

# **OPEN WORLD LEADERSHIP CENTER**

**FINANCIAL STATEMENTS FOR FISCAL YEARS 2015 AND 2014**



**Washington, DC  
2016**

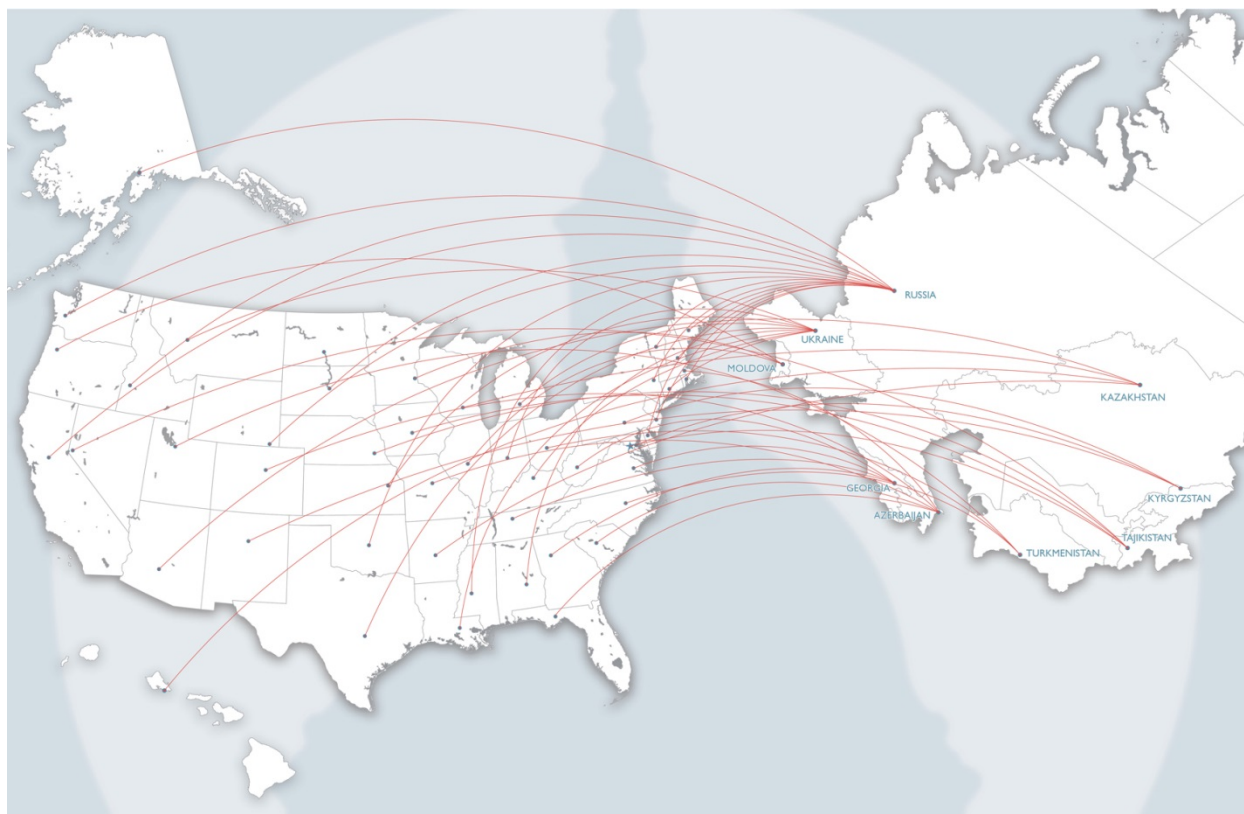
**OPEN WORLD LEADERSHIP CENTER**

**FINANCIAL STATEMENTS FOR FISCAL YEARS ENDED 2015 AND 2014**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b><i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i></b>	
<i>Mission and Overview</i>	<i>1</i>
<i>History</i>	<i>1</i>
<i>Overview of Financial Statements</i>	<i>2</i>
<i>Limitations of the Financial Statements</i>	<i>3</i>
<b><i>FINANCIAL STATEMENTS AND NOTES</i></b>	
<i>Balance Sheets</i>	<i>4</i>
<i>Statements of Net Costs</i>	<i>5</i>
<i>Statements of Changes in Net Position</i>	<i>6</i>
<i>Combined Statements of Budgetary Resources</i>	<i>7</i>
<i>Notes to the Financial Statements</i>	<i>8</i>
<b><i>REPORT OF INDEPENDENT AUDITORS</i></b>	
<i>Independent Auditor's Report</i>	<i>15</i>

# MANAGEMENT'S DISCUSSION AND ANALYSIS



**OPEN WORLD LEADERSHIP CENTER**  
**Financial Statements**

For the Fiscal Years Ended September 30, 2015 and 2014

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**MISSION AND OVERVIEW**

The mission of the Open World Leadership Center (the Center) is to enhance understanding and capabilities for cooperation between the United States and the countries of Eurasia by developing a network of leaders in the region who have gained significant, firsthand exposure to America's democratic, accountable government and free-market system. Since its founding by Congress in 1999, the Open World Program, which is administered by the Center, has enabled over 24,000 current and future leaders from Russia, Ukraine, Armenia, Azerbaijan, Egypt, Estonia, Georgia, Kazakhstan, Kosovo, Kyrgyzstan, Lithuania, Moldova, Mongolia, Serbia, Tajikistan, Turkey, Turkmenistan and Uzbekistan to experience American democracy and civil society, work with their American counterparts, live in American families and communities, and gain new ideas and inspiration for implementing change back home. The Center is today the largest U.S.-Russia exchange program and a proven model for exchanges for leaders from other Eurasian countries.

The Center is an independent entity in the legislative branch governed by a board of trustees. Board members consist of members of Congress and private citizens. The Congressional leadership appoints congressional members while the Librarian of Congress appoints citizen board members.

The Center receives appropriated funds and is authorized to receive private donations. All funds credited to the Center are deposited in a United States Treasury trust fund, the Open World Leadership Center Trust Fund.

**HISTORY**

Congress established Open World in May 1999 as a Library of Congress-run pilot exchange for emerging Russian leaders. In late 2000, Congress created (Public Law 106-554) the Center as a separate legislative branch entity to manage the program, which had already hosted 3,500 Russians in 48 states. In 2003, Congress made the other New Independent States and the Baltic Republics eligible for Open World and expanded the Russia program to include cultural leaders. One year later, Congress extended Open World eligibility to any countries designated by the Center's board. Today, the original Russia program, the cultural leaders program for Russia and exchanges with other countries in the region are collectively called the Open World Program.

The Center conducts its programs with the help of many respected government agencies and non-governmental organizations (NGOs) in the United States and participating countries. A large pool of prominent U.S. and foreign government bodies and international NGOs nominate most candidates. Finalists are then selected by committees composed mainly of U.S. Embassy

staff. The U.S. visits are carried out by between 12-16 organizations with exchange-program expertise that the Center competitively selects and awards grants to each year. Some organizations receive grants directly due to their extremely low per person cost and/or their strategic importance to the Center for their ability to host special delegations. These organizations either host groups themselves or recruit local affiliates, civic organizations, educational institutions, and government bodies to do so. In addition to arranging the professional agendas, these local host organizations provide meals, lodging, and cultural and social activities. They also provide substantial cost shares to the program and form lasting professional relationships with the delegates, resulting in Open World providing one of the most cost-effective, result-driven exchange programs in the U.S. government.

The Center awards contracts for the international and domestic travel and other logistical and administrative arrangements for the program and other expert services. In the past, the Open World Alumni Program has been supported by private funding and administered through a contract. That program has been suspended pending additional funding.

The Center relies on the Library of Congress (the Library) through an interagency agreement to provide accounting services and support, financial reporting and financial statements, personnel and human resources services, legal services and office space.

## OVERVIEW OF FINANCIAL STATEMENTS

### Balance Sheet

The purpose of the Balance Sheet is to provide financial statement users with information about the Center’s assets, liabilities, and net position as of fiscal years 2015 and 2014. The Center’s net position consists of the funds authorized by Congress for operations of the Center since inception, private donations, and the net results of operations through fiscal years 2015 and 2014.

Assets	(in millions)		Liabilities and Net Position	(in millions)	
	<u>2015</u>	<u>2014</u>		<u>2015</u>	<u>2014</u>
Intragovernmental	\$ 2.7	\$ 5.3	Intragovernmental Liabilities	\$ 0.0	\$ 0.0
Prepayments	0.1	0.1	Other Liabilities	0.6	1.2
			Net Position	2.2	4.2
<b>Total Assets</b>	<b>\$ 2.8</b>	<b>\$ 5.4</b>	<b>Total Liabilities and Net Position</b>	<b>\$ 2.8</b>	<b>\$ 5.4</b>

The Center’s assets total \$2.8 million and \$5.4 million for fiscal years 2015 and 2014, respectively with investments with the Department of the Treasury (Treasury) as the major item.

The decrease in total assets is primarily due to a decrease of \$2.4 million in Treasury investments from \$4.6 million in fiscal 2014 to \$2.2 million in fiscal 2015. The Center's liabilities total \$0.6 million and \$1.2 million for fiscal years 2015 and 2014 which consist of accounts payable, accrued payroll liabilities, and advances for both fiscal years.

### **Statement of Net Costs**

The purpose of the Statement of Net Costs is to provide financial statement users with information about program costs. Program costs for fiscal years 2015 and 2014 were \$7.9 million and \$10.1 million, respectively.

### **Statement of Changes in Net Position**

The purpose of the Statement of Changes in Net Position is to provide financial statement users with information about the Center's financing sources and the components of the changes in net position. The Center's net position decreased by \$2.0 million during fiscal 2015 due to the Center's net cost of operations \$8.0 million exceeding its net financial sources of \$6.0 million.

### **Statement of Budgetary Resources**

The Statement of Budgetary Resources and the related disclosures provide information about how budgetary resources were made available as well as their status at the end of the period. The Budgetary Resources section of the statement presents the total budgetary resources available to the Center and information about the status of budgetary resources at the end of the period. Finally, the Net Outlays section presents the total outlays of the Center and relates obligations incurred to total outlays.

The Center's budgetary resources were \$12.2 million and \$20.3 million for fiscal years 2015 and 2014, respectively. Budgetary resources consisted of \$0.3 million and \$1.1 million of prior year unobligated balances, \$0.2 million and \$0.5 million recoveries of prior year unpaid obligations, transfers of prior year balances \$50 thousand and 3.3 million, and current year budget authority of \$11.7 million and \$15.4 million. Net Outlays of \$8.5 million and \$9.7 million consisted of \$5.7 million and \$9.3 million from appropriated sources, and \$2.8 million and \$0.4 million from non-appropriated sources for fiscal years 2015 and 2014, respectively. Please refer to Note 10 for an explanation of the budgetary resource amounts.

## **LIMITATIONS OF THE FINANCIAL STATEMENTS**

The Center's financial statements are the culmination of a systematic accounting process. The statements have been prepared to report the financial position and results of operations of the Center, pursuant to the hierarchy of accounting principles and standards set forth in Note 1 to the financial statements. While the statements have been prepared from the books and records maintained by the Library of Congress, the statements are in addition to the financial reports

used to monitor and control budgetary resources which are prepared from the same books and records. The statements should be read with the realization that they are a component of the U.S. Government, a sovereign entity. One implication of this is that obligations and subsequent liabilities cannot be incurred without legislation that provides authority to do so.

## FINANCIAL STATEMENTS AND NOTES

<b>OPEN WORLD LEADERSHIP CENTER</b>		
<b>Balance Sheets</b>		
As of September 30, 2015 and 2014		
	<u>FY 2015</u>	<u>FY 2014</u>
<b>ASSETS</b>		
Entity Assets:		
Intragovernmental Assets		
Fund Balance with Treasury (Note 2)	\$ 540,334	\$ 701,105
Investments (Note 3)	<u>2,213,010</u>	<u>4,635,103</u>
Total Intragovernmental	2,753,344	5,336,208
Prepayments (Note 4)	72,619	73,490
Other Accounts Receivable, Net (Note 5)	<u>475</u>	<u>0</u>
Total Assets	<u>\$ 2,826,438</u>	<u>\$ 5,409,698</u>
<b>LIABILITIES</b>		
Intragovernmental Liabilities		
Accounts Payable and Accrued Funded Payroll Benefits	\$ 4,481	\$ 4,908
Total Intragovernmental	4,481	4,908
Accounts Payable and Accrued Funded Payroll Benefits	583,599	1,172,119
Unfunded Annual and Compensatory Leave	<u>53,045</u>	<u>51,717</u>
Total Liabilities (Note 6)	<u>\$ 641,125</u>	<u>\$ 1,228,744</u>
<b>NET POSITION</b>		
Cumulative Results of Operations	<u>2,185,313</u>	<u>4,180,954</u>
Total Net Position	<u>2,185,313</u>	<u>4,180,954</u>
Total Liabilities and Net Position	<u>\$ 2,826,438</u>	<u>\$ 5,409,698</u>
The accompanying notes are an integral part of these financial statements.		

**OPEN WORLD LEADERSHIP CENTER**

**Statements of Net Costs**

For the Years Ended September 30, 2015 and 2014

	<u>FY 2015</u>	<u>FY 2014</u>
Net Costs by Program Area:		
Program Costs (Note 8)	\$ 7,995,600	\$ 10,164,382
Less Earned Revenue	( 40,000)	( 45,000)
Net Costs of Operations	<u>\$ 7,955,600</u>	<u>\$ 10,119,382</u>

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



**OPEN WORLD LEADERSHIP CENTER**  
**Statements of Changes in Net Position**  
For the Years Ended September 30, 2015 and 2014

	FY 2015		FY 2014	
	<u>Cumulative</u> <u>Results of</u> <u>Operations</u>	<u>Unexpended</u> <u>Appropriation</u>	<u>Cumulative</u> <u>Results of</u> <u>Operations</u>	<u>Unexpended</u> <u>Appropriation</u>
Cumulative Results of Operations				
Beginning Balances	\$ 4,180,954	\$ 0	\$ 4,804,751	\$ 0
Budgetary Financing Sources				
Appropriations Received		5,700,000		6,000,000
Appropriations Transferred in/out		50,000		3,274,980
Other Adjustments				0
Appropriations Used	5,750,000	(5,750,000)	9,274,980	(9,274,980)
Non-Exchange Revenue	97,372		116,316	
Donations Cash or Securities	55,801		12,685	
Other financing sources with budgetary Impact			17,085	
Other Financing Sources				
Imputed Financing from costs absorbed by others (Note 7)	56,786		74,519	
Total Financing Sources	5,959,959	0	9,495,585	0
Net Costs of Operations	(7,955,600)	0	(10,119,382)	0
Net Change	(1,995,641)		(623,797)	0
Net Position, Ending	\$ 2,185,313	\$ 0	\$ 4,180,954	\$ 0

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

**OPEN WORLD LEADERSHIP CENTER**  
**Combined Statements of Budgetary Resources**

For the Years Ended September 30, 2015 and 2014

	<u>FY 2015</u>	<u>FY 2014</u>
<b>Budgetary Resources (see Note 10)</b>		
Unobligated Balance, brought forward, October 1	\$ 287,685	\$ 1,091,366
Recoveries of prior year obligations	239,967	459,323
Other changes in unobligated balances		
Transfers prior year balances	<u>50,000</u>	<u>3,274,980</u>
Unobligated balance from prior year budget Authority, net	577,652	4,825,669
Appropriations (discretionary and mandatory)	11,651,266	15,455,651
Spending authority from offsetting collections (discretionary and mandatory)	<u>624</u>	<u>0</u>
<b>Total Budgetary Resources</b>	<b>\$ <u>12,229,542</u></b>	<b>\$ <u>20,281,320</u></b>
<b>Status of Budgetary Resources</b>		
Obligations incurred: Direct	\$ 11,917,167	\$ 19,993,635
Unobligated balance-Exempt from Apportionment	<u>312,375</u>	<u>287,685</u>
<b>Total Budgetary Resources</b>	<b>\$ <u>12,229,542</u></b>	<b>\$ <u>20,281,320</u></b>
<b>Change in Obligated Balance</b>		
Unpaid obligations, brought forward, October 1	\$ 5,029,419	\$ 4,515,797
Uncollected customer payments from federal sources, brought forward October 1	<u>0</u>	<u>0</u>
Obligated balance start of year, net	5,029,419	4,515,797
Obligations incurred	11,917,167	19,993,635
Gross outlays	(14,276,662)	(19,020,690)
Recoveries of prior-year unpaid obligations	(239,967)	(459,323)
Change in uncollected customer payments from federal sources	<u>0</u>	<u>0</u>
<b>Obligated Balances, End of Year, Net</b>	<b>\$ <u>2,429,957</u></b>	<b>\$ <u>5,029,419</u></b>
<b>Budget Authority and Outlays, Net</b>		
Budget authority, gross (discretionary and mandatory)	\$ 11,651,890	\$ 15,455,651
Actual offsetting collections (discretionary and mandatory)	(624)	0
Change in uncollected customer payments from federal sources (discretionary and mandatory)	<u>0</u>	<u>0</u>
<b>Budget Authority, Net (discretionary and mandatory)</b>	<b>\$ <u>11,651,266</u></b>	<b>\$ <u>15,455,651</u></b>
<b>Outlays, gross (discretionary and mandatory)</b>		
Actual Offsetting Collections (discretionary and mandatory)	(624)	0
Distributed Offsetting Receipts	<u>(5,750,000)</u>	<u>(9,274,980)</u>
<b>Agency Outlays, Net (discretionary and mandatory)</b>	<b>\$ <u>8,526,038</u></b>	<b>\$ <u>9,745,710</u></b>

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

**Open World Leadership Center**  
**Notes to the Financial Statements**  
For the Years Ended September 30, 2015 and 2014

<b>Note 1. Summary of Significant Accounting Policies</b>
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**A. Reporting Entity**

The Center, a legislative branch agency of the federal government was established by Public Law 106-554 to bring political and civic leaders to the United States to meet their American counterparts and experience American style democracy and free enterprise in action. The Center relies primarily on appropriated funds to support its programs and operations. Budget requests are subject to review by the House Appropriations and the Senate Appropriations Subcommittees on Legislative Branch. The Center also receives funds from other federal agencies and gifts from the public to carry out its operations.

The Center's programs and operations are governed by a board of trustees. Board members consist of members of congress (appointed by the congressional leadership) and private citizens (appointed by the Librarian of Congress).

**B. Basis of Presentation**

The accompanying financial statements report the financial position, net costs, changes in net position, and budgetary resources of the Center for fiscal years 2015 and 2014. These statements and schedules include amounts of all funds designated by law and managed for the purpose of the Center. The statements were prepared from the Library's financial management system in accordance with the form and content for entity financial statements specified by the Library's financial management regulations and directives and the accounting policies summarized in this note.

The Center maintains its fund balances with the Treasury and submits information required to incorporate its financial and budget data into the overall federal government structure. For purposes of financial management and reporting, the Center follows Library regulation (LCR 1510) which adopts the federal standards for financial reporting and internal controls in a manner consistent with a legislative agency.

**C. Basis of Accounting**

Transactions are recorded on the accrual basis and are within budgetary limitations established to facilitate compliance with legal constraints and controls over use of federal funds. Under the accrual method, revenues are recognized when earned and expenses are recognized when incurred, without regard to receipt or payment of cash.

The Center's financial statements conform to accounting principles generally accepted in the United States of America as promulgated by the Federal Accounting Standards Advisory Board

(FASAB). The American Institute of Certified Public Accountants recognizes FASAB Standards as generally accepted accounting principles for federal reporting entities.

The statements were also generally prepared based on guidance published in the Office of Management and Budget (OMB) Circular No. A-136, Financial Reporting Requirements. The Center is not required to adopt this circular, and accordingly has elected to use the disclosures management deems necessary for the fair presentation of financial statement information.

**D. Use of Estimates in Preparing Financial Statements**

The preparation of financial statements, in conformity with federal accounting standards, requires management to make estimates and assumptions. These estimates affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements, and the amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

**Note 2. Fund Balance with Treasury**

	2015	2014
OWLC Funds Originally from Appropriations	\$ 424,046	\$ 664,941
Gift Funds	116,288	36,164
Total	<u>\$ 540,334</u>	<u>\$ 701,105</u>

Status of Fund Balance with Treasury:	2015	2014
Unobligated Balances – Available	\$ 0	\$ 0
Obligated Balances - Unavailable	540,334	701,105
Total	<u>\$ 540,334</u>	<u>\$ 701,105</u>

**Note 3. Investments, Net**

Funds that are not needed to finance current activities are invested in interest-bearing obligations of the United States. The Center has directed the Library to invest funds derived from contributions in Treasury securities. Due to the short-term nature of the investments, the cost of investments in conjunction with accrued interest approximates their fair market values. Investments outstanding were \$2,213,010 and \$4,635,103 for fiscal years 2015 and 2014. Average annual investment rates were 2.0% and 2.0% in fiscal years 2015 and 2014.

	2015	2014
Face Value	\$ 2,202,000	\$ 4,616,000
Interest Receivable	11,010	19,103
Investments, Net	<u>\$ 2,213,010</u>	<u>\$ 4,635,103</u>

**Note 4. Prepayments**

The Center awards grants to approximately 12-15 organizations with exchange-program expertise that are competitively selected for the purpose of hosting the foreign delegates. In fiscal years 2015 and 2014, \$72,619 and \$73,490 had been paid to but not yet used by these organizations to carry out their services.

**Note 5. Other Accounts Receivable**

Other Accounts Receivable consisted of a \$475 payroll billing document for fiscal 2015.

**Note 6. Liabilities Covered and Not Covered By Budgetary Resources**

	2015	2014
Liabilities Covered By Budgetary Resources	\$ 588,080	\$ 1,177,027
Liabilities Not Covered By Budgetary Resources:		
Intragovernmental	0	0
Other	53,045	51,717
Total	<u>\$641,125</u>	<u>\$ 1,228,744</u>

Liabilities covered by budgetary resources include accounts payable, advances from others, accrued funded payroll and benefits, advances from the public, and deferred credits.

Liabilities not covered by budgetary resources include accrued unfunded annual leave and benefits.

**Note 7. Imputed Financing Sources**

An imputed financing source of \$56,786 and \$74,519 was recognized for partial funding of employee benefit costs incurred on behalf of the Center by the Office of Personnel Management in fiscal years 2015 and 2014, respectively.

**Note 8. Total Cost and Earned Revenue by Budget Functional Classification**

	2015	2014
Total Cost by Function Classification:		
Education, Training, Employment, Social Services	\$7,995,600	\$10,164,382
Less: Earned Revenue	(40,000)	(45,000)
Net Program Costs	<u>\$7,955,600</u>	<u>\$10,119,382</u>

**Note 9. Total Cost by Program Activity**

	2015	2014
Intragovernmental Costs	\$ 518,278	\$ 457,629
Public Costs	7,477,322	9,706,753
Total Program Costs	<u>\$ 7,995,600</u>	<u>\$ 10,164,382</u>

<b>Note 10. Budgetary Resources</b>
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The following presentation is designed to provide budgetary details of the appropriated and non-appropriated components of the Center. Appropriations for fiscal years 2015 and 2014 were \$5,750,000 and \$9,274,980 respectively. In fiscal 2015 the Center's General Fund appropriations consist of \$5,700,000 appropriations received and appropriation transfers of \$50,000.

	FY 2015			FY 2014		
	Appropriated Capital	Non-Appropriated Capital	Combined	Appropriated Capital	Non-Appropriated Capital	Combined
<i>Budgetary Resources:</i>						
Unobligated Balance, Brought Forward, October 1	\$ 0	\$ 287,685	\$ 287,685	\$ 0	\$ 1,091,366	\$ 1,091,366
Recoveries of Prior-Year Obligations	0	239,967	239,967	0	459,323	459,323
Other changes in unobligated balances:						
Transfers prior year balances	50,000	0	50,000	3,274,980	0	3,274,980
Unobligated balance from prior year budget authority, net	50,000	527,652	577,652	3,274,980	1,550,689	4,825,669
Appropriation (discretionary and mandatory)	5,700,000	5,951,266	11,651,266	6,000,000	9,455,651	15,455,651
Spending Authority from Offsetting Collection (discretionary and mandatory)	0	624	624	0	0	0
Change in Receivables from Federal Sources	0	0	0	0	0	0
<b>Total Budgetary Resources</b>	<b>\$ 5,750,000</b>	<b>\$ 6,479,542</b>	<b>\$ 12,229,542</b>	<b>\$ 9,274,980</b>	<b>\$ 11,006,340</b>	<b>\$ 20,281,320</b>
<i>Status of Budgetary Resources:</i>						
Obligations Incurred	\$ 5,750,000	\$ 6,167,167	\$ 11,917,167	\$ 9,274,980	\$ 10,718,655	\$ 19,993,635
Unobligated Balance (Exempt from Apportionment)	0	312,375	312,375	0	287,685	287,685
<b>Total Budgetary Resources</b>	<b>\$ 5,750,000</b>	<b>\$ 6,479,542</b>	<b>\$ 12,229,542</b>	<b>\$ 9,274,980</b>	<b>\$ 11,006,340</b>	<b>\$ 20,281,320</b>

	FY 2015			FY 2014		
	Appropriated Capital	Non-Appropriated Capital	Combined	Appropriated Capital	Non-Appropriated Capital	Combined
<i>Change in Obligated Balance:</i>						
Unpaid Obligations, Brought Forward October 1	\$ 0	\$ 5,029,419	\$ 5,029,419	\$ 0	\$ 4,515,797	\$ 4,515,797
Uncollected Customer Payments from federal sources brought forward October 1	0	0	0	0	0	0
Obligated balance start of year, net	0	5,029,419	5,029,419	0	4,515,797	4,515,797
Obligations Incurred	5,750,000	6,167,167	11,917,167	9,274,980	10,718,655	19,993,635
Gross Outlays	(5,750,000)	(8,526,662)	(14,276,662)	(9,274,980)	(9,745,710)	(19,020,690)
Recoveries of Prior-Year Unpaid Obligations	0	(239,967)	(239,967)	0	(459,323)	(459,323)
Change in Uncollected Customer Payments from Federal Sources	0	0	0	0	0	0
Obligated Balance, Net, End of Period	\$ 0	\$ 2,429,957	\$ 2,429,957	\$ 0	\$ 5,029,419	\$ 5,029,419
<i>Budget authority and outlays, net</i>						
Budget authority, gross (discretionary and mandatory)	\$5,700,000	\$5,951,890	\$11,651,890	\$ 6,000,000	\$ 9,455,651	\$ 15,455,651
Actual offsetting collections (discretionary and mandatory)	0	(624)	(624)	0	0	0
Customer payments from Change in uncollected customer payments from federal sources (discretionary and mandatory)	0	0	0	0	0	0
Budget Authority, Net	\$5,700,000	\$5,951,266	\$11,651,266	\$ 6,000,000	\$ 9,455,651	\$ 15,455,651
<i>Net Outlays:</i>						
Gross Outlays	\$ 5,750,000	\$ 8,526,662	\$ 14,276,662	\$ 9,274,980	\$ 9,745,710	\$ 19,020,690
Offsetting Collections	0	(624)	(624)	0	0	0
Intrabudgetary Receipts	0	(5,750,000)	(5,750,000)	0	(9,274,980)	(9,274,980)
Net Outlays	\$ 5,750,000	\$ 2,776,038	\$ 8,526,038	\$ 9,274,980	\$ 470,730	\$ 9,745,710



<b>Note 11. Reconciliation of Net Cost of Operations to Budget</b>
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Resources Used to Finance Activities	FY 2015	FY 2014
<b>Budgetary Resources Obligated:</b>		
Obligations Incurred	\$ 11,917,167	\$ 19,993,635
Less: Spending Authority from Offsetting Collections and Recoveries	(240,591)	(459,323)
Distributing Offsetting Receipts	(5,750,000)	(9,274,980)
Other Exchange Revenue	(40,000)	(45,000)
Net Obligations	<u>5,886,576</u>	<u>10,214,332</u>
<b>Other Resources</b>		
Imputed Financing from Costs Absorbed by Others	56,786	74,519
Total Resources Used to Finance Activities	<u>5,943,362</u>	<u>10,288,851</u>
<b>Resources Used to Finance Items not Part of the Net Cost of Operations</b>		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but not yet Provided	2,011,385	(175,727)
Budgetary Offsetting Collections and Receipts That Do Not Affect Net Cost of Operations	5,750,000	9,274,980
Other Resources or Adjustments to Net Obligated Resources that do not affect Net Cost of Operations	(5,750,000)	(9,274,980)
Total Resources Used to Finance Items not Part of the Net Cost of Operations	<u>2,011,385</u>	<u>(175,727)</u>
<b>Total Resources Used to Finance the Net Cost of Operations</b>	<u>7,954,747</u>	<u>10,113,124</u>
<b>Components Requiring or Generating Resources in Future Periods:</b>		
Increase in Annual Leave Liability	1,328	6,258
Increase in Nonfederal Accounts Receivable	(475)	0
<b>Total Components Requiring or Generating Resources in Future Periods</b>	<u>853</u>	<u>6,258</u>
<b>Net Costs of Operations</b>	<u>\$ 7,955,600</u>	<u>\$ 10,119,382</u>