

## Unmatched Transactions and Balances

<b>Unmatched Transactions and Balances as of September 30, 2020 and 2019</b>		
(In millions of dollars)	<b>2020</b>	<b>Restated 2019</b>
<b>Balance Sheet:</b>		
Custodial and non-entity liability/asset .....	(1,155.9)	-
Benefit program contributions payable/receivable .....	-	109.2
Accounts payable/receivable .....	(65.0)	450.1
Advances from/to others & deferred credits/prepayments .....	(385.3)	(442.8)
Non-reciprocating .....	(355.3)	(12,891.3)
Fund balance with Treasury .....	(1,100.9)	(1,974.7)
	<u>(3,062.4)</u>	<u>(14,749.5)</u>
<b>Statement of Operations and Changes in Net Position:</b>		
Custodial transfers non-exchange .....	622.8	388.9
Benefit program revenue/cost .....	(601.9)	646.6
Non-reciprocating .....	(4,147.0)	(3,318.3)
Appropriations received/warrants issued .....	(68.0)	-
Custodial and non-entity collections transferred out/in .....	(1,003.9)	-
Accrual amounts collected/transferred in .....	(326.8)	-
Other .....	(6,071.0)	1,896.3
	<u>(11,595.8)</u>	<u>(386.5)</u>
Unmatched transactions and balances, net .....	<u>(14,658.2)</u>	<u>(15,136.0)</u>
( ) Parentheses indicate a decrease to Net Position.		

The Statement of Operations and Changes in Net Position includes an amount for unmatched transactions and balances that result from the consolidation of federal reporting entities. Transactions between federal entities must be eliminated in consolidation to calculate the financial position of the government. Many of the amounts included in the table represent intra-governmental activity and balances that differed between federal entity trading partners and often totaled significantly more in the absolute than the net amounts shown. The table also reflects other consolidating adjustments and other adjustments that contributed to the unmatched transactions and balances amount. A number of lines in the “Unmatched Transactions and Balances” table were adjusted to zero after intra-governmental difference analysis determined they were immaterial at or below \$0.1 billion. The adjustments were added to, or subtracted from, gross cost in the Statement of Net Cost.

Unmatched transactions and balances between federal entities impact not only in the period in which differences originate but also in the periods where differences are resolved. As a result, it would not be proper to conclude that increases or decreases in the unmatched amounts shown in the “Unmatched Transactions and Balances” table reflect improvements or deteriorations in the government’s ability to resolve intra-governmental transactions. The federal community considers the identification and accurate reporting of intra-governmental activity a priority.

In FY 2020, a change has been made to the “Unmatched Transactions and Balances” table to display all unmatched transactions and balances in a more consistent manner. The table was changed to display all unmatched transactions and balances between federal entities as the net amount, rather than a change year over year for balance sheet activity as was previously displayed. The top section reflects unmatched intra-governmental transactions and balances associated with assets and liabilities impacting the Balance Sheet. The lower section reflects unmatched intra-governmental transactions and balances associated with current year activity impacting the Statement of Operations and Changes in Net Position. Note, although the section is titled Statement of Operations and Changes in Net Position, the net intra-governmental difference may represent the combination of Statement of Operations and Changes in Net Position and, in some instances, activity on the Statement of Net Cost. For comparative purposes, FY 2019 Unmatched Transactions and Balances were also restated as a result of this change.