans. The long-term cost to the government for direct loans or loan guarantees, other than for general administration of the programs, is referred to as "subsidy cost." Under the Credit Reform Act, subsidy costs for loans obligated beginning in fiscal year (FY) 1992 are estimated at the net present value of projected lifetime costs in the year the loan is obligated. Subsidy costs are re-estimated annually.

Estimates for credit program receivables and liabilities contain assumptions that have a significant impact on the financial statements. The primary components of this assumption set include, but are not limited to, collections (including loan consolidations), repayments, default rates, prevailing interest rates, and loan volume. Actual loan volume, interest rates, cash flows, and other critical components used in the estimation process may differ significantly from the assumptions made at the time the financial statements are prepared. Minor adjustments to any of these components may create significant changes to the estimates and the amounts recorded.

The Department estimates all future cash flows associated with the Direct Loan, FFEL, and TEACH Programs. Projected cash flows are used to develop subsidy estimates. Subsidy cost can be positive or negative; negative subsidies occur when expected program inflows of cash (e.g., repayments and fees) exceed expected outflows. Subsidy cost is recorded as the initial amount of the loan guarantee liability when guarantees are made, or as a valuation allowance to government-owned loans and interest receivable (i.e., direct and defaulted guaranteed loans).

The Department uses a cash flow projection model to calculate subsidy estimates for the Direct Loan, FFEL, and TEACH Programs. Each year, the Department re-evaluates the estimation methods for changing conditions. In developing assumptions for future interest rates, the Department uses a probabilistic technique that estimates future interest rates and weighs each one by the assumed probability of each scenario occurring. For each program, cash flows are projected over the life of the loans, aggregated by loan type, cohort year, and risk category. The loan's cohort year represents the year a loan was obligated or guaranteed, regardless of the timing of disbursements. Risk categories include two-year colleges, graduate schools, proprietary (for-profit) schools, freshmen and sophomores at four-year colleges, as well as juniors and seniors at four-year colleges.

Estimates reflected in these financial statements were prepared using assumptions developed for the FY 2013 Mid-Session Review, a governmentwide exercise required annually by OMB. These estimates are based on the most current information available to the Department at the time the financial statements were prepared. Assumptions and their impact are updated after the Mid-Session Review to account for significant subsequent changes in activity. Management has a process to review these estimates in the context of subsequent changes in activity and assumptions, and to reflect the impact of changes, as appropriate.

The Department recognizes that cash flow projections and the sensitivity of changes in assumptions can have a significant impact on estimates. Management has attempted to mitigate fluctuations in the estimates by using trend analysis to project future cash flows. Changes in assumptions could significantly affect the amounts reflected in these financial statements. For example, a minimal change in the projected long-term interest rate charged to borrowers could change the current subsidy re-estimate by a significant amount.

Entity and Non-Entity Assets

Assets are classified as either entity or non-entity assets. Entity assets are those that the Department has authority to use for its operations. Non-entity assets are those held by the Department but not available for use in its operations. The Department combines its entity and non-entity assets on the Balance Sheet and discloses its non-entity assets in the notes.

Fund Balance with Treasury

The Fund Balance with Treasury includes general, financing, revolving, trust, special, and other funds in the Department's accounts with Treasury available to pay current liabilities and finance authorized purchases, as well as funds restricted until future appropriations are received. Treasury processes cash receipts and cash disbursements for the Department. The Department's records are reconciled with those of the Treasury.

A portion of the general funds is provided in advance by multiyear appropriations for obligations anticipated during the current and future fiscal years. Revolving funds conduct continuing cycles of business-like activity and do not require annual appropriations. Their fund balance is derived from borrowings, as well as collections from the public and other federal agencies. Other funds, which are non-budgetary, primarily consist of deposit and receipt funds and clearing accounts. Non-budgetary Credit Reform Financing Accounts have many similarities to revolving funds.

Available unobligated balances represent amounts that are apportioned for obligation in the current fiscal year. Unavailable unobligated balances represent amounts that are not apportioned for obligation during the current fiscal year and expired appropriations no longer available to incur new obligations. Obligated balances not yet disbursed include undelivered orders and unpaid expended authority.

Accounts Receivable

Accounts Receivable are amounts due to the Department from the public and other federal agencies. Receivables from the public result from overpayments to recipients of grants and other financial assistance programs, and disputed costs resulting from audits of educational assistance programs. Amounts due from federal agencies result from reimbursable agreements entered into by the Department with other agencies to provide various goods and services. Accounts receivable are reduced to net realizable value by an allowance for uncollectible amounts. The estimate of an allowance for loss on uncollectible accounts is based on the Department's experience in the collection of receivables and an analysis of the outstanding balances.

Cash and Other Monetary Assets

Cash and Other Monetary Assets consist of guaranty agency reserves that represent the federal government's interest in the net Federal Fund assets of state and nonprofit FFEL Program guaranty agencies. Guaranty agency Federal Fund reserves are classified as non-entity assets with the public and are offset by a corresponding liability due to Treasury. Guaranty agency reserves include initial federal start-up funds, receipts of federal reinsurance payments, insurance premiums, guaranty agency share of collections on defaulted loans, investment income, administrative cost allowances, and other assets.

Sections 422A and 422B of the HEA required FFEL guaranty agencies to establish a Federal Student Loan Reserve Fund (Federal Fund) and an Operating Fund. The Federal Fund and the non-liquid assets developed or purchased by a guaranty agency, in whole or in part with federal funds, are the property of the United States and reflected in the *Budget of the United States Government*. However, such ownership by the federal government is independent of the actual control of the assets.

The Department disburses funds to a guaranty agency. A guaranty agency, through its Federal Fund, pays lender claims and pays default aversion fees into its own Operating Fund. The Operating Fund is the property of the guaranty agency and is used by the guaranty agency to fulfill responsibilities that include repaying money borrowed from the Federal Fund and performing default aversion and collection activities. Payments made to the Department from guaranty agency federal funds through a statutory recall or agency closures represent capital transfers and are credited to the Department's Fund Balance with Treasury account.

Credit Program Receivables, Net and Liabilities for Loan Guarantees

The financial statements reflect the Department's estimate of the long-term cost of direct and guaranteed loans in accordance with the Credit Reform Act. Loans and interest receivable are valued at their gross amounts less an allowance for the present value of amounts not expected to be recovered and thus having to be subsidized—called "allowance for subsidy." The difference between the gross amount and the allowance for subsidy is the present value of the cash flows to and from the Department that are expected from the receivables over their projected lives. Similarly, liabilities for loan guarantees are valued at the present value of the cash outflows from the Department less the present value of related inflows. The estimated present value of net long-term cash outflows of the Department for subsidized costs is net of

recoveries, interest supplements, and offsetting fees. The Department also values all pre-1992 loans and loan guarantees at their net present values.

Credit program receivables for activities under the temporary loan purchase authority include the present value of future cash flows related to purchased loans. Subsidy is transferred, which may be prior to purchasing loans, and is recognized as subsidy expense in the Statement of Net Cost. The cash flows of these authorities also include inflows and outflows associated with the underlying or purchased loans and other related activities, including any positive or negative subsidy transfers.

Components of subsidy costs for loans and guarantees include defaults (net of recoveries); contractual payments to third-party private loan collectors who receive a set percentage of amounts collected; and, as an offset, origination and other fees collected. For direct loans, the difference between interest rates incurred by the Department on its borrowings from Treasury and interest rates charged to particular borrowers is also subsidized (or may provide an offset to subsidy if the Department's rate is less). The corresponding interest subsidy in loan guarantee programs is the payment of interest supplements to third-party lenders in order to pay down the interest rates on loans made by those lenders. Subsidy costs are recognized when direct loans or guaranteed loans are disbursed to borrowers and re-estimated each year.

Non-Budgetary Credit Reform Financing Accounts

Actual cash flows to and from the Government for direct loan and loan guarantee programs are recorded in separate Credit Reform Financing Accounts within the Treasury. These accounts borrow funds from Treasury, make direct loan disbursements, pay claims on guaranteed loans, collect principal and interest from borrowers, earn interest from Treasury on any uninvested funds, and transfer excess subsidy to Treasury's General Fund Receipt Account. Appropriations for new subsidy and subsidy re-estimates are received in program accounts and transferred to Non-Budgetary Credit Reform Financing Accounts.

Property and Equipment, Net

The Department capitalizes single items of property and equipment with a cost of \$50,000 or more that have an estimated useful life of two years or more. Additionally, the Department capitalizes bulk purchases of property and equipment with an aggregate cost of \$500,000 or more. A bulk purchase is defined as the purchase of like items related to a specific project, or the purchase of like items occurring within the same fiscal year that have an estimated useful life of at least two years. Property and equipment are depreciated over their estimated useful lives using the straight-line method of depreciation. Internal Use Software meeting the above cost and useful life criteria is also capitalized. Internal Use Software is either purchased off the shelf, internally developed, or contractor developed solely to meet the Department's needs.

The Department adopted the following useful lives for its major classes of depreciable property and equipment:

Depreciable Property and Equipment

(In Years)

Major Class	Useful Life
Information Technology, Internal Use Software, and Telecommunications Equipment	3
Furniture and Fixtures	5

Other Assets

The Department's Other Intragovernmental Assets primarily consist of advance payments to federal agencies as part of interagency agreements for various goods and services. The Department's other assets (with the public) consist of payments made to grant recipients in advance of their expenditures and in-process disbursements of interest benefits and special allowance payments for the FFEL Program.

Liabilities

Liabilities represent actual and estimated amounts to be paid as a result of transactions or events that have already occurred. However, no liabilities can be paid by the Department without budget authority. Liabilities for which an appropriation has not been enacted are classified as liabilities not covered by budgetary resources, and there is no certainty that an appropriation will be enacted. The government, acting in its sovereign capacity, can abrogate liabilities that arise from activities other than contracts. FFEL Program and Direct Loan Program liabilities are entitlements covered by permanent indefinite budget authority.

Accounts Payable

Accounts Payable include amounts owed by the Department for goods and services received from other entities and scheduled payments transmitted but not yet processed. The Department's accounts payable primarily consist of in-process grant and loan disbursements to the public.

Debt

The Department borrows from Treasury to provide funding for the Direct Loan, FFEL, and TEACH Programs. The liability to Treasury from borrowings represents unpaid principal at year-end. The Department repays the principal based on available fund balances. Interest on the debt is calculated at fiscal year-end using rates set by Treasury. These are rates generally fixed based on the rate for 10-year Treasury securities. In addition, the Federal Financing Bank (FFB) holds bonds issued by a designated bonding authority, on behalf of the Department, for the HBCU Capital Financing Program. The Department reports the corresponding liability for full payment of principal and accrued interest on bonds as a payable to the FFB.

Accrued Grant Liability

Disbursements of grant funds are recognized as expenses at the time of disbursement. Some grant recipients incur allowable expenditures as of the end of an accounting period but have not yet been reimbursed by the agency. The Department will accrue a liability for these allowable expenditures incurred that have not yet been reimbursed. The amount is estimated using statistical sampling as well as information on recent grant expenditures and unliquidated balances.

Net Position

Net position consists of unexpended appropriations and cumulative results of operations. Unexpended appropriations include undelivered orders and unobligated balances, except for federal credit financing and liquidating funds, and trust funds. Cumulative results of operations represent the net difference since inception between (1) expenses and (2) revenues and financing sources.

Personnel Compensation and Other Employee Benefits

Annual, Sick, and Other Leave. The liability for annual leave, compensatory time off, and other vested leave is accrued when earned and reduced when taken. Each year, the accrued annual leave account balance is adjusted to reflect current pay rates. Sick leave and other types of non-vested leave are expensed as taken. Annual leave earned but not taken, within established limits, is funded from future financing sources.

Retirement Plans and Other Retirement Benefits. Employees participate in either the Civil Service Retirement System (CSRS), a defined benefit plan, or the Federal Employees Retirement System (FERS), a defined benefit and contribution plan. For CSRS employees, the Department contributes a fixed percentage of pay.

FERS consists of Social Security, a basic annuity plan, and the Thrift Savings Plan. The Department and the employee contribute to Social Security and the basic annuity plan at rates prescribed by law. In addition, the Department is required to contribute to the Thrift Savings Plan a minimum of 1 percent per year of the basic pay of employees covered by this system, match voluntary employee contributions up to 3 percent of the employee's basic pay, and match one-half of contributions between 3 percent and 5 percent of the employee's basic pay. For FERS employees, the Department also contributes the employer's share of Medicare.

Contributions for CSRS, FERS, and other retirement benefits are insufficient to fund the programs fully and are subsidized by the Office of Personnel Management (OPM). The Department imputes its share of the OPM subsidy, using cost factors provided by OPM, and reports the full cost of the programs related to its employees.

Federal Employees' Compensation Act. The *Federal Employees' Compensation Act* (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job, employees who have incurred work-related occupational diseases, and beneficiaries of employees whose deaths are attributable to job-related injuries or occupational diseases. The FECA Program is administered by the U.S. Department of Labor (DOL), which pays valid claims and subsequently seeks reimbursement from the Department for these paid claims.

The FECA liability consists of two components. The first component is based on actual claims paid and recognized by the Department as a liability. Generally, the Department reimburses DOL within two to three years once funds are appropriated. The second component is the estimated liability for future benefit payments based on unforeseen events, such as death, disability, medical, and miscellaneous costs as determined by DOL annually.

Intragovernmental Transactions

The Department's financial activities interact with and are dependent upon the financial activities of the centralized management functions of the federal government. Due to financial regulation and management control by OMB and Treasury, operations may not be conducted and financial positions may not be reported as they would if the Department were a separate, unrelated entity.

Reclassifications

Certain reclassifications were made to the FY 2012 financial statements and notes to conform to the current year presentation. These changes had no effect on total assets, liabilities, net position, or net cost of operations. During FY 2013, as required by Treasury and Departmental guidance, excess collections from pre-1992 FFEL loan guarantees, the College Housing Loan program, and the Higher Education Facilities Loan Program, which are payable to Treasury, are to be reported as non-current liabilities not covered by budgetary resources. This reclassification has resulted in a \$3 billion reduction of the FY 2012 reported balance of Intragovernmental

Accounts Payable and a corresponding increase in the FY 2012 reported Other Liabilities balance. In accordance with Treasury guidance on capital transfer accounting, excess collections from pre-1992 FFEL loan guarantees, the College Housing Loan Program, and the Higher Education Facilities Loan Program, which are payable to Treasury, but that have not yet been transferred, should be reported on Other Financing Sources on the Statement of Changes in Net Position, Transfers-Out was reduced by \$22 million while Negative Subsidy Transfers, Downward Subsidy Re-Estimates, and Other was increased by \$22 million.

Subsequent Events

The financial statements, notes, and required supplementary information do not reflect the effects of the subsequent event described below.

ABCP Conduit

The asset-backed commercial paper vehicle (ABCP Conduit) closes in the second quarter of 2014. Following Departmental policy that costs of the ABCP Conduit will be re-estimated after the program closes. A recovery of prior year obligations and the cancellation of borrowing authority in the amount of approximately \$71 billion will occur after the final re-estimate is completed.