

## Note 21. Commitments

### Long-Term Operating Leases as of September 30, 2021, and 2020

(In billions of dollars)	2021	2020
General Services Administration .....	25.8	24.0
Department of Veterans Affairs .....	4.9	4.3
Department of Health and Human Services .....	2.3	1.2
Department of State .....	1.3	1.4
Other operating leases .....	3.3	3.8
Total long-term operating leases .....	<u>37.6</u>	<u>34.7</u>

The government has entered into contractual commitments that require future use of financial resources. It has significant amounts of long-term lease obligations. Long-Term Operating Leases in this note refer to those leases in which federal entities do not assume the risks of ownership of the underlying general PP&E, and payments are expensed over the lease term. The lease liabilities and assets arising from operating leases for FASB-reporting entities who early-implemented FASB ASC 842, *Leases*, are recorded on the Balance Sheet in other liabilities and PP&E, respectively, and thus are not included in this Commitments note.

**Undelivered Orders and Other Commitments as of September 30, 2021, and 2020**

(In billions of dollars)	2021	Restated 2020
<b>Undelivered Orders - Unpaid:</b>		
Department of Defense .....	411.5	395.0
Department of Education.....	321.4	138.6
Department of Health and Human Services .....	288.8	187.2
Department of Transportation .....	141.1	125.3
Department of Housing and Urban Development .....	93.4	59.8
Department of Agriculture .....	84.5	78.4
Department of Homeland Security .....	81.0	60.6
Security Assistance Accounts.....	37.3	55.3
Department of Energy.....	33.9	31.7
Department of State.....	26.8	28.4
Environmental Protection Agency .....	20.7	15.0
U.S. Agency for International Development .....	20.5	19.5
Small Business Administration.....	20.1	21.6
All other entities.....	149.9	252.1
Total undelivered orders - unpaid .....	<u>1,730.9</u>	<u>1,468.5</u>
<b>Other Commitments:</b>		
GSE Senior Preferred Stock Purchase Agreements.....	254.1	254.1
U.S. participation in the International Monetary Fund .....	162.6	123.4
Callable capital subscriptions for Multilateral Development Banks .....	125.6	123.3
All other commitments .....	18.1	19.0
Total other commitments .....	<u>560.4</u>	<u>519.8</u>

**Undelivered Orders and Other Commitments****Undelivered Orders - Unpaid**

Undelivered orders, included in this note disclosure, represent the value of goods and services ordered that have not yet been received and that have not been prepaid. As of September 30, 2021, and 2020, the total reported undelivered orders were \$1,730.9 billion and \$1,468.5 billion, respectively. Undelivered orders had a net increase of \$262.4 billion from 2020 to 2021. While Treasury, which is included in All other entities in the above table, had a decrease in undelivered orders, Education, HHS and HUD all experienced increases. Treasury's decrease in undelivered orders from \$120.5 billion in FY 2020 to \$5.9 billion in FY 2021, was primarily the result of a \$114.6 billion de-obligation of undisbursed but previously committed CARES Act funds. Refer to Note 8—Investments in Special Purpose Vehicles for additional information. Education had a \$182.8 billion increase that resulted primarily from an increase in unpaid, undelivered orders related to COVID-19. HHS had a \$101.6 billion increase primarily due to COVID-19 activity. HUD also had an increase of \$33.6 billion primarily the result of COVID-19 activity.

**GSE Senior Preferred Stock Purchase Agreements**

As of September 30, 2021, and 2020, the maximum remaining potential commitment to the GSEs for the remaining life of the SPSPAs was \$254.1 billion, which was established on December 31, 2012. Refer to Note 9—Investments in Government-Sponsored Enterprises for a full description of the SPSPAs related commitments and contingent liability, if any, as well as additional information.

## U.S. Participation in the International Monetary Fund

The government participates in the IMF through a quota subscription and certain borrowing arrangements that supplement IMF resources. As of September 30, 2021, and 2020, the financial commitment under the U.S. quota and borrowing arrangements was \$162.6 billion and \$123.4 billion, respectively. The financial commitment of the U.S. participation in the IMF for FY 2020 was restated to reduce the amount from \$156.3 billion to \$123.4 billion. This restatement was due to erroneously reporting drawn amounts of the U.S. participation versus the undrawn amount remaining. Refer to Note 2—Cash and Other Monetary Assets and Note 28—Disclosure Entities and Related Parties for additional information regarding the U.S. participation in the IMF.

## Callable Capital Subscriptions for Multilateral Development Banks

The government has callable subscriptions in certain MDB, which are international financial institutions that finance economic and social development projects in developing countries. Callable capital in the MDB serves as a supplemental pool of resources that may be redeemed and converted into ordinary paid in shares, if the MDB cannot otherwise meet certain obligations through its other available resources. MDB are able to use callable capital as backing to obtain favorable financing terms when borrowing from international capital markets. To date, there has never been a call on this capital at any MDB and none is anticipated. As of September 30, 2021, and 2020, the capital commitment to MDB was \$125.6 billion and \$123.3 billion, respectively.

## Other Risks

### U.S. Contributions to International Organizations

The U.S. government enters into agreements to pay future contributions to international organizations in which it participates as a member. These contributions may include financial and in-kind support, including assessed contributions, voluntary contributions, grants, and other assistance to international organizations. Following are examples of international organizations and their underlying missions that are supported by U.S. contributions:

- Office of the United Nations High Commissioner for Refugees, which was established to safeguard the rights and well-being of refugees;
- International Committee of the Red Cross, which provides humanitarian protection and assistance for victims of armed conflict and other situations of violence;
- International Organization for Migration, which supports migration programs and the U.S. Refugee Assistance Program;
- North Atlantic Treaty Organization, which promotes conflict prevention and peaceful resolution of disputes;
- United Nations, which enables the world's nations to work together toward freedom, democracy, peace, and human rights;
- World Food Program, which provides emergency nutrition programming;
- Global Environment Facility, which is a multilateral trust fund that provides grants for global environmental projects;
- Green Climate Fund, which was established to support the efforts of developing countries to respond to the challenge of climate change;
- United Nations Children's Fund, which promotes humanitarian and developmental assistance to children and mothers in developing countries; and
- WHO, which provides international health activities within the United Nations system and aids in health systems; including activities that address non-communicable and communicable diseases; environmental health; and natural and man-made emergencies.