



# **National Science Foundation**

**FINANCIAL STATEMENTS**  
as of and for the years ended  
September 30, 2007 and 2006

**National Science Foundation**  
**Balance Sheet**  
**As of September 30, 2007 and 2006**  
**(Amounts in Thousands)**

<b>Assets</b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b>Intragovernmental Assets</b>		
Fund Balance With Treasury (Note 2)	\$ 8,310,182	\$ 7,823,954
Accounts Receivable	24,561	37,530
Advances (Note 3)	35,255	35,189
<b>Total Intragovernmental Assets</b>	<b><u>8,369,998</u></b>	<b><u>7,896,673</u></b>
<b>Cash and Other Monetary Assets</b>		
Cash and Other Monetary Assets	16,228	12,941
Accounts Receivable, Net	247	139
Advances (Note 3)	79,326	76,511
General Property, Plant and Equipment, Net (Notes 4 and 5)	260,207	261,347
<b>Total Assets</b>	<b><u>\$ 8,726,006</u></b>	<b><u>\$ 8,247,611</u></b>
<b>Liabilities</b>		
<b>Intragovernmental Liabilities</b>		
Advances From Others	\$ 72,018	\$ 1,593
Employer Contributions and Other	745	712
FECA Employee Benefits	292	284
Other Intragovernmental Liabilities (Notes 6 and 8)	3,050	3,050
<b>Total Intragovernmental Liabilities</b>	<b><u>76,105</u></b>	<b><u>5,639</u></b>
Accounts Payable	38,358	43,932
FECA Employee Benefits	1,182	1,287
Accrued Liabilities - Grants	360,475	347,737
Accrued Liabilities - Contracts, Payroll, and Other	25,046	29,233
Accrued Annual Leave	14,264	13,892
<b>Total Liabilities</b>	<b><u>\$ 515,430</u></b>	<b><u>\$ 441,720</u></b>
Commitments and Contingencies (Note 8)		
<b>Net Position</b>		
Unexpended Appropriations - Other Funds	\$ 7,587,271	\$ 7,255,489
Cumulative Results of Operations - Earmarked Funds (Note 9)	334,664	279,282
Cumulative Results of Operations - Other Funds	288,641	271,120
<b>Total Net Position</b>	<b><u>8,210,576</u></b>	<b><u>7,805,891</u></b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 8,726,006</u></b>	<b><u>\$ 8,247,611</u></b>

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

National Science Foundation  
Statement of Net Cost  
For the Years Ended September 30, 2007 and 2006  
(Amounts in Thousands)

Program Costs	<u>2007</u>	<u>2006</u>
Research and Related Activities		
Gross Costs	\$ 4,507,933	\$ 4,514,053
Less: Earned Revenues	(68,500)	(109,254)
<b>Net Research and Related Activities</b>	<u>4,439,433</u>	<u>4,404,799</u>
Education and Human Resources		
Gross Costs	\$ 904,482	\$ 925,385
Less: Earned Revenues	(8,270)	(16,566)
<b>Net Education and Human Resources</b>	<u>896,212</u>	<u>908,819</u>
Major Research Equipment and Facilities Construction		
Gross Costs	\$ 222,926	\$ 191,597
Less: Earned Revenues	-	-
<b>Net Major Research Equipment and Facilities Construction</b>	<u>222,926</u>	<u>191,597</u>
Costs Not Assigned to Other Programs		
Gross Costs	\$ 77,558	\$ 90,546
Less: Earned Revenues	-	-
<b>Net Costs Not Assigned to Other Programs</b>	<u>77,558</u>	<u>90,546</u>
<b>Net Cost of Operations (Note 10)</b>	<u>\$ 5,636,129</u>	<u>\$ 5,595,761</u>

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

**National Science Foundation  
Statement of Changes in Net Position  
For the Year Ended September 30, 2007  
(Amounts in Thousands)**

	<u>2007</u>		
	<u>Earmarked</u>	<u>All Other</u>	<u>Total</u>
<b>Cumulative Results of Operations</b>			
<b>Beginning Balances (Note 9)</b>	\$ 279,282	271,120	550,402
<b>Budgetary Financing Sources</b>			
Appropriations Used	-	5,552,427	5,552,427
Non-exchange Revenue	-	407	407
Donations	-	40,874	40,874
Appropriated Earmarked Receipts Transferred In	107,359	-	107,359
<b>Other Financing Sources</b>			
Transfers In / (Out) Without Reimbursement	-	(2)	(2)
Imputed Financing From Costs Absorbed By Others	-	9,336	9,336
Other	-	(1,369)	(1,369)
<b>Total Financing Sources</b>	<u>107,359</u>	<u>5,601,673</u>	<u>5,709,032</u>
<b>Net Cost of Operations (Note 10)</b>	<u>51,977</u>	<u>5,584,152</u>	<u>5,636,129</u>
<b>Cumulative Results of Operations (Note 9)</b>	<u>\$ 334,664</u>	<u>288,641</u>	<u>623,305</u>
<b>Unexpended Appropriations</b>			
<b>Beginning Balances</b>	\$ -	7,255,489	7,255,489
<b>Budgetary Financing Sources</b>			
Appropriations Received	-	5,917,165	5,917,165
Appropriations Transferred In / (Out)	-	5,710	5,710
Other Adjustments	-	(38,666)	(38,666)
Appropriations Used	-	(5,552,427)	(5,552,427)
<b>Total Budgetary Financing Sources</b>	<u>-</u>	<u>331,782</u>	<u>331,782</u>
<b>Total Unexpended Appropriations</b>	<u>-</u>	<u>7,587,271</u>	<u>7,587,271</u>
<b>Net Position</b>	<u>\$ 334,664</u>	<u>7,875,912</u>	<u>8,210,576</u>

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

**National Science Foundation**  
**Statement of Changes in Net Position**  
**For the Year Ended September 30, 2006**  
**(Amounts in Thousands)**

	<u>2006</u>		
	<u>Earmarked</u>	<u>All Other</u>	<u>Total</u>
<b>Cumulative Results of Operations</b>			
<b>Beginning Balances (Note 9)</b>	\$ 217,955	281,141	499,096
<b>Budgetary Financing Sources</b>			
Appropriations Used	-	5,501,447	5,501,447
Non-exchange Revenue	-	278	278
Donations	-	31,142	31,142
Appropriated Earmarked Receipts Transferred In	105,324	-	105,324
<b>Other Financing Sources</b>			
Transfers In / (Out) Without Reimbursement	-	(257)	(257)
Imputed Financing From Costs Absorbed By Others	-	9,151	9,151
Other	-	(18)	(18)
<b>Total Financing Sources</b>	<u>105,324</u>	<u>5,541,743</u>	<u>5,647,067</u>
<b>Net Cost of Operations (Note 10)</b>	43,997	5,551,764	5,595,761
<b>Cumulative Results of Operations (Note 9)</b>	<u>\$ 279,282</u>	<u>271,120</u>	<u>550,402</u>
 <b>Unexpended Appropriations</b>			
<b>Beginning Balances</b>	\$ -	7,198,420	7,198,420
<b>Budgetary Financing Sources</b>			
Appropriations Received	-	5,653,370	5,653,370
Appropriations Transferred In / (Out)	-	7,975	7,975
Other Adjustments	-	(102,829)	(102,829)
Appropriations Used	-	(5,501,447)	(5,501,447)
<b>Total Budgetary Financing Sources</b>	<u>-</u>	<u>57,069</u>	<u>57,069</u>
<b>Total Unexpended Appropriations</b>	<u>-</u>	<u>7,255,489</u>	<u>7,255,489</u>
<b>Net Position</b>	<u>\$ 279,282</u>	<u>7,526,609</u>	<u>7,805,891</u>

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

National Science Foundation  
Statement of Budgetary Resources (page 1 of 2)  
For the Years Ended September 30, 2007 and 2006  
(Amounts in Thousands)

	<u>2007</u>	<u>2006</u>
<b>Budgetary Resources</b>		
Unobligated Balance - Brought Forward, October 1	\$ 203,544	\$ 243,674
Recoveries of Prior Year Unpaid Obligations	44,474	44,781
Budget Authority		
Appropriation	6,065,805	5,790,114
Spending Authority From Offsetting Collections		
Earned		
Collected	90,844	124,165
Change in Receivables From Federal Sources	(12,972)	1,705
Change in Unfilled Customer Orders		
Advance Received	70,425	(13,577)
Without Advance From Federal Sources	(41,296)	(14,458)
Subtotal - Budget Authority	<u>6,172,806</u>	<u>5,887,949</u>
Nonexpenditure Transfers, Net	5,710	7,975
Permanently Not Available	(38,666)	(102,829)
<b>Total Budgetary Resources (Note 13)</b>	<u>\$ 6,387,868</u>	<u>\$ 6,081,550</u>

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

National Science Foundation  
Statement of Budgetary Resources (page 2 of 2)  
For the Years Ended September 30, 2007 and 2006  
(Amounts in Thousands)

	<u>2007</u>	<u>2006</u>
<b>Status of Budgetary Resources</b>		
Obligations Incurred		
Direct (Note 12)	\$ 6,063,147	\$ 5,777,489
Reimbursable (Note 12)	106,044	100,517
Total Obligations Incurred (Notes 13 and 15)	<u>6,169,191</u>	<u>5,878,006</u>
Unobligated Balance - Apportioned (Note 2)	141,709	120,872
Unobligated Balance - Not Available (Notes 2 and 13)	76,968	82,672
<b>Total Status of Budgetary Resources (Note 13)</b>	<u>\$ 6,387,868</u>	<u>\$ 6,081,550</u>
<b>Change in Obligated Balances</b>		
Obligated Balance, Net		
Unpaid Obligations - Brought Forward, October 1	7,747,341	7,570,194
Less: Uncollected Customer Payments From Federal Sources - Brought Forward, October 1	(126,930)	(139,683)
Total Unpaid Obligated Balance, Net	<u>7,620,411</u>	<u>7,430,511</u>
Obligations Incurred (Note 13)	6,169,191	5,878,006
Less: Gross Outlays	(5,691,662)	(5,656,078)
Less: Recoveries of Prior Year Unpaid Obligations, Actual	(44,474)	(44,781)
Change in Uncollected Customer Payments From Federal Sources	54,267	12,753
Subtotal	<u>\$ 8,107,733</u>	<u>\$ 7,620,411</u>
Obligated Balance, Net - End of Period		
Unpaid Obligations	8,180,395	7,747,341
Less: Uncollected Customer Payments From Federal Sources	(72,662)	(126,930)
Total Unpaid Obligated Balance, Net - End of Period (Note 2)	<u>\$ 8,107,733</u>	<u>\$ 7,620,411</u>
<b>Net Outlays</b>		
Gross Outlays	5,691,662	5,656,078
Less: Offsetting Collections	(161,269)	(110,588)
Less: Distributed Offsetting Receipts	(1,535)	(4,207)
<b>Net Outlays</b>	<u>\$ 5,528,858</u>	<u>\$ 5,541,283</u>

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

NOTES TO THE PRINCIPAL FINANCIAL STATEMENTS  
(Amounts in Thousands)

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The National Science Foundation (NSF or "Foundation") is an independent federal agency created by the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-75). Its mission is to promote and advance scientific progress in the United States. NSF initiates and supports scientific research and research fundamental to the engineering process and programs to strengthen the Nation's science and engineering potential. NSF also supports education programs at all levels in all fields of science and engineering. NSF funds research and education in science and engineering by awarding grants and contracts to educational and research institutions in all parts of the United States. NSF, by law, cannot operate research facilities except in the polar regions. By award, NSF enters into relationships to fund the research operations conducted by grantees.

NSF is led by a presidentially-appointed Director and the policy-making National Science Board (NSB). The NSB, composed of 24 members, represents a cross section of American leaders in science and engineering research and education, who are appointed by the President for six-year terms. The NSF Director is a member *ex officio* of the Board.

**B. Basis of Presentation**

These financial statements have been prepared to report the financial position and results of operations of NSF as required by the Chief Financial Officers Act of 1990, the Government Management Reform Act of 1994, the Reports Consolidation Act of 2000, and the Office of Management and Budget (OMB) Circular A-136, "Financial Reporting Requirements." While the statements have been prepared from the books and records of NSF in accordance with United States generally accepted accounting principles (U.S. GAAP) for federal entities and the formats prescribed by OMB, 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.

**C. Basis of Accounting**

The accompanying financial statements have been prepared in accordance with U.S. GAAP for federal entities using the accrual method of accounting in addition to recognizing certain budgetary transactions. Under the accrual method, 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.

**D. Revenues and Other Financing Sources**

NSF receives the majority of its funding through appropriations contained in the Science, State, Justice, Commerce, and related Agencies Appropriations Act. NSF receives annual, multi-year, and no-year appropriations that may be expended, within statutory limits. NSF also receives funding via warrant from a special earmarked receipt account that is reported as H-1B funds. Additional amounts are obtained from reimbursements for services provided to other federal agencies, transfers from other federal agencies via nonexpenditure transfers, as well as funds obtained from receipts to the donation account. Also, NSF receives interest earned on overdue receivables and excess cash advances to grantees. The interest earned on overdue receivables and excess cash advances to grantees is returned to the Treasury.

For FY 2007, Congress passed a full year Continuing Appropriations Resolution (CR). As noted in OMB Bulletin No. 07 - 03; Division B, Title I of H.J. Res. 20 provides full-year funding for accounts not funded by Public Laws 109-289 and 109-295. Accounts are generally funded at the level provided in the FY 2006 appropriations act with an additional funding of fifty percent of the cost of any FY 2007 increase in rates of pay for employees. Additionally, Public Law 110-5 provides funding for Research and Related Activities that exceeded the FY 2006 budget appropriation.

Appropriations are recognized as a financing source at the time the related "funded" program or administrative expenditures are incurred. Appropriations are also recognized when used to purchase property, plant and equipment. "Unfunded" liabilities result from liabilities not covered by budgetary resources and will be paid when future appropriations are made available for these purposes. Donations are recognized as revenues when funds are received. Revenues from reimbursable agreements are recognized when the services are provided and the related expenditures are incurred. Reimbursable agreements are mainly for grant administrative services provided by NSF on behalf of other federal agencies.

Under the general authority of the Foundation, NSF is authorized to accept into the NSF Donations Account and use both U.S. and foreign funds. 42 U.S.C. 1862 Section 3 (a)(3) (NSF has authority "to foster the interchange of scientific and engineering information among scientists and engineers in the United States and foreign countries") and also 42 U.S.C. 1870 Section 11 (f) (NSF is authorized to receive and use funds donated by others.) Donations may be received from foreign governments, private companies, academic institutions, non-profit foundations, and individuals. These funds must be donated without restriction other than that they be used in furtherance of one or more of the general purposes of the Foundation. Funds are made available for obligations as necessary to support NSF programs.

#### **E. Fund Balance with Treasury and Cash and Other Monetary Assets**

Cash receipts and disbursements are processed by the Treasury. Fund Balance with Treasury is composed primarily of appropriated funds that are available to pay current liabilities and finance authorized purchase commitments. Cash and Other Monetary Assets primarily include non-appropriated funding sources from donations and undeposited collections.

#### **F. Accounts Receivable, Net**

Accounts Receivable consists of amounts due from governmental agencies, private organizations, and individuals. NSF establishes an allowance for loss on accounts receivable from non-federal sources that are deemed uncollectible, but regards amounts due from other federal agencies as fully collectible. NSF analyzes each account independently to assess collectability and the need for an offsetting allowance or write-off. NSF writes off delinquent debt from non-federal sources that is more than two years old.

#### **G. Advances**

Advances consist of advances to grantees, contractors, and federal agencies. Advance payments are made to grant recipients so that recipients may incur expenditures related to the approved grant. Payments are only made within the amount of the recorded grant obligation and are intended to cover immediate cash needs. Advances to contractors are payments made in advance of incurring expenditures. Advances to federal agencies are only issued when agencies are operating under working capital funds and are unable to incur costs on a reimbursable basis. Advances are reduced when documentation supporting expenditures is received and recorded.

#### **H. Grant Expenditure Accrual**

The total grant expenditures for the year include an estimate of fourth quarter expenditures incurred by grantees. The majority of NSF's grantees are reimbursed for incurred costs, but due to the timing of the receipt of expenditure reports, grantees draw down funds prior to the recognition of the reimbursement for incurred costs. This timing constraint causes funding to grantees to be recorded as advances. The grant accrual calculation is based on historical trend analyses prepared by NSF. NSF uses a methodology to track the spending patterns by fiscal year and quarter for each of its fund groups. NSF determined that each appropriation and the year of the appropriation have a noted spending pattern. Based on historical information, NSF applies an average percentage rate to the current year grant related obligations for each individual appropriation within a fund group. The calculation provides NSF with the accrued expenditure.

NSF estimates the ending cash on hand balance in total for its grantees after the accrued grant expenditures have been determined. Based on an average of six years of historical cash on hand data, NSF applies the negative cash on hand rate to the estimated ending cash on hand to determine the amount to record as a liability. The difference between the total expenditure amount accrued and the liability recorded is used to reduce the advance.

### **I. Contract Expenditure Accrual**

Contract expenditures for the year include an estimate of fourth quarter expenditures incurred by the three contractors that are funded on an advance basis. The three contractors are Raytheon Polar Services Company (RPSC), Consortium for Ocean Leadership, Inc (COL) (formerly Joint Oceanographic Institutions (JOI)), and Integrated Ocean Drilling Program Management International, Inc (IMI). Expenditures are estimated for each contractor by computing an average of the previous four quarters of actual expenditures reported. The accrual increases expenditures and decreases the advance account. If the estimated accrual amount exceeds total advances, an accrued liability is recorded for the excess.

### **J. General Property, Plant and Equipment (PP&E)**

NSF capitalizes PP&E with costs exceeding \$25 and useful lives of two or more years; those not meeting these criteria are recorded as operating expenses. NSF currently reports capitalized PP&E at original acquisition cost; assets acquired from the General Services Administration (GSA) excess property schedules are recorded at the value assigned by the donating agency; assets transferred in from other agencies are at the cost recorded by the transferring entity for the asset net of accumulated depreciation or amortization.

The PP&E balance consists of Equipment, Aircraft and Satellites, Buildings and Structures, Leasehold Improvements, and Construction in Progress. These balances are comprised of PP&E maintained "in-house" by NSF to support operations and PP&E under the U.S. Antarctic Program (USAP). The majority of USAP property is currently the custodial responsibility of RPSC, the NSF contractor for the program. Additionally, the U.S. Navy's Space and Naval Warfare Center, the Air National Guard 109th, and Ken Borek Air have custodial responsibility for some USAP property.

Costs incurred to construct buildings and structures are accumulated and tracked as construction in progress. At 75% completion of construction, an onsite Conditional Occupancy inspection is performed to inspect for compliance to the approved plans, design, specifications, and changes. Items that pertain to the safety and health of any future occupants of the facility must be corrected before a Conditional Occupancy is granted and the facility occupied. When Conditional Occupancy is granted, the completed project is transferred from construction in progress, capitalized as real property, and depreciated over the respective useful life of the asset.

Depreciation expense is calculated using the straight line half year convention. The economic useful life classifications for capitalized assets are as follows:

#### Equipment

5 years	computers and peripheral equipment, fuel storage tanks, laboratory equipment, and vehicles
7 years	communications equipment, office furniture and equipment, pumps and compressors
10 or 15 years	generators, Department of Defense equipment
20 years	movable buildings (e.g. trailers)

#### Aircraft and Satellites

7 years	aircraft, aircraft conversions, and satellites
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#### Buildings and Structures

31.5 years	buildings and structures placed in service prior to 1994
39 years	buildings and structures placed in service after 1993

#### Leasehold Improvements

The cost of leasehold improvements performed by GSA is financed with NSF appropriated funds. The leasehold improvements are capitalized by NSF as they are transferred from Construction in Progress. Amortization is calculated using the straight line half year convention. In FY 2007, Leasehold Improvements completed during the year were amortized over 6 years, the remaining years on NSF's lease with GSA.

*Office Space:* The NSF Headquarter buildings are leased through the GSA under an occupancy agreement. The cancellation clause within the agreement allows NSF to terminate use with a 120 day notice. NSF is billed by GSA for the leased space as rent based upon estimated lease payments made by GSA plus an administrative fee. The cost of the Headquarter buildings are not capitalized by NSF.

#### Internal Use Software

NSF controls, values and reports purchased or developed software as tangible property assets, in accordance with the Statement of Federal Financial Accounting Standards (SFFAS) No. 10 – "Accounting for Internal Use Software". NSF identifies software investments as accountable property for items that, in the aggregate, cost \$500 or more to purchase, develop, enhance or modify a new or existing NSF system. Software projects that are not completed at year-end and are expected to exceed the capitalization threshold are recorded as software in development. All internal use software meeting the capitalization threshold is amortized over a five-year period using the straight line half year convention.

*Assets Owned by NSF in the Custody of Other Entities:* NSF awards grants, cooperative agreements, and contracts to various organizations, including colleges and universities, non-profit organizations, state and local governments, Federally Funded Research and Development Centers (FFRDC), and private entities. The funds provided may be used in certain cases to purchase or construct PP&E to be used for operations or research on projects or programs sponsored by NSF. In these instances, NSF funds the acquisition of property, but transfers control to these entities. NSF's authorizing legislation specifically prohibits it from operating such property directly. In practice, NSF's ownership interest in such PP&E is similar to a reversionary interest. To address the accounting and reporting of these assets, specific guidance was sought by NSF and provided by the Federal Accounting Standards Advisory Board (FASAB). This guidance stipulates that NSF should: (i) disclose the value of such PP&E held by others in its financial statements based on information contained in the audited financial statements of these entities (if available). Where separate audited amounts are not available for a specific entity, NSF should name the entity and note that these amounts are unavailable; and (ii) report information on costs incurred to acquire the research facilities, equipment, and platforms in the Research and Human Capital Activity costs as required by the SFFAS No. 8, "Supplementary Stewardship Reporting".

#### **K. Advances from Others**

Advances from Others consist of amounts obligated and advanced by other federal entities to NSF for grant administration and other services to be furnished under reimbursable agreements. Balances at the end of the year are adjusted by an allocated amount from the fourth quarter grantee expenditure estimate described under Note 1H, Grant Expenditure Accrual. The amount to be allocated by Trading Partner is based on a percentage of reimbursable grant expenditures to total grant expenditures.

#### **L. Accounts Payable**

Accounts Payable consist of liabilities to federal agencies, commercial vendors, contractors, and disbursements in transit. Accounts payable to federal agencies, commercial vendors and contractors are expenses for goods and services received but not yet paid by NSF at the end of the fiscal year. At year-end, NSF accrues for the amount of estimated unpaid expenditures to commercial vendors for which invoices have not been received, but goods and services have been delivered and rendered. Accounts payable also consist of disbursements in transit recorded by NSF but not paid by Treasury.

#### **M. Accrued Liabilities**

Accrued liabilities consist of grant accruals, contract accruals, accrued payroll, and benefits. Grant liabilities and contract accruals are estimated expenditures greater than the amount advanced. At year-end, NSF accrues for the amount of estimated grantee and contractor expenses not covered by advances. The grant accrual process is explained further in Note 1H, Grant Expenditure Accrual. The contract expenditure accrual process is explained further in Note 1I, Contract Expenditure Accrual.

NSF's payroll services are provided by the Department of the Interior. Accrued payroll and benefits relate to services rendered by NSF employees but not yet paid. At year-end, NSF accrues the amount of wages and benefits earned, but not yet paid. Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect changes. To the extent current and prior-year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future Salaries and Expenses appropriations. Sick leave and other types of nonvested leave are expensed as taken.

#### **N. Employee Benefits**

A liability is recorded for estimated and actual future payments to be made for workers' compensation pursuant to the Federal Employees' Compensation Act (FECA). The liability consists of the net present value of estimated future payments calculated by the U.S. Department of Labor (DOL) and the actual unreimbursed cost paid by DOL for compensation paid to recipients under FECA. The actual costs incurred are reflected as a liability because NSF will reimburse DOL two years after the actual payment of expenses. Future NSF Salary and Expense Appropriations will be used for DOL's estimated reimbursement.

#### **O. Net Position**

Net position is the residual difference between assets and liabilities and is composed of unexpended appropriations and cumulative results of operations. Unexpended appropriations represent the amount of undelivered orders and unobligated balances of budget authority. Unobligated balances are the amount of appropriations or other authority remaining after deducting the cumulative obligations from the amount available for obligation. The cumulative results of operations is the net result of NSF's operations since inception.

#### **P. Retirement Plan**

In FY 2007, approximately 22 percent of NSF employees participated in the Civil Service Retirement System (CSRS), to which NSF matches contributions equal to 7 percent of pay. The majority of NSF employees are covered by the Federal Employees Retirement System (FERS) and Social Security. A primary feature of FERS is that it offers a thrift savings plan to which NSF automatically contributes 1 percent of pay and matches employee contributions up to an additional 4 percent of pay. NSF also contributes the employer's matching share for Social Security for FERS participants.

Although NSF funds a portion of the benefits under FERS and CSRS relating to its employees and withholds the necessary payroll deductions, the foundation has no liability for future payments to employees under these plans, nor does NSF report CSRS, FERS, Social Security assets, or accumulated plan benefits, on its financial statements. Reporting such amounts is the responsibility of the Office of Personnel Management (OPM) and The Federal Retirement Thrift Investment Board.

SFFAS No. 5, "Accounting for Liabilities of the Federal Government", requires employing agencies to recognize the cost of pensions and other retirement benefits during their employees' active years of service. OPM actuaries determine pension cost factors by calculating the value of pension benefits expected to be paid in the future, and provide these factors to the agency for current period expense reporting. Information is also provided by OPM regarding the full cost of health and life insurance benefits on the OPM Benefit Administration Website <http://www.opm.gov/retire/asd/htm/2007/07-305.asp>

#### **Q. Contingencies and Possible Future Costs**

*Contingencies - Claims and Lawsuits:* NSF is a party to various legal actions and claims brought against it. In the opinion of NSF management and legal counsel, the ultimate resolution of the actions and claims will not materially affect the financial position or operations of the Foundation. NSF recognizes the contingency in the financial statements when claims are expected to result in a material loss, whether from NSF's appropriations or the "Judgment Fund" administered by the Department of Justice under Section 1304 of Title 31 of the United States Code, and, the payment amounts can be reasonably estimated.

Claims and lawsuits have also been made and filed against awardees of the Foundation by third parties. NSF is not a party to these actions and NSF believes there is no possibility that NSF will be legally required to satisfy such claims. Judgments or settlements of the claims against awardees that impose financial obligation on them may be claimed as costs under the applicable contract, grant, or cooperative agreement and thus may affect the allocation of program funds in future fiscal years. In the event that the claim becomes probable and amounts can be reasonably estimated, the claim will be recognized.

*Contingencies – Unasserted Claims:* For claims and lawsuits that have not been made and filed against the Foundation, NSF management and legal counsel determine, in their opinion, whether resolution of the actions and claims it is aware of will materially affect the Foundation's financial position or operations. NSF recognizes a contingency in the financial statements when unasserted claims are probable of assertion, and if asserted would be probable of an unfavorable outcome, and expected to result in a measurable loss, whether from NSF's appropriations or the "Judgment Fund." NSF discloses unasserted claims if materiality or measurability of a potential loss cannot be determined or the loss is more likely than not to occur rather than probable.

*Termination Claims:* NSF engages organizations in cooperative agreements and contracts to manage, operate and maintain research facilities for the benefit of the scientific community. As part of these agreements and contracts, NSF funds on a pay-as-you-go basis certain employee benefit costs, (accrued vacation and other employee related liabilities, severance pay and medical insurance), long term leases and vessel usage.

*Environmental Liabilities:* NSF manages the U.S. Antarctic Program. The Antarctic Conservation Act and its implementing regulations identify the requirements for environmental clean-up in Antarctica. NSF continually monitors the U.S. Antarctic Program in regards to environmental issues. NSF establishes its environmental liability estimates in accordance with the requirements of the SFFAS No. 5, "Accounting for Liabilities of the Federal Government," and as amended by SFFAS No. 12, "Recognition of Contingent Liabilities Arising from Litigation," and the Federal Financial Accounting and Auditing Technical Release No. 2, "Determining Probable and Reasonably Estimable for Environmental Liabilities in the Federal Government." Further information regarding environmental liabilities is included in Note 6, Estimated Clean Up Cost Liability.

#### **R. Use of Estimates**

Management has made certain estimates and assumptions when reporting assets, liabilities, revenue, and expenses, and also in the note disclosures. Estimates underlying the accompanying financial statements include accounting for grants, contracts, accounts payable, payroll, and property, plant and equipment. Actual results may differ from these estimates, and the difference will be adjusted for and included in the financial statements of the following fiscal year.

#### **S. Presentation of the Statement of Net Cost**

The Statement of Net Cost is updated to reflect the Foundation's new strategic framework set forth in NSF's new strategic plan, "Investing in America's Future: Strategic Plan FY 2006-2011." The FY 2006 Statement of Net Cost, previously issued, is reformatted to reflect the new presentation.

#### **T. Presentation of the Statement of Financing**

Per OMB Circular A-136, "Financial Reporting Requirements", the Statement of Financing is no longer considered a basic statement and is presented as a note to the financial statements and referred to as "Reconciliation of Net Cost of Operations to Budget". See note 15 for further information on the change in presentation.

**Note 2. Fund Balance With Treasury**

Fund Balance with Treasury consisted of the following components as of September 30, 2007 and 2006:

(Amounts in Thousands)	2007			
	Appropriated Funds	Donated Funds	Earmarked Funds	Total
Obligated	\$ 7,809,538	\$ 24,271	\$ 273,924	\$ 8,107,733
Unobligated Available	50,894	31,369	59,446	141,709
Unobligated Unavailable	73,034	10	3,924	76,968
Less: Budgetary Non-FBWT	-	(16,228)	-	(16,228)
<b>Total FBWT</b>	<b>\$ 7,933,466</b>	<b>\$ 39,422</b>	<b>\$ 337,294</b>	<b>\$ 8,310,182</b>

(Amounts in Thousands)	2006			
	Appropriated Funds	Donated Funds	Earmarked Funds	Total
Obligated	\$ 7,431,272	\$ 5,852	\$ 183,286	\$ 7,620,410
Unobligated Available	7,662	17,709	95,501	120,872
Unobligated Unavailable	79,595	391	2,686	82,672
<b>Total FBWT</b>	<b>\$ 7,518,529</b>	<b>\$ 23,952</b>	<b>\$ 281,473</b>	<b>\$ 7,823,954</b>

The Donations Account includes amounts donated to NSF from all sources. Funds in the Donations Account may be used in furtherance of one or more of the general purposes of the Foundation. The donated funds are held as Fund Balance with Treasury (FBWT) or as non-FBWT with budgetary resources which represent cash held outside of Treasury at commercial banks in interest bearing accounts. These funds are collateralized up to \$22,000 by the bank through the Federal Reserve Bank of St. Louis in accordance with Treasury Financial Manual Volume 1, Chapter 6-9000. Unobligated Unavailable balances include recoveries of prior year obligations, other unobligated expired funds that are unavailable for new obligations.

In FY 1999, in accordance with P.L. 105-277, a special fund named H-1B Nonimmigrant Petitioner Fees Account was established in the general fund of the U.S. Treasury. These funds are considered Earmarked Funds and are not included in Appropriated Funds. The funds represent fees collected for each petition for nonimmigrant status. Under the law, NSF was prescribed a percentage of these fees for specific programs.

**Note 3. Advances**

*Intragovernmental*

As of September 30, 2007 and 2006, Intragovernmental Advances to Others were \$35,255 and \$35,189 respectively.

*Public*

(Amounts in Thousands)	2007	2006
Advances to Grantees	\$ 68,578	\$ 76,413
Advances to Contractors	10,748	98
<b>Total Advances to the Public</b>	<b>\$ 79,326</b>	<b>\$ 76,511</b>

**Note 4. General Property, Plant and Equipment, Net**

The components of General Property Plant and Equipment as of September 30, 2007 and 2006 were:

(Amounts in Thousands)	2007		
	Acquisition Cost	Accumulated Depreciation	Net Book Value
Equipment	\$ 108,239	\$ (90,329)	\$ 17,910
Aircraft and Satellites	138,487	(128,886)	9,601
Buildings and Structures	240,165	(67,208)	172,957
Leasehold Improvements	4,688	(1,591)	3,097
Construction in Progress	52,043	-	52,043
Internal Use Software	7,879	(6,344)	1,535
Software in Development	3,064	-	3,064
<b>Total PP&amp;E</b>	<b>\$ 554,565</b>	<b>\$ (294,358)</b>	<b>\$ 260,207</b>

(Amounts in Thousands)	2006		
	Acquisition Cost	Accumulated Depreciation	Net Book Value
Equipment	\$ 129,604	\$ (110,148)	\$ 19,456
Aircraft and Satellites	138,487	(122,485)	16,002
Buildings and Structures	129,025	(51,181)	77,844
Leasehold Improvements	3,686	(1,112)	2,574
Construction in Progress	141,880	-	141,880
Internal Use Software	7,879	(5,203)	2,676
Software in Development	915	-	915
<b>Total PP&amp;E</b>	<b>\$ 551,476</b>	<b>\$ (290,129)</b>	<b>\$ 261,347</b>

**Note 5. Property, Plant and Equipment in the Custody of Other Entities**

As explained in Note 1-J, Assets Owned by NSF in the Custody of Other Entities, NSF received a ruling from FASAB on accounting for PP&E owned by NSF but in the custody of and used by others. The FASAB guidance requires PP&E in the custody of others be excluded from NSF PP&E as defined in the SFFAS No. 6 "Accounting for Property, Plant and Equipment". NSF is however required to disclose the dollar amount of NSF PP&E held by others in the footnotes based on information contained in the most recently issued audited financial statements of the organization holding the assets.

In some cases, Federally Funded Research and Development Centers (FFRDCs), colleges and universities, and commercial entities operate on a fiscal year-end basis other than September 30. If NSF PP&E is not separately stated on the entities' audited financial statements, entities are not audited, or financial statements were not submitted, the related amounts and Fiscal Year end dates are annotated as Not Available (N/A) in the table. The available net book values and related year ends for all entities with NSF owned property are presented below.

(Amounts in Thousands)

<u>Federally Funded Research and Development Centers</u>	<u>Amount</u>	<u>Fiscal Year Ending</u>
National Astronomy & Ionosphere Center (Cornell) - NAIC	\$ N/A	6/30
National Center for Atmospheric Research - UCAR	181,352	9/30
National Optical Astronomy Observatories - AURA	446,858	9/30
National Radio Astronomy Observatory - AUI	N/A	9/30
 <u>Colleges and Universities</u>		
California Academy of Sciences	N/A	6/30
California Institute of Technology	N/A	9/30
Columbia University	N/A	6/30
Dartmouth College	N/A	N/A
Duke University	N/A	6/30
ECPI College of Technology	N/A	6/30
Hofstra University	N/A	8/31
Kansas State University	N/A	6/30
Louisiana Universities Marine Consortium	N/A	N/A
Ohio State University Research Foundation	N/A	N/A
Old Dominion University Research Foundation	N/A	6/30
Oregon State University	N/A	6/30
San Diego State University Foundation	N/A	6/30
San Jose State University Foundation	N/A	6/30
Stanford University	N/A	8/31
University of Alaska Fairbanks Campus	N/A	6/30
University of California-Riverside	N/A	6/30
University of California-San Diego Scripps Inst of Oceanography	N/A	6/30
University of California-Santa Barbara	N/A	6/30
University of Delaware	N/A	6/30
University of Georgia Research Foundation Inc	N/A	6/30
University of Hawaii	N/A	6/30
University of Illinois at Urbana-Champaign	N/A	6/30
University of Miami Rosenstiel School of Marine & Atmospheric Science	N/A	N/A
University of Minnesota Duluth	N/A	6/30
University of Rhode Island	N/A	6/30
University of Richmond	N/A	6/30
University of South Florida	N/A	6/30
University of Washington	N/A	6/30
University of Wisconsin	N/A	6/30
University of Wisconsin-Madison	N/A	N/A

Commercial Entities

Articular Engineering, LLC	N/A	N/A
Bermuda Biological Station For Research Inc	N/A	12/31
Bossa Nova Technologies LLC	N/A	N/A
Catacel Corp	N/A	N/A
CeraMem Corporation	N/A	N/A
Ekips Technologies, Inc	N/A	N/A
EM Photonics Inc	N/A	N/A
Environmental Metrology Corporation	N/A	N/A
Fourth Wave Imaging Corporation	N/A	N/A
Global Contour LTD	N/A	N/A
Harbor Branch Oceanographic Institution, Inc.	N/A	12/31
Imago Scientific Instruments Corp	N/A	N/A
Incorporated Research Institutions for Seismology	N/A	6/30
Information Systems Laboratories Inc	N/A	N/A
Institute of Global Environment and Society	N/A	N/A
Joint Oceanographic Institutions Inc	N/A	9/30
Kapteyn-Murnane Labs, Inc	N/A	N/A
LessonLab, Inc.	N/A	N/A
Lucigen Corporation	N/A	N/A
Monterey Bay Aquarium Research Institute	N/A	12/31
New York Botanical Garden	N/A	N/A
Physical Optics Corporation	N/A	N/A
QED Technologies, Inc.	N/A	N/A
Raytheon Technical Services Company, LLC	N/A	N/A
Sinmat, Inc	N/A	N/A
Skidaway Institute of Oceanography	N/A	6/30
Smithsonian Institution Astrophysical Observatory	N/A	N/A
Tetramer Technologies, LLC	N/A	N/A
The Venture Group (Venture Innovations, Inc.)	N/A	N/A
UNAVCO, Inc.	N/A	12/31
Veco USA, Inc	N/A	N/A
Verionix	N/A	N/A
Vista Engineering Inc	255	12/31
Woods Hole Oceanographic Institution	N/A	12/31

**Note 6. Estimated Clean Up Cost Liability**

Antarctic

NSF is not legally liable for environmental clean-up costs in the Antarctic. Article 16 to the Protocol on Environmental Protection to the Antarctic Treaty (1991) requires that the Treaty Parties "undertake to elaborate rules and procedures relating to liability for damage arising from activities taking place in the Antarctic Treaty area. . ." Negotiations relating to the terms of the Liability Annex were concluded and the terms of the Annex finalized in 2005. The liability contemplated by the Annex is narrow: it is only prospective in its focus and generally imposes liability only when an operator fails to take response action to an environmental emergency. Regardless, as the Annex cannot enter into force until all 29 Antarctic Treaty Consultative Parties have ratified its provision (which typically requires the enactment of national laws by each Consultative Party), no legal liability for environmental clean up costs will arise for NSF for many years to come.

There are occasions when the NSF Office of Polar Programs (OPP) chooses to accept responsibility and commit funds toward clean-up efforts of various sites as resources permit. Those decisions are in no way driven by concerns of probable legal liability for failure to engage in such efforts, but rather, a commitment to environmental stewardship of Antarctic natural resources. For those projects/incidents that OPP decides it may fund and that cannot be accomplished within allocated operations and maintenance funding, the support contractor is directed to develop a preliminary estimate. Final estimates, and approval to proceed, will depend on an assessment of risk to the environment, availability of personnel, and accessibility to a site in any given year.

Environmental clean-up projects started and completed during the year are reflected in NSF's financial statements as expenses for the current fiscal year. However, for approved projects that are anticipated to be performed after the fiscal year or will take more than one fiscal year to complete, an estimated cost is accrued in NSF's financial statements. At September 30, 2007 and 2006, no funds have been accrued for multi-year environmental clean-up projects in the Antarctic.

Other

NSF is continuing its actions to assess the condition of the Columbia Scientific Balloon Facility (CSBF) site before completing a no-cost transfer through the GSA to the National Aeronautics and Space Administration (NASA). NASA engineers reported 10 wells on the CSBF site and are aware of one contaminated well from battery disposal. NSF estimates, in consultation with the general counsel office, that the clean-up costs will range between \$50 and \$200, the lower of which is reflected on the balance sheet as Other Intragovernmental Liabilities. This estimate is based upon the proposed NSF share of Phase II Environmental Due Diligence Audit (EDDA) of the CSBF assessment resulting from findings in the EDDA Phase I. Phase II of the joint agency environmental investigation has commenced and a final report is due February 2008 at which time NSF will be able to evaluate whether future outflow is necessary.

**Note 7. Leases**

NSF leases its Headquarter buildings under an operating lease with the GSA. The following are schedules of future minimum rental payments required under leases that have initial or remaining terms in excess of a year.

(Amounts in Thousands)

Fiscal Year	Operating Lease Amount
2008	\$ 20,079
2009	20,604
2010	20,302
2011	20,591
2012	20,911
2013 and thereafter	24,463
Total Minimum Lease Payments	\$ 126,950

**Note 8. Commitments and Contingencies**

*Cost Incurred Audits:* A large NSF contractor provides maintenance and operations services to the United States Antarctic Program. Cost incurred audits have been completed on the contractor for fiscal years 2000 to 2004, and \$55,500 is being questioned. A corresponding receivable is not reflected in the balance sheet due to the uncertainty of NSF recovering any of these questioned costs.

*Claims:* Contractor claims for additional compensation under a contract awarded by the United States Air Force (USAF) for the reconfiguration of three NSF owned LC130 aircrafts, were paid by the Department of Justice Judgment Fund for \$3,000 and are reflected on the Other Intragovernmental Liabilities line of the balance sheet. In a good faith effort to make the Treasury Judgment Fund whole, NSF submitted a request for funds in its FY 2007 budget submission in order to reimburse the Treasury Judgment Fund. However, the year-long continuing resolution did not provide those funds. NSF continues to maintain that USAF should be the responsible party, and is seeking a decision from the Department of Justice Office of Legal Counsel to that effect.

*FFRDC Termination Claims:* NSF provides financial assistance for the operation and maintenance of four Federally Funded Research and Development Centers (FFRDC) by cooperative agreement. These agreements include a clause that commits NSF to seek appropriations for termination expenses, if necessary, in the event an agreement is not renewed or is terminated.

NSF is obligated to pay termination expenses in excess of the limitation of funds set forth in the agreements, including any Post Retirement Benefit liabilities, only if funds are appropriated for this specific purpose. Nothing in these agreements can be construed as implying that Congress will appropriate funds to meet the terms of any claims. Although one FFRDC operator has identified these payments as a current obligation of NSF, the termination clause of the agreement clearly states that any obligation for these expenses exists only upon termination of the agreement and is limited to the lesser of available appropriations or \$25,000.

The co-operative agreement with one of these FFRDCs ends in September 2008, and the re-compete process has been initiated. At September 30, 2007 a decision has not been made on whether the current management team will be retained.

NSF considers non-renewal or termination of these cooperative agreements only remotely possible. Termination costs that may be payable to an FFRDC operator cannot be estimated until such time as the cooperative agreement is terminated.

#### **Note 9. Earmarked Funds**

In FY 1999, Title IV of the American Competitiveness and Workforce Improvement Act of 1998 (P.L. 105-277) established an H-1B Non immigrant petitioner account in the General Fund of the U.S. Treasury. Funding is established from fees collected for alien, non immigrant status petitions. This law requires that a prescribed percentage of the funds in the account be made available to NSF for the following activities:

- Computer Science, Engineering, and Mathematics Scholarship (CSEMS)
- Grants for Mathematics, Engineering, or Science Enrichment Courses
- Systemic Reform Activities

The H-1B Non immigrant Petitioner fees are available to the Director of NSF until expended. The funds may be used for scholarships to low income students, or to carry out a direct or matching grant program to support private and/or public partnerships in K-12 education. The H-1B Fund is set up as a permanent, indefinite appropriation by NSF. These funds are included in the President's budget. The earmarked funds are accounted for in its own Treasury Account Fund Symbol (TAFS) and the budgetary resources for the earmarked fund are recorded as Appropriated Earmarked Receipts Transferred In, and reported according to the guidance for earmarked funds in SFFAS No. 27, "Identifying and Reporting Earmarked Funds".

(Amounts in Thousands)	2007 Earmarked Funds	2006 Earmarked Funds
<b>Balance Sheet as of September 30, 2007 and 2006</b>		
Fund Balance with Treasury	\$ 337,295	\$ 281,473
Advances	595	588
Total Assets	<u>337,890</u>	<u>282,061</u>
Other Liabilities	3,226	2,779
Total Liabilities	<u>3,226</u>	<u>2,779</u>
Cumulative Results of Operations	334,664	279,282
Total Liabilities and Net Position	<u>\$ 337,890</u>	<u>\$ 282,061</u>

**Statement of Net Cost for the Years Ended September 30, 2007 and 2006**

Program Costs	\$ 51,977	\$ 43,997
Less: Earned Revenues	-	-
Net Cost of Operations	<u>\$ 51,977</u>	<u>\$ 43,997</u>

**Statement of Changes in Net Position For the Years Ended September 30, 2007 and 2006**

Net Position Beginning of Period	\$ 279,282	\$ 217,955
Appropriated Earmarked Receipts Transferred In	107,359	105,324
Net Cost of Operation	(51,977)	(43,997)
Change in Net Position	<u>55,382</u>	<u>61,327</u>
Net Position End of Period	<u>\$ 334,664</u>	<u>\$ 279,282</u>

**Note 10. Statement of Net Cost**

*Major Program Descriptions*

The Statement of Net Cost presents the NSF-wide expenses incurred by the Foundation. The presentation of the NSF's net cost by strategic goal is included in this note. For FY 2007, the Statement of Net Cost is updated to reflect the Foundation's new strategic framework set forth in NSF's new strategic plan, "Investing in America's Future: Strategic Plan FY 2006-2011." The FY 2006 Statement of Net Cost is reformatted to reflect the new presentation.

The strategic goals outlined in the new plan are: Discovery, Learning, and Research Infrastructure. NSF's fourth strategic goal, Stewardship, focuses on NSF's administrative and management activities. In pursuit of its mission, NSF makes investments in Discovery, Learning, and Research Infrastructure. These goals reflect outcomes at the heart of the research enterprise: fostering research that will advance the frontiers of knowledge (Discovery); cultivating a world-class, broadly inclusive science and engineering workforce and expanding the scientific literacy of all citizens (Learning); and building the nation's research capability through critical investments in advanced instrumentation, facilities, cyberinfrastructure and experimental tools (Research Infrastructure).

Net costs are presented for the three primary appropriations that fund NSF's programmatic activities (Research and Related Activities, Education and Human Resources, and Major Research Equipment and Facilities Construction), and for donations and earmarked funds that are classified in the Statement of Net Cost and its related footnote as 'Costs Not Assigned To Other Programs'. Stewardship costs are prorated among them. Stewardship costs include expenditures incurred from the Salary & Expenses (S&E), National Science Board (NSB) and Office of Inspector General (OIG) appropriations. The costs for transactions in Indian Rupees are also included as Stewardship costs, and were liquidated in Fiscal Year 2007 with the remaining balance swept per order of the Executive Office of the President. These appropriations support salaries and benefits of persons employed at NSF; general operating expenses, including support of NSF's information systems technology; staff training, audit and OIG activities; and Office of Personnel Management (OPM) and Department of Labor (DOL) benefits costs paid on behalf of NSF.

At September 30, 2007 and 2006, approximately 95 percent of NSF's expenses were directly related to the Discovery, Learning, and Research Infrastructure strategic outcome goals. Net costs for each strategic goal is determined by allocating total costs by the percentage for which obligations for each strategic outcome goal accounted for total obligations in the current year. All NSF earmarked funds are allocated to the Learning strategic goal. The remaining portion of NSF's expenses relate to the Stewardship strategic goal.

At September 30, 2007 and 2006, costs related to the Stewardship activities totaled \$275,993 and \$269,574, respectively. All Stewardship costs are prorated to the other three strategic goals based on the percentage that each Strategic Goal's expenditures accounts for the total expenditures of appropriated, trust and earmarked funds.

In accordance with OMB Circular A-136, costs incurred for services provided by other federal entities are reported in the full costs of NSF programs and are identified as "federal". All earned revenues are offsetting collections provided through reimbursable agreements with other federal entities and are retained by NSF. Earned revenues are recognized when the related program or administrative expenses are incurred and are deducted from the full cost of the programs to arrive at the net cost of operating NSF's programs. NSF applies a cost recovery fee on other federal entities consistent with applicable legislation and Government Accountability Office decisions. NSF recovers the costs incurred in the management, administration, and oversight of activities authorized and/or funded by interagency agreements where NSF is the performing agency.

*Intragovernmental and Public Costs and Earned Revenue by Strategic Goal*

(Amounts in Thousands)	Federal	2007 Public	Total
<b>Research and Related Activities</b>			
Discovery	\$ 115,522	2,478,343	2,593,865
Learning	28,328	607,741	636,069
Research Infrastructure	56,918	1,221,081	1,277,999
Total Research and Related Activities	200,768	4,307,165	4,507,933
Less: Earned Revenue	(68,500)	-	(68,500)
Net Research and Related Activities	132,268	4,307,165	4,439,433
<b>Education and Human Resources</b>			
Discovery	\$ 2,828	517,611	520,439
Learning	694	126,929	127,623
Research Infrastructure	1,393	255,027	256,420
Total Education and Human Resources	4,915	899,567	904,482
Less: Earned Revenue	(8,270)	-	(8,270)
Net Education and Human Resources	(3,355)	899,567	896,212
<b>Major Research Equipment and Facilities Construction</b>			
Discovery	\$ 8,775	119,496	128,271
Learning	2,152	29,303	31,455
Research Infrastructure	4,324	58,876	63,200
Total Major Research Equipment and Facilities Construction	15,251	207,675	222,926
Less: Earned Revenue	-	-	-
Net Major Research Equipment and Facilities Construction	15,251	207,675	222,926
<b>Costs Not Assigned To Other Programs</b>			
Learning	\$ -	54,120	54,120
Research Infrastructure	516	22,922	23,438
Total Costs Not Assigned To Other Programs	516	77,042	77,558
Less: Earned Revenue	-	-	-
Net Costs Not Assigned To Other Programs	516	77,042	77,558
<b>Net Cost of Operations</b>	<b>\$ 144,680</b>	<b>5,491,449</b>	<b>5,636,129</b>

*Notes to the Principal Financial Statements*  
*September 30, 2007 and 2006*

(Amounts in Thousands)	Federal	2006 Public	Total
<b>Research and Related Activities</b>			
Discovery	\$ 103,300	2,290,502	2,393,802
Learning	37,888	840,096	877,984
Research Infrastructure	53,608	1,188,659	1,242,267
<b>Total Research and Related Activities</b>	<b>194,796</b>	<b>4,319,257</b>	<b>4,514,053</b>
Less: Earned Revenue	(109,254)	-	(109,254)
<b>Net Research and Related Activities</b>	<b>85,542</b>	<b>4,319,257</b>	<b>4,404,799</b>
<b>Education and Human Resources</b>			
Discovery	\$ 1,357	489,375	490,732
Learning	498	179,490	179,988
Research Infrastructure	703	253,962	254,665
<b>Total Education and Human Resources</b>	<b>2,558</b>	<b>922,827</b>	<b>925,385</b>
Less: Earned Revenue	(16,566)	-	(16,566)
<b>Net Education and Human Resources</b>	<b>(14,008)</b>	<b>922,827</b>	<b>908,819</b>
<b>Major Research Equipment and Facilities Construction</b>			
Discovery	\$ 5,540	96,064	101,604
Learning	2,032	35,233	37,265
Research Infrastructure	2,875	49,853	52,728
<b>Total Major Research Equipment and Facilities Construction</b>	<b>10,447</b>	<b>181,150</b>	<b>191,597</b>
Less: Earned Revenue	-	-	-
<b>Net Major Research Equipment and Facilities Construction</b>	<b>10,447</b>	<b>181,150</b>	<b>191,597</b>
<b>Costs Not Assigned To Other Programs</b>			
Learning	\$ 1	45,789	45,790
Research Infrastructure	9,268	35,488	44,756
<b>Total Costs Not Assigned To Other Programs</b>	<b>9,269</b>	<b>81,277</b>	<b>90,546</b>
Less: Earned Revenue	-	-	-
<b>Net Costs Not Assigned To Other Programs</b>	<b>9,269</b>	<b>81,277</b>	<b>90,546</b>
<b>Net Cost of Operations</b>	<b>\$ 91,250</b>	<b>5,504,511</b>	<b>5,595,761</b>

**Note 11. Permanent Indefinite Appropriations**

NSF maintains permanent indefinite appropriations for Research and Related Activities (R&RA) and Major Research Equipment and Facilities Construction (MREFC).

The R&RA appropriation is used for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program. In Fiscal Years 2007 and 2006, the permanent indefinite appropriations for R&RA were \$439,550 and \$395,560, respectively, and are reported as a current year transfer from the annual R&RA appropriation. In FY 2007 there was no rescission, but in FY 2006 an across the board rescission of \$5,052 was passed under Public Law numbers 109-108 and 109-148.

The MREFC appropriation supports the construction and procurement of unique national research platforms and major research equipment. In Fiscal Years 2007 and 2006, the permanent indefinite appropriations for MREFC were \$190,881 and \$193,350, respectively. In FY 2007 there was no rescission, but in FY 2006 an across the board rescission of \$2,470 was passed under Public Law numbers 109-108 and 109-148.

**Note 12. Apportionment Categories of Obligations Incurred: Direct vs. Reimbursable Obligations**

OMB Circular No. A-11, "Preparation, Submission, and Execution of the Budget," requires direct and reimbursable obligations be reported as Category A, Category B, or Exempt from Apportionment. In FY 2007 and FY 2006, NSF's SF-132, "Apportionment and Reapportionment Schedule," apportions all obligations incurred under Category B which is by activity, project, or object. In FY 2007 and FY 2006, direct obligations amounted to \$6,063,147 and \$5,777,489, respectively, and reimbursable obligations amounted to \$106,044 and \$100,517, respectively.

**Note 13. Explanation of Differences between the Statement of Budgetary Resources and the Budget of the United States Government**

SFFAS No. 7, "Accounting for Revenue and Other Financing Sources and Concepts for Reconciling Budgetary and Financial Accounting", calls for explanations of material differences between amounts reported in the SBR and the actual balances published in the Budget of the United States Government (President's Budget). However, the President's Budget that will include FY 2007 actual budgetary execution information has not yet been published. The President's Budget is scheduled for publication in February 2008 and can be found on the OMB web site: <http://www.whitehouse.gov/omb>.

Balances reported in the FY 2006 SBR and the related President's Budget are shown in a table below for Budgetary Resources, Obligations Incurred, Unobligated Balance - Unavailable and any related differences. The differences reported are due to differing reporting requirements for expired and unexpired appropriations between the Treasury guidance used to prepare the SBR and the OMB guidance used to prepare the President's Budget. The SBR includes both unexpired and expired appropriations, while the President's Budget discloses only unexpired budgetary resources that are available for new obligations.

(Amounts in Thousands)	FY 2006		
	Budgetary Resources	Obligations Incurred	Unobligated Balance Not Available
Combined Statement of Budgetary Resources	\$ 6,081,550	\$ 5,878,006	\$ 82,672
Budget of the U.S. Government	\$ 5,999,000	\$ 5,874,000	\$ 4,000
Difference	\$ 82,550	\$ 4,006	\$ 78,672

**Note 14. Undelivered Orders at the end of the Period**

In accordance with SFFAS No. 7, "Accounting for Revenue and Other Financing Sources", the amount of budgetary resources obligated for undelivered orders for the periods ended September 30, 2007 and 2006, amounted to \$7,870,354 and \$7,450,324, respectively.

**Note 15. Reconciliation of Net Cost of Operations to Budget  
(formerly the Statement of Financing)**

In FY 2007, OMB Circular No. A-136, "Financial Reporting Requirements", was updated to pronounce that the Statement of Financing will no longer be considered a Basic Statement. In compliance with SFFAS 7 "Accounting for Revenue and Other Financing Sources", the Statement of Financing is displayed in the Notes section and is referred to as "Reconciliation of Net Cost of Operations to Budget".

Amounts in Thousands	2007	2006
Resources Used To Finance Activities		
Budgetary Resources Obligated		
Obligations Incurred	\$ 6,169,191	\$ 5,878,006
Less: Spending Authority from Offsetting Collections and Recoveries	(151,475)	(142,616)
Obligations Net of Offsetting Collections and Recoveries	6,017,716	5,735,390
Less: Offsetting Receipts	(1,535)	(4,207)
Net Obligations	6,016,181	5,731,183
Other Resources		
Imputed Financing	9,336	9,151
Other Resources	(1,375)	-
Net Other Resources Used to Finance Activities	7,961	9,151
Total Resources Used to Finance Activities	6,024,142	5,740,334
Resources Used to Finance Items Not Part of the Net Cost of Operations		
Change in Budgetary Resources Obligated for Goods, Services and Benefits Ordered but Not Yet Provided	(390,902)	(148,852)
Resources that Fund Expenses Recognized in Prior Periods	(280)	(143)
Budgetary Offsetting Collections and Receipts that Do Not Affect Net Cost of Operations	1,535	4,207
Resources that Finance the Acquisition of Assets	(21,539)	(22,431)
Total Resources Used to Finance Items Not Part of the Net Cost of Operations	(411,186)	(167,219)
Total Resources Used to Finance Net Cost of Operations	5,612,956	5,573,115
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period		
Components Requiring or Generating Resources in Future Periods		
Other	383	3,993
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods	383	3,993
Components Not Requiring or Generating Resources		
Depreciation and Amortization	21,478	18,666
Other	1,312	(13)
Total Components of Net Cost of Operations that will not Require or Generate Resources	22,790	18,653
Total Components of Net Cost of Operations that Will Not Require or Generate Resources in the Current Period	23,173	22,646
Net Cost of Operations	\$ 5,636,129	\$ 5,595,761

**Required Supplementary Stewardship Information**  
Stewardship Investments

**Stewardship Investments**  
**Research and Human Capital**

(Dollar Amounts in Thousands)

**Research and Human Capital Activities**

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Basic Research	4,195,444	3,682,266	3,564,093	3,494,302	3,519,159
Applied Research	432,820	339,757	291,169	209,225	218,152
Education and Training	808,642	1,378,472	1,386,952	1,224,058	867,489
Non-Investing Activities	275,993	321,085	292,426	268,298	196,363
<b>Total Research &amp; Human Capital Activities</b>	<b>\$ 5,712,899</b>	<b>\$ 5,721,580</b>	<b>\$ 5,534,640</b>	<b>\$ 5,195,883</b>	<b>\$ 4,801,163</b>

**Inputs, Outputs and/or Outcomes**

**Research and Human Capital Activities**

Investments In:

Universities	4,016,101	3,994,682	3,970,851	3,705,751	3,310,365
Industry	208,696	199,523	223,563	196,260	178,000
Federal Agencies	203,759	221,002	143,316	107,212	144,792
Small Business	220,602	218,334	193,199	200,995	186,400
Federally Funded R&D Centers	335,731	299,802	278,542	269,968	285,329
Non-Profit Organizations	421,775	428,648	418,209	374,838	360,654
Other	306,235	359,589	306,960	340,859	335,623
	<u>\$ 5,712,899</u>	<u>\$ 5,721,580</u>	<u>\$ 5,534,640</u>	<u>\$ 5,195,883</u>	<u>\$ 4,801,163</u>

Support To:

Scientists	496,431	473,457	454,053	477,970	427,304
Postdoctoral Programs	163,896	158,528	162,132	175,680	163,239
Graduate Students	585,308	544,513	538,233	546,084	475,315
	<u>\$ 1,245,635</u>	<u>\$ 1,176,498</u>	<u>\$ 1,154,418</u>	<u>\$ 1,199,734</u>	<u>\$ 1,065,858</u>

**Outputs & Outcomes:**

Number of:

Awards Actions	23,000	22,000	22,000	23,000	23,000
Senior Researchers	41,000	32,000	32,000	31,000	30,000
Other Professionals	13,000	11,000	12,000	15,000	12,000
Postdoctoral Associates	6,000	5,000	6,000	6,000	6,000
Graduate Students	35,000	26,000	27,000	29,000	27,000
Undergraduate Students	23,000	27,000	33,000	35,000	32,000
K-12 Students	11,000	8,000	11,000	14,000	14,000
K-12 Teachers	61,000	59,000	74,000	86,000	85,000

NSF's mission is to support basic scientific research and research fundamental to the engineering process as well as science and engineering education programs. NSF's Stewardship Investments fall principally into the categories of Research and Human Capital. For expenses incurred under the Research category, the majority of NSF funding is devoted to basic research, with a relatively small share going to applied research. This funding supports both the conduct of research and the necessary supporting infrastructure, including state-of-the-art instrumentation, equipment, computing resources, and multi-user facilities such as digital libraries, observatories, and research vessels and aircraft. Basic and applied research expenses are determined by prorating the program costs of NSF's strategic goals on Research Infrastructure and Discovery reported on the Statement of Net Cost. The proration uses the basic and applied research percentages of total estimated research and development obligations reported in the current year Budget Request to OMB. The actual numbers are not available until later in the following fiscal year. Education and Training costs equate to NSF's third strategic goal, Learning, and the costs related to Non-Investing activities reflect the fourth strategic goal, Stewardship.

The data provided for Scientists, Postdoctoral Associates, and Graduate Students are obtained from NSF's proposal system and is information reported by each Principal Investigator. The number of award actions are actual values from NSF's Enterprise Information System (EIS). The remaining outputs and outcomes are estimates obtained annually from the NSF Directorates. They are reported in the annual Budget Request to OMB.

NSF's Human Capital investments focus principally on education and training, toward a goal of creating a diverse, internationally competitive and globally engaged workforce of scientists, engineers and well-prepared citizens. NSF supports activities to improve formal and informal science, mathematics, engineering and technology education at all levels, as well as public science literacy projects that engage people of all ages in life-long learning. The incremental decrease in the net costs of Research and Human Capital Activities reflects a decrease in education and training activities. The increase in support to scientists, postdoctoral programs, and graduate students and the increase in the number of people directly involved in NSF-supported activities primarily reflect the increase funding in basic and applied research.

**Required Supplementary Information**  
Deferred Maintenance

**Deferred Maintenance (Amounts in Thousands)**

NSF performs condition assessment surveys in accordance with FASAB Standards No. 6 and No. 14 for capitalized property, plant and equipment to determine if any maintenance is needed to keep an asset in an acceptable condition or restore an asset to a specific level of performance. NSF considers deferred maintenance to be any maintenance that is not performed on schedule, unless it is determined from the condition of the asset that scheduled maintenance does not have to be performed. Deferred maintenance also includes any other type of maintenance that, if not performed, would render the PP&E non-operational. Circumstances such as non-availability of parts or funding are considered reasons for deferring maintenance.

NSF considered whether any scheduled maintenance necessary to keep fixed assets and capital equipment of the agency in an acceptable condition was deferred at the end of the period for FY 2007 and FY 2006. Assets deemed to be in excellent, good, or fair condition are considered to be in acceptable condition. Assets in poor condition are in unacceptable condition and the deferred maintenance required to get them to an acceptable condition are reported. NSF determines the condition of an asset in accordance with standards comparable to those used in the private industry. Due to the environment and remote location of Antarctica, all deferred maintenance on assets in poor condition is considered critical in order to maintain operational status.

At September 30, 2007, NSF determined that scheduled maintenance on 17 items of Antarctic capital equipment in poor condition was not completed and was deferred or delayed for a future period. The largest dollar amount of deferred maintenance for any single item in poor condition approximated \$34. The items included light and heavy mobile equipment. All of the equipment is considered critical to NSF operations and is estimated to require \$106 in maintenance.

At September 30, 2006, NSF determined that scheduled maintenance on 9 items of Antarctic equipment in poor condition was not completed and was deferred or delayed for a future period. The largest dollar amount of deferred maintenance for any single item in poor condition approximated \$60. The items included light and heavy mobile equipment. All of the equipment is considered critical to NSF operations and estimated to require \$82 in maintenance.

**Required Supplementary Information**

Budgetary Resources by Major Budget Accounts

In the following table, NSF budgetary information for the fiscal years ended September 30, 2007 and 2006, as presented in the Statement of Budgetary Resources, is disaggregated for each of NSF's major budget accounts.

Combining Statement of Budgetary Resources (page 1 of 2)

2007  
(Amounts in Thousands)

	<u>Research and Related</u>	<u>Education</u>	<u>Major Research Equipment</u>	<u>OIG, S&amp;E, and NSB</u>	<u>Special and Donated</u>	<u>Total</u>
<b>Budgetary Resources</b>						
Unobligated Balance - Brought Forward, October 1	\$ 49,770	27,293	2,777	7,417	116,287	\$ 203,544
Recoveries of Prior Year Obligations	28,137	8,972	152	3,439	3,774	44,474
Budget Authority						
Appropriation	4,665,950	796,693	190,881	263,641	148,640	6,065,805
Spending Authority from Offsetting Collections						
Earned						
Collected	78,821	7,814	-	4,206	3	90,844
Change in Receivable from Federal Sources	(13,583)	160	-	451	-	(12,972)
Change in Unfilled Customer Orders						
Advance Received	67,123	3,265	-	37	-	70,425
Without Advance from Federal Sources	(38,709)	(2,634)	-	47	-	(41,296)
Subtotal - Budget Authority	4,759,602	805,298	190,881	268,382	148,643	6,172,806
Nonexpenditure Transfers, Net	5,460	-	-	250	-	5,710
Permanently Not Available	(20,867)	(16,043)	-	(1,756)	-	(38,666)
<b>Total Budgetary Resources</b>	<b>\$ 4,822,102</b>	<b>825,520</b>	<b>193,810</b>	<b>277,732</b>	<b>268,704</b>	<b>\$ 6,387,868</b>
<b>Status of Budgetary Resources</b>						
Obligations Incurred						
Direct	\$ 4,658,673	798,151	166,210	266,157	173,956	\$ 6,063,147
Reimbursable	92,934	8,432	-	4,678	-	106,044
Total Obligations Incurred	4,751,607	806,583	166,210	270,835	173,956	6,169,191
Unobligated Balance - Apportioned	22,194	99	27,573	1,029	90,814	141,709
Unobligated Balance - Not Available	48,301	18,838	27	5,868	3,934	76,968
<b>Total Status Of Budgetary Resources</b>	<b>\$ 4,822,102</b>	<b>825,520</b>	<b>193,810</b>	<b>277,732</b>	<b>268,704</b>	<b>\$ 6,387,868</b>

Combining Statement of Budgetary Resources (page 2 of 2)

2007  
(Amounts in Thousands)

**Change in Obligated Balances**

Obligated Balance, Net							
Unpaid Obligations - Brought forward,							
October 1	5,768,192	1,469,459	264,130	56,422	189,138	7,747,341	
Less: Uncollected Customer Payments from							
Federal Sources Brought Forward, October 1	(114,854)	(11,820)	-	(256)	-	(126,930)	
Total Unpaid Obligated Balance, Net	<u>5,653,338</u>	<u>1,457,639</u>	<u>264,130</u>	<u>56,166</u>	<u>189,138</u>	<u>7,620,411</u>	
Obligations Incurred	4,751,607	806,583	166,210	270,835	173,956	6,169,191	
Less: Gross Outlays	(4,286,976)	(868,554)	(207,947)	(267,061)	(61,124)	(5,691,662)	
Less: Recoveries of Prior Year Unpaid							
Obligations, Actual	(28,137)	(8,972)	(152)	(3,439)	(3,774)	(44,474)	
Change in Uncollected Customer Payments							
from Federal Sources	52,289	2,474	-	(496)	-	54,267	
Subtotal	\$ <u>6,142,121</u>	<u>1,389,170</u>	<u>222,241</u>	<u>56,005</u>	<u>298,196</u>	\$ <u>8,107,733</u>	
Obligated Balance, Net - End of Period							
Unpaid Obligations	6,204,685	1,398,516	222,241	56,757	298,196	8,180,395	
Less: Uncollected Customer							
Payments from Federal Sources	(62,564)	(9,346)	-	(752)	-	(72,662)	
Total Unpaid Obligated Balance, Net - End of Period	\$ <u>6,142,121</u>	<u>1,389,170</u>	<u>222,241</u>	<u>56,005</u>	<u>298,196</u>	\$ <u>8,107,733</u>	
<b>Net Outlays</b>							
Gross Outlays	4,286,976	868,554	207,947	267,061	61,124	5,691,662	
Less: Offsetting Collections	(145,943)	(11,079)	-	(4,244)	(3)	(161,269)	
Less: Distributed Offsetting Receipts	-	-	-	-	(1,535)	(1,535)	
<b>Net Outlays</b>	\$ <u>4,141,033</u>	<u>857,475</u>	<u>207,947</u>	<u>262,817</u>	<u>59,586</u>	\$ <u>5,528,858</u>	

Combining Statement of Budgetary Resources (page 1 of 2)

2006  
(Amounts in Thousands)

	<u>Research and Related</u>	<u>Education</u>	<u>Major Research Equipment</u>	<u>OIG, S&amp;E, and NSB</u>	<u>Special and Donated</u>	<u>Total</u>
<b>Budgetary Resources</b>						
Unobligated Balance - Brought Forward, October 1	\$ 56,813	29,232	45,682	7,661	104,286	\$ 243,674
Recoveries of Prior Year Obligations	26,789	12,766	28	2,121	3,077	44,781
Budget Authority						
Appropriation	4,387,520	807,000	193,350	265,500	136,744	5,790,114
Spending Authority from Offsetting Collections:						
Earned						
Collected	104,819	14,839	-	4,506	1	124,165
Change in Receivable from Federal Sources	474	1,141	-	90	-	1,705
Change in Unfilled Customer Orders						
Advance Received	(2,192)	(11,385)	-	-	-	(13,577)
Without Advance from Federal Sources	(15,945)	1,492	-	(5)	-	(14,458)
Subtotal - Budget Authority	4,474,676	813,087	193,350	270,091	136,745	5,887,949
Nonexpenditure Transfers, Net	7,725	-	-	250	-	7,975
Permanently Not Available	(75,524)	(19,467)	(2,469)	(5,369)	-	(102,829)
<b>Total Budgetary Resources</b>	<b>\$ 4,490,479</b>	<b>835,618</b>	<b>236,591</b>	<b>274,754</b>	<b>244,108</b>	<b>\$ 6,081,550</b>
<b>Status of Budgetary Resources</b>						
Obligations Incurred						
Direct	\$ 4,353,308	799,721	233,814	262,825	127,821	\$ 5,777,489
Reimbursable	87,401	8,604	-	4,512	-	100,517
Total Obligations Incurred	4,440,709	808,325	233,814	267,337	127,821	5,878,006
Unobligated Balance - Apportioned	3,722	128	2,777	1,035	113,210	120,872
Unobligated Balance - Not Available	46,048	27,165	-	6,382	3,077	82,672
<b>Total Status of Budgetary Resources</b>	<b>\$ 4,490,479</b>	<b>835,618</b>	<b>236,591</b>	<b>274,754</b>	<b>244,108</b>	<b>\$ 6,081,550</b>

Combining Statement of Budgetary Resources (page 2 of 2)

**2006**  
(Amounts in Thousands)

**Change in Obligated Balances**

Obligated Balance, Net						
Unpaid Obligations - Brought forward,						
October 1	5,599,212	1,556,429	211,273	52,485	150,795	7,570,194
Less: Uncollected Customer Payments from						
Federal Sources Brought Forward, October 1	(130,325)	(9,188)	-	(170)	-	(139,683)
Total Unpaid Obligated Balance, Net	5,468,887	1,547,241	211,273	52,315	150,795	7,430,511
Obligations Incurred	4,440,709	808,325	233,814	267,337	127,821	5,878,006
Less: Gross Outlays	(4,244,939)	(882,529)	(180,929)	(261,280)	(86,401)	(5,656,078)
Less: Recoveries of Prior Year Unpaid						
Obligations, Actual	(26,789)	(12,766)	(28)	(2,121)	(3,077)	(44,781)
Change in Uncollected Customer Payments						
from Federal Sources	15,470	(2,632)	-	(85)	-	12,753
Subtotal	\$ 5,653,338	1,457,639	264,130	56,166	189,138	\$ 7,620,411
Obligated Balance, Net - End of Period						
Unpaid Obligations	5,768,192	1,469,459	264,130	56,422	189,138	7,747,341
Less: Uncollected Customer						
Payments from Federal Sources	(114,854)	(11,820)	-	(256)	-	(126,930)
Total Unpaid Obligated Balance, Net - End of Period	\$ 5,653,338	1,457,639	264,130	56,166	189,138	\$ 7,620,411
<b>Net Outlays</b>						
Gross Outlays	4,244,938	882,529	180,930	261,280	86,401	5,656,078
Less: Offsetting Collections	(102,627)	(3,454)	-	(4,506)	(1)	(110,588)
Less: Distributed Offsetting Receipts	-	-	-	-	(4,207)	(4,207)
<b>Net Outlays</b>	\$ 4,142,311	879,075	180,930	256,774	82,193	\$ 5,541,283