

REVIEW OF FEDERAL EXPENDITURE TRENDS

UNITED STATES INSULAR AREAS IN THE PACIFIC

CONSOLIDATED FEDERAL FUNDS: FY 1997-2010

Federal Assistance Award Data System: FY 2000-2010

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Guam ♦ CNMI ♦ Marshall Islands ♦ Palau ♦ FSM ♦ American Samoa



Bureau of Labor Statistics

Department of Labor
Government of Guam
Bureau of Labor Statistics



Guam



CNMI



Marshall Islands



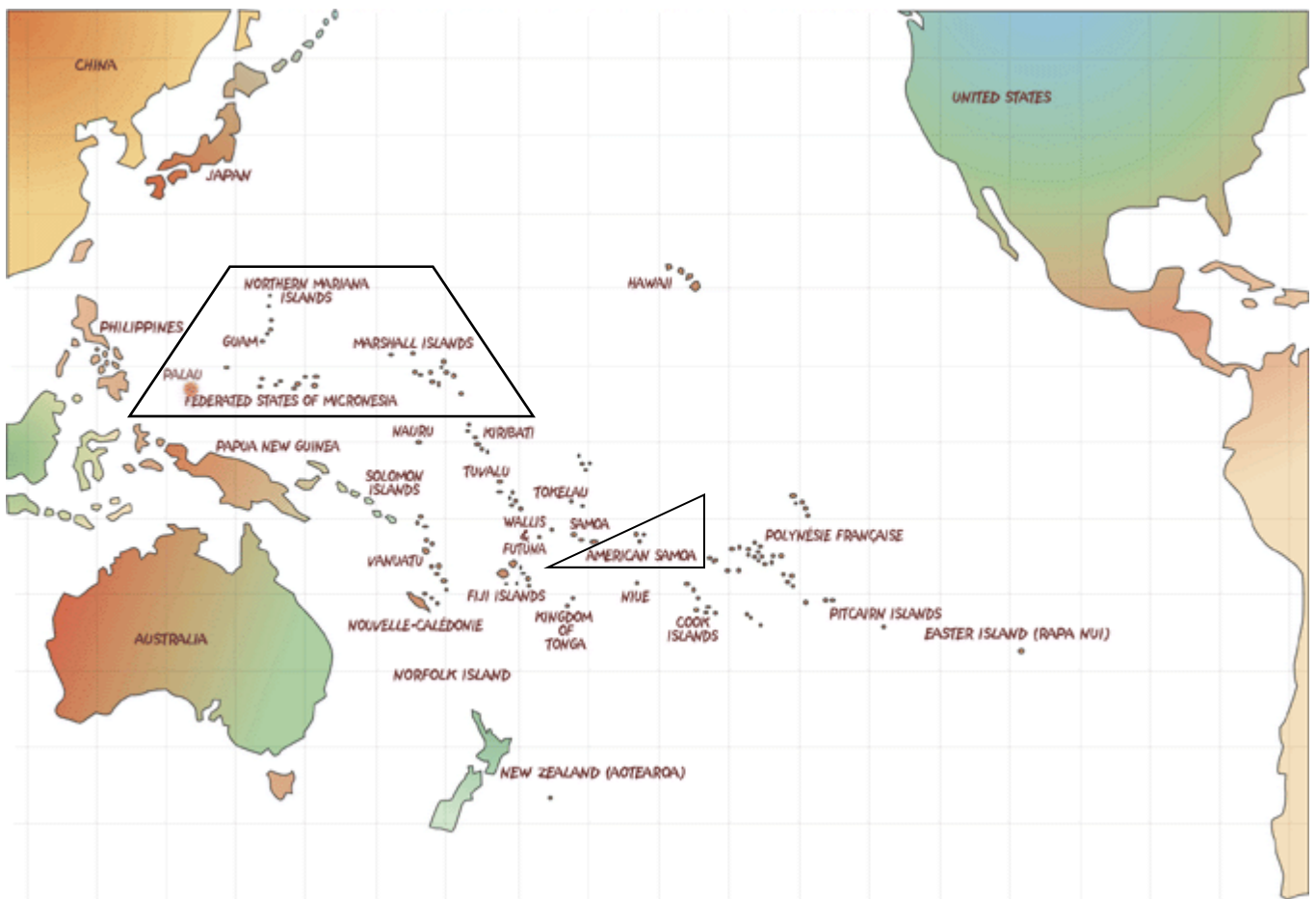
Palau



FSM



American Samoa



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Federal Assistance Award Data System: FY 2000-2010

**Department of Labor
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FOREWORD

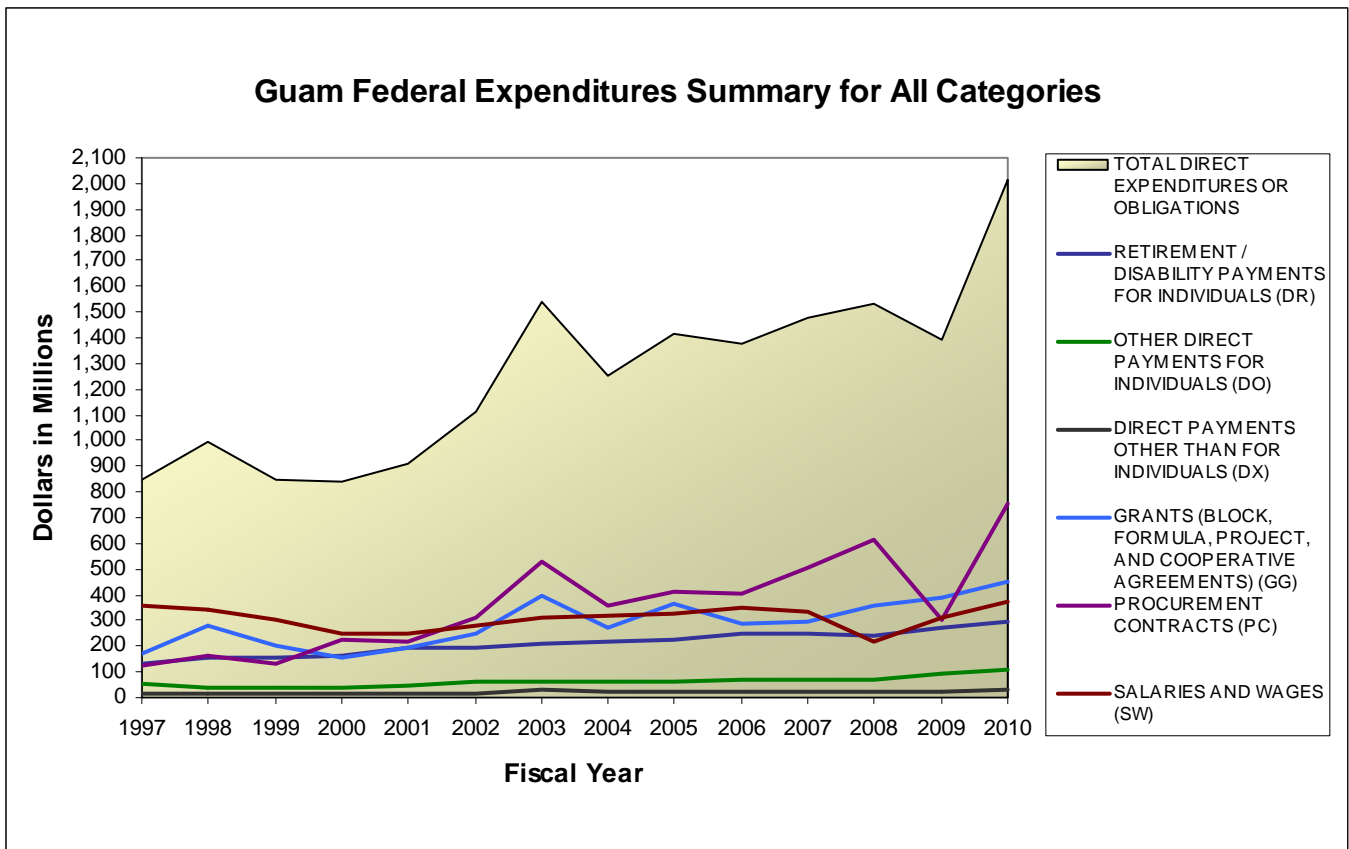
Annual Federal Expenditure information for the United States with detail by State, the District of Columbia and U.S. Outlying Areas by expenditure and program category in the Consolidated Federal Funds Reports (CFFR) are available online from the U.S. Census Bureau for fiscal years 1993 – 2010.

Fiscal Year 2010 federal expenditure data is available and included for Federal Assistance awards including grants, direct and other assistance from the U.S. Census Bureau from the Federal Assistance Award Data System (FAADS). This is an important source of sometimes more current expenditure information as it is released on a quarterly basis and covers a large component of federal expenditures. In FY 2010 Federal Assistance comprised 42.2 percent of all federal expenditures and 92.5 percent of Non Defense expenditures on Guam.

Reviewing the trends in federal expenditures either in total or by category has been an

onerous task as the information is published separately for each fiscal year. This report has been updated to include FY 2010 information with annual historical data since 1997. This report compiles the information from the fiscal years' CFFR and FAADS reports, presents it in time-series format and from that, reviews the trends in Federal Expenditures. Our reports for FY 2005 and FY 2006 federal expenditures were limited to expenditures for Guam. For FY 2007, and later, the report had been expanded in scope to include United States Insular areas in the Pacific. These other areas include CNMI, Marshall Islands, Belau and the Federal States of Micronesia. This expansion is designed to support regional employment and training as well as regional economic development efforts.

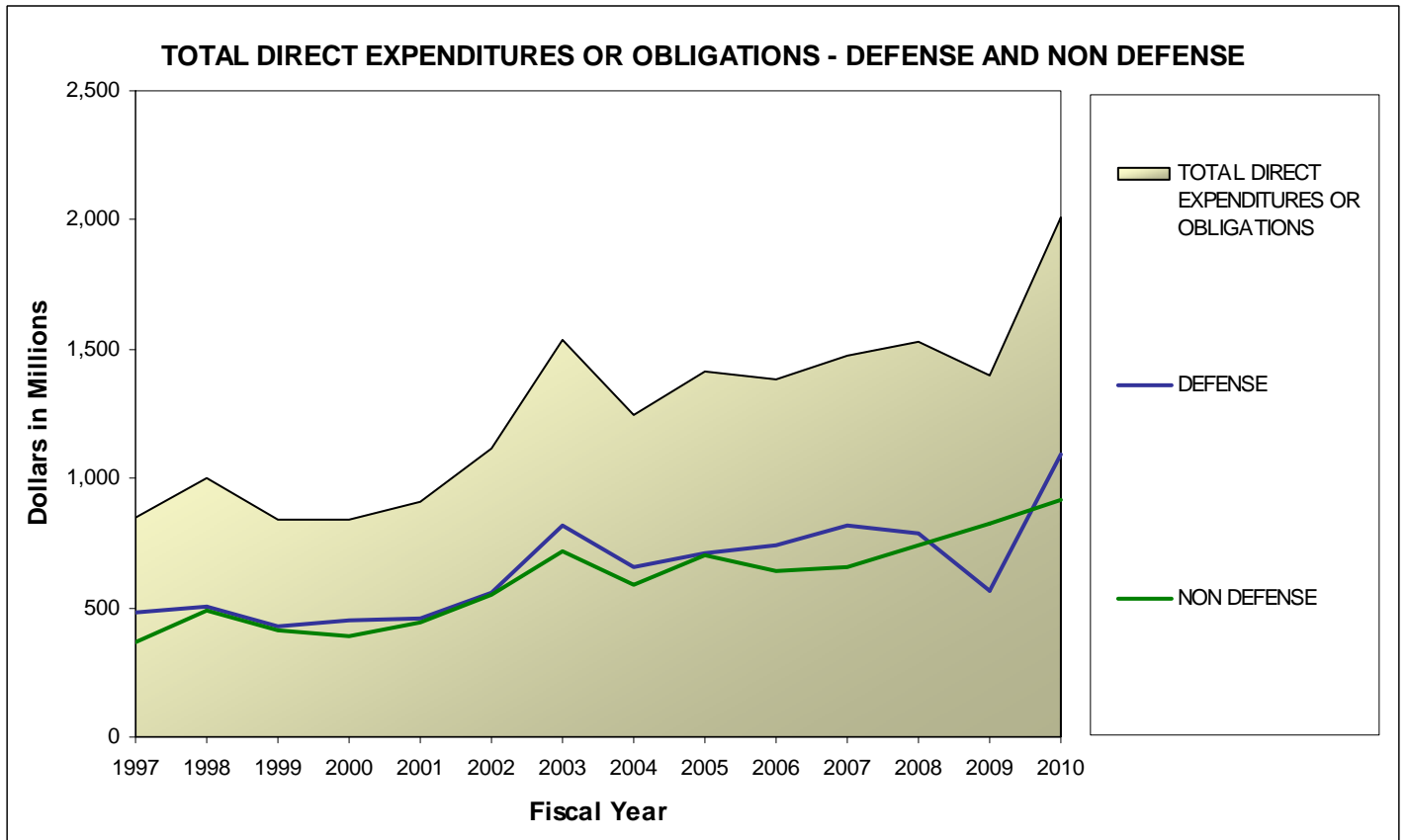
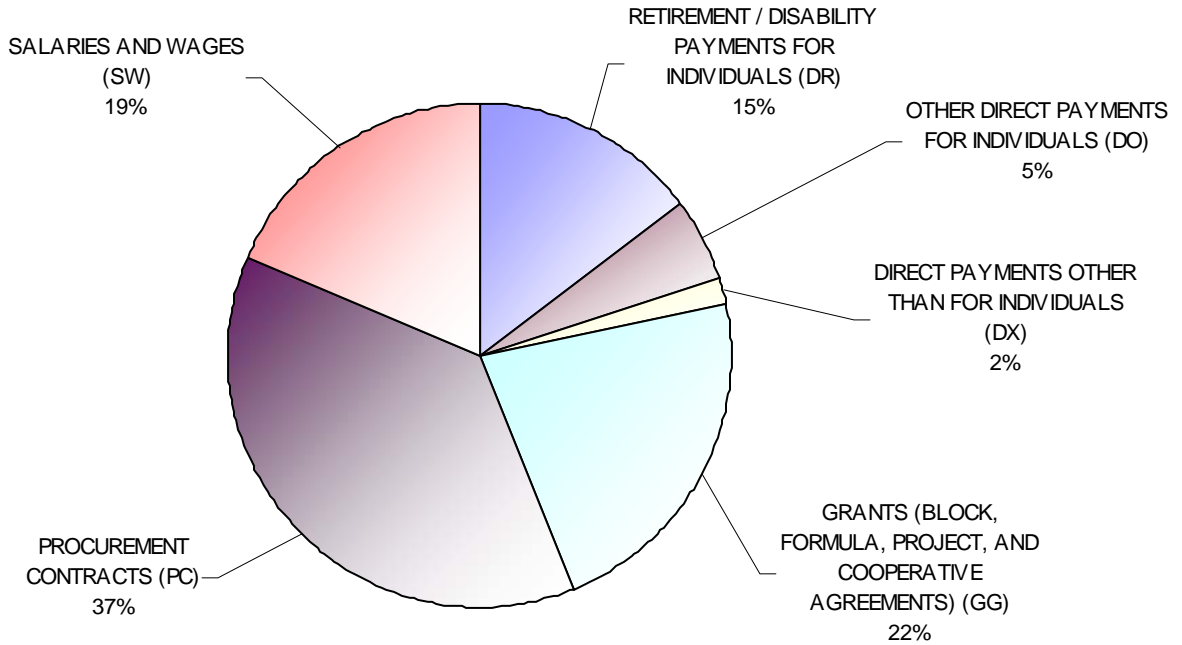
Funding for this report was provided in part by the U.S. Department of Labor, Employment and Training Administration under the Program Year 2010 Workforce Information Grant.



KEY FINDINGS - GUAM

- ◆ Total federal expenditures or obligations on Guam increased 44.2% from \$1.39 billion in fiscal year 2009 to \$2.01 billion in FY 2010, the latest year for which complete information on federal expenditures is available. Federal expenditures or obligations for Defense were up 92.6% and Non Defense spending or obligations was up 11.0 percent. Federal expenditure figures refer to expenditures or obligations.
- ◆ The largest change over the latest year from FY 2009 to FY 2010 was for Procurement Contracts which increased, \$446.7 million or 146.5 percent. Salaries and Wages increased substantially by 20.5 percent
- ◆ Information for federal expenditures for fiscal year 2010 from the Federal Assistance Award Data System shows a very significant increase (12.4%) from \$766 million in fiscal year 2009 to \$851 million in fiscal year 2010.
- ◆ Total federal expenditures on Guam have generally risen over the fourteen year history from FY 1997 to FY 2010 although the pattern has been neither smooth nor steady. The growth trend in total federal expenditures has been somewhat volatile, with two distinct peaks in expenditures related to typhoons with troughs in the intervening years. These peaks include those in 1998 and 2003 associated with typhoons Paka and Pongsona.
- ◆ Total federal expenditures on Guam increased by 42 percent from \$1.41 billion in FY 2005 to \$2.01 billion in FY 2010. Federal expenditure totals had previously remained consistently in the \$1.25 billion to \$1.53 billion range between FY 2004 and FY 2009. Using the lower FY 2000 level as a base, total federal expenditures on Guam increased by 139.0 percent over the decade from FY 2000 to FY 2010. The highest level of federal expenditures to date was reached in FY 2010 substantially surpassing the prior record high of \$1.54 billion in FY 2003..
- ◆ Total Direct Expenditures or Obligations for Defense have increased substantially, 127.6 percent, from \$480.1 million in FY 1997 to \$1.093 billion in FY 2010. Total Direct Expenditures or Obligations for Non Defense activities have increased even more substantially by 150.7 percent, from \$366.9 million to \$919.8 million.
- ◆ Federal spending by expenditure category in FY 2010 is led by Procurement Contracts \$751.6 million, Grants with \$449.6 million followed by Salaries and Wages \$376.6 million, Retirement / Disability Payments for Individuals \$294.1 million, Other Direct Payments for Individuals \$109.5 million and Direct Payments other than for Individuals \$31.0 million.
- ◆ Trends in Federal spending vary markedly by expenditure category. Retirement / Disability Payments for Individuals is the most consistent, it follows a trend of more or less steady moderate growth with minor variation. Salaries and Wages followed two different distinct trends, a fairly steady decline from FY 1996 to FY 2000 and moderate growth from FY 2000 to FY 2006, followed by a dip in FY 2008 and recovery in FY 2009 and FY 2010. Trends in other categories including Grants, Procurement Contracts and Direct Payments other than for Individuals show a general increasing trend with tremendous volatility related to typhoon expenditures and in FY 2010 due to defense contracting.
- ◆ Per Capita federal expenditures increased 92.8 percent when comparing between the nominal figures of \$5,770 in FY 1997 and \$11,127 in FY 2010. Increasing population numbers make the growth rate of expenditures on a per capita basis substantially lower than on a total expenditure basis as the dollars support a larger population base.
- ◆ Real Expenditures – monetary expenditures deflated by the consumer price index to account for reduced purchasing power of the expenditures due to inflation showed federal expenditures growing as a slower rate.

DIRECT EXPENDITURES OR OBLIGATIONS FY 2010



CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1997-2010
Summary of Annual Federal Expenditure Data for GUAM

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	133,606,168	154,597,307	156,294,715	161,242,977	190,580,193	198,143,064	206,530,730	221,055,325
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	52,467,677	38,318,622	35,694,327	40,432,898	43,235,540	60,839,582	63,309,306	58,343,275
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	13,645,313	12,833,665	15,957,590	15,078,198	15,345,521	17,281,184	28,201,347	26,735,979
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	167,344,660	281,755,506	198,928,540	154,893,439	192,368,938	250,609,330	400,328,991	268,700,770
PROCUREMENT CONTRACTS (PC)	120,759,437	166,690,624	133,782,091	223,679,774	218,947,745	308,323,933	525,781,804	354,599,098
SALARIES AND WAGES (SW)	<u>359,165,023</u>	<u>344,050,949</u>	<u>303,556,882</u>	<u>246,555,925</u>	<u>247,477,318</u>	<u>278,619,191</u>	<u>314,526,164</u>	<u>319,995,732</u>
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>846,988,278</u>	<u>998,246,673</u>	<u>844,214,145</u>	<u>841,883,211</u>	<u>907,955,255</u>	<u>1,113,816,284</u>	<u>1,538,678,342</u>	<u>1,249,430,179</u>

EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	480,086,840	507,085,984	428,820,000	451,019,000	461,318,000	561,656,000	816,656,992	659,677,565
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	366,901,438	491,160,689	415,394,145	390,864,211	446,637,255	552,160,284	722,021,350	589,752,614

OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	28,933,210	161,572,825	5,854,308	1,842,000	18,477,458	37,734,594	153,833,854	5,930,266
GUARANTEED/INSURED LOANS (GL)	12,915,995	12,677,133	27,369,237	20,306,388	27,226,308	37,431,540	19,308,590	30,352,079
INSURANCE (II)	19,064,718	20,443,768	22,890,196	26,780,313	26,811,976	26,777,381	32,120,686	31,806,906

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	15.8%	15.5%	18.5%	19.2%	21.0%	17.8%	13.4%	17.7%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	6.2%	3.8%	4.2%	4.8%	4.8%	5.5%	4.1%	4.7%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	1.6%	1.3%	1.9%	1.8%	1.7%	1.6%	1.8%	2.1%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	19.8%	28.2%	23.6%	18.4%	21.2%	22.5%	26.0%	21.5%
PROCUREMENT CONTRACTS (PC)	14.3%	16.7%	15.8%	26.6%	24.1%	27.7%	34.2%	28.4%
SALARIES AND WAGES (SW)	<u>42.4%</u>	<u>34.5%</u>	<u>36.0%</u>	<u>29.3%</u>	<u>27.3%</u>	<u>25.0%</u>	<u>20.4%</u>	<u>25.6%</u>
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	56.7%	50.8%	50.8%	53.6%	50.8%	50.4%	53.1%	52.8%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	43.3%	49.2%	49.2%	46.4%	49.2%	49.6%	46.9%	47.2%

OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	47.5%	83.0%	10.4%	3.8%	25.5%	37.0%	74.9%	8.7%
GUARANTEED/INSURED LOANS (GL)	21.2%	6.5%	48.8%	41.5%	37.5%	36.7%	9.4%	44.6%
INSURANCE (II)	31.3%	10.5%	40.8%	54.7%	37.0%	26.3%	15.6%	46.7%

2005	2006	2007	2008	2009	2010	Percentage Change From			
						2009	2005	2000	1997
224,243,645	250,022,855	250,399,074	244,794,294	272,056,036	294,105,691	8.1%	31.2%	82.4%	120.1%
58,807,794	67,718,307	66,234,955	72,093,550	94,014,572	109,479,915	16.4%	86.2%	170.8%	108.7%
22,017,305	23,831,990	23,635,385	24,019,849	25,276,321	31,017,258	22.7%	40.9%	105.7%	127.3%
367,817,323	289,264,986	298,556,353	361,379,689	387,302,904	449,636,299	16.1%	22.2%	190.3%	168.7%
411,426,247	401,144,255	507,132,996	610,674,451	304,879,765	751,622,823	146.5%	82.7%	236.0%	522.4%
<u>328,460,208</u>	<u>348,368,645</u>	<u>332,916,959</u>	<u>219,840,891</u>	<u>312,465,763</u>	<u>376,595,288</u>	<u>20.5%</u>	<u>14.7%</u>	<u>52.7%</u>	<u>4.9%</u>
<u>1,412,772,522</u>	<u>1,380,351,038</u>	<u>1,478,875,722</u>	<u>1,532,802,724</u>	<u>1,395,995,361</u>	<u>2,012,457,274</u>	<u>44.2%</u>	<u>42.4%</u>	<u>139.0%</u>	<u>137.6%</u>

711,695,759	738,569,095	817,704,116	789,374,081	567,335,773	1,092,636,087	92.6%	53.5%	142.3%	127.6%
701,076,763	641,781,943	661,171,606	743,428,643	828,659,588	919,821,187	11.0%	31.2%	135.3%	150.7%

4,534,791	6,608,090	2,741,889	1,837,134	91,310,334	48,048,103	-47.4%	959.5%	2508.5%	66.1%
39,624,974	41,203,324	38,516,463	21,388,385	63,423,733	62,592,639	-1.3%	58.0%	208.2%	384.6%
36,077,180	38,770,370	46,371,309	47,946,059	52,114,142	49,924,323	-4.2%	38.4%	86.4%	161.9%

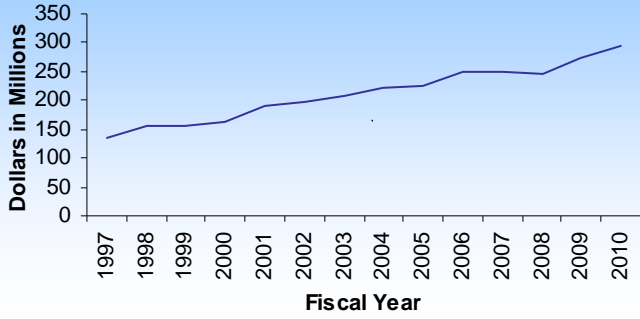
2005	2006	2007	2008	2009	2010
15.9%	18.1%	16.9%	16.0%	19.5%	14.6%
4.2%	4.9%	4.5%	4.7%	6.7%	5.4%
1.6%	1.7%	1.6%	1.6%	1.8%	1.5%
26.0%	21.0%	20.2%	23.6%	27.7%	22.3%
29.1%	29.1%	34.3%	39.8%	21.8%	37.3%
<u>23.2%</u>	<u>25.2%</u>	<u>22.5%</u>	<u>14.3%</u>	<u>22.4%</u>	<u>18.7%</u>
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

50.4%	53.5%	55.3%	51.5%	40.6%	54.3%
49.6%	46.5%	44.7%	48.5%	59.4%	45.7%

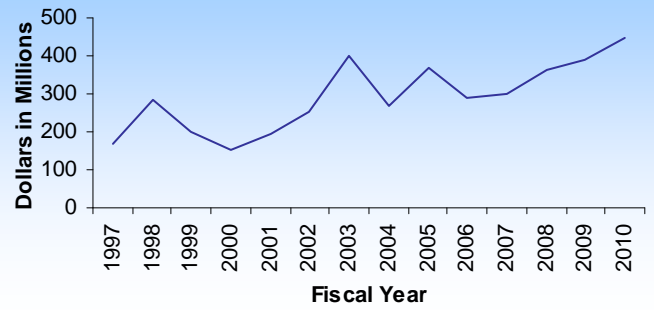
5.7%	7.6%	3.1%	2.6%	44.1%	29.9%
49.4%	47.6%	44.0%	30.1%	30.7%	39.0%
45.0%	44.8%	52.9%	67.4%	25.2%	31.1%



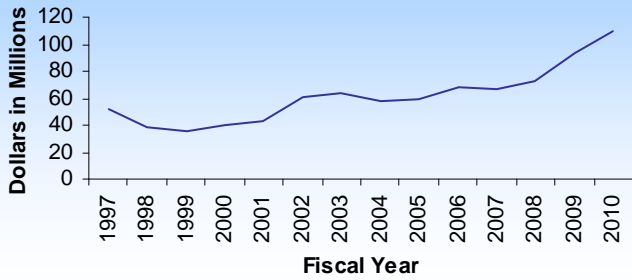
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)



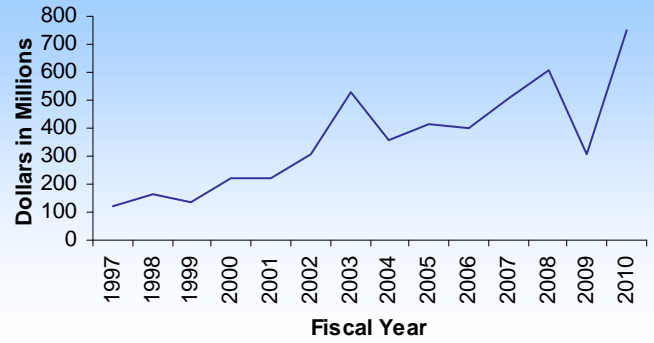
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)



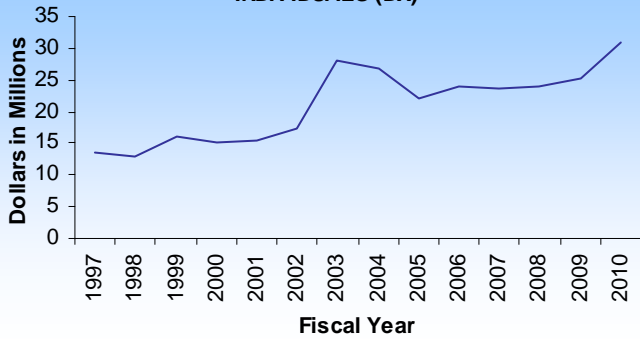
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)



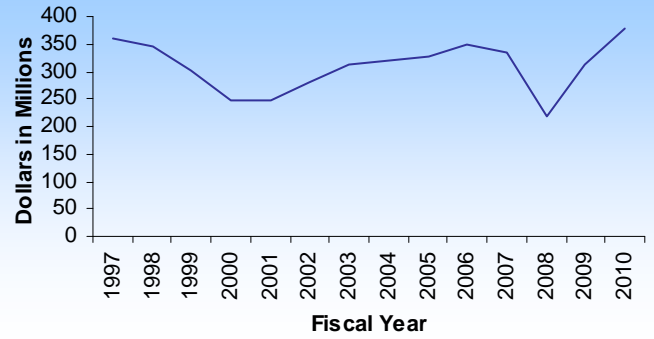
PROCUREMENT CONTRACTS (PC)



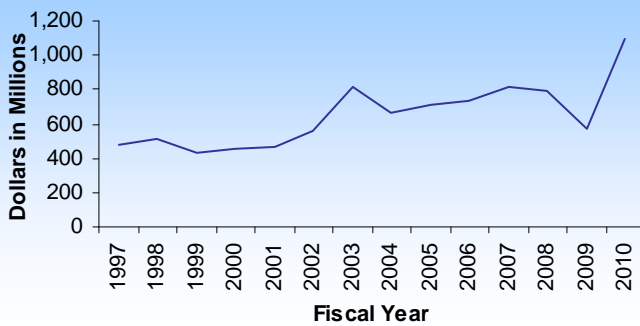
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)



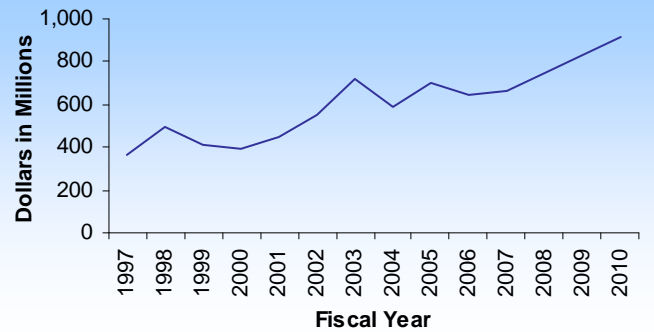
SALARIES AND WAGES (SW)



DEFENSE



NON DEFENSE



CPI Deflator - U.S.

Fiscal Year	U.S. CPI Annual Avg*	Total Direct Expenditures or Obligations (Dollars)	Percent Change Avg-Avg Deflator	Total Direct Expenditures or Obligations (Adjusted Dollars)	Midyear Population Estimate*	Per Capita Expenditure (Nominal Dollars)	Per Capita Expenditure (U.S. CPI Adjusted Dollars)
1994	148.2	1,061,184,249		1,061,184,249	143,157	7,413	7,413
1995	152.4	809,736,760	0.97	787,421,180	144,190	5,616	5,461
1996	156.9	829,829,990	0.94	783,816,472	145,324	5,710	5,394
1997	160.5	846,988,278	0.92	782,078,896	146,799	5,770	5,328
1998	163.0	998,246,673	0.91	907,608,325	149,724	6,667	6,062
1999	166.6	844,214,145	0.89	750,975,608	152,590	5,533	4,922
2000	172.2	841,883,211	0.86	724,547,572	155,324	5,420	4,665
2001	177.1	907,955,255	0.84	759,790,902	158,330	5,735	4,799
2002	179.9	1,113,816,284	0.82	917,551,825	161,057	6,916	5,697
2003	184.0	1,538,678,342	0.81	1,239,305,056	163,605	9,405	7,575
2004	188.9	1,249,430,179	0.78	980,230,559	166,124	7,521	5,901
2005	195.3	1,412,772,522	0.76	1,072,057,797	168,614	8,379	6,358
2006	201.6	1,380,351,038	0.74	1,014,722,340	171,086	8,068	5,931
2007	207.3	1,478,875,722	0.71	1,057,042,866	173,544	8,522	6,091
2008	215.3	1,532,802,724	0.69	1,055,077,559	175,991	8,710	5,995
2009	214.5	1,395,995,361	0.69	964,339,543	178,430	7,824	5,405
2010	218.1	2,012,457,274	0.68	1,367,474,406	180,865	11,127	7,561

* Revised. Sources: U.S. Census Bureau, International Data Base; U.S. Department of Labor, Bureau of Labor Statistics CPI Database

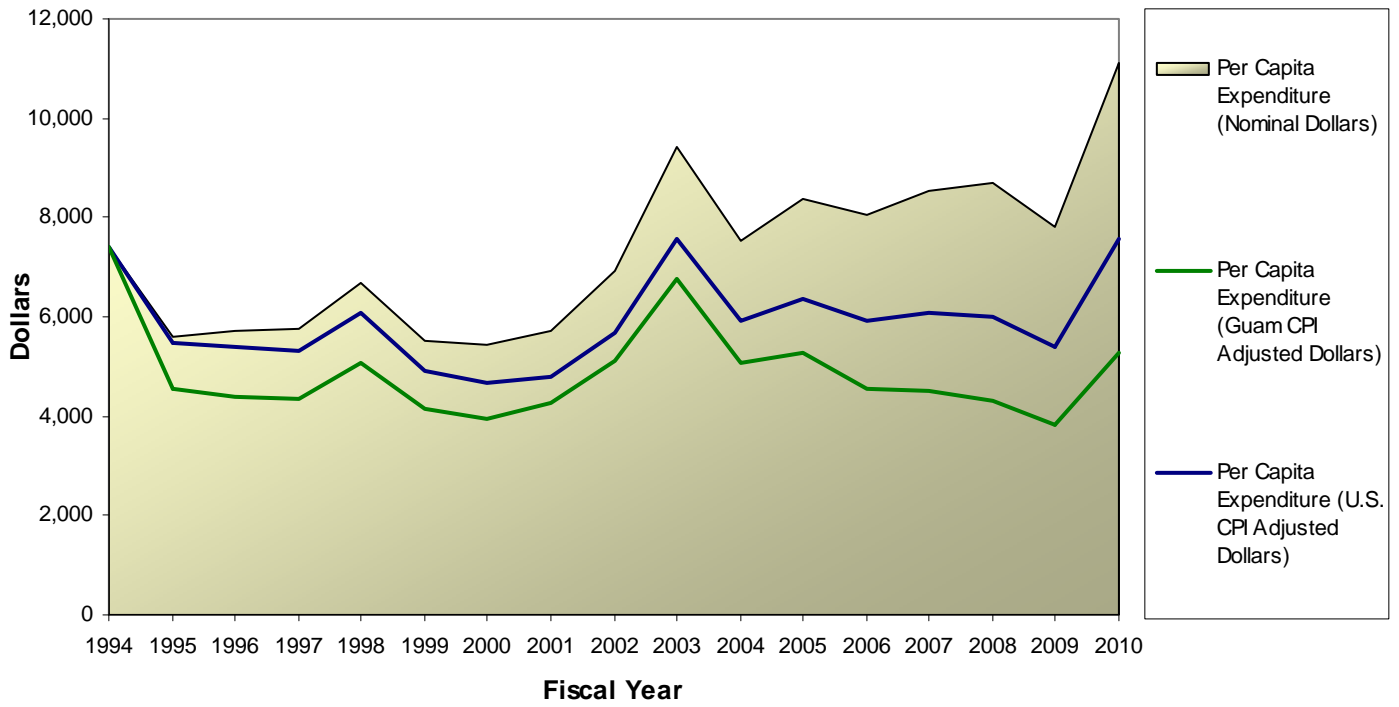
CPI Deflator - Guam

Fiscal Year	Guam CPI Annual Avg	Total Direct Expenditures or Obligations (Dollars)	Percent Change Avg-Avg Deflator	Total Direct Expenditures or Obligations Adjusted (Dollars)	Midyear Population Estimate*	Per Capita Expenditure (Nominal Dollars)	Per Capita Expenditure (Guam CPI Adjusted Dollars)
1994	436.00	1,061,184,249		1,061,184,249	143,157	7,413	7,413
1995	458.20	809,736,760	0.95	770,504,643	144,190	5,616	4,570
1996	99.62	829,829,990	0.77	638,969,092	145,324	5,710	4,397
1997	101.54	846,988,278	0.76	639,720,554	146,799	5,770	4,358
1998	100.91	998,246,673	0.76	758,671,428	149,724	6,667	5,067
1999	102.76	844,214,145	0.75	630,055,189	152,590	5,533	4,129
2000	104.81	841,883,211	0.73	616,026,211	155,324	5,420	3,966
2001	103.34	907,955,255	0.74	673,823,344	158,330	5,735	4,256
2002	104.00	1,113,816,284	0.74	821,353,831	161,057	6,916	5,100
2003	106.85	1,538,678,342	0.72	1,104,392,320	163,605	9,405	6,750
2004	113.37	1,249,430,179	0.68	845,208,603	166,124	7,521	5,088
2005	122.05	1,412,772,522	0.63	887,737,405	168,614	8,379	5,265
2006	136.18	1,380,351,038	0.56	777,367,321	171,086	8,068	4,544
2007	145.39	1,478,875,722	0.53	780,094,483	173,544	8,522	4,495
2008	154.42	1,532,802,724	0.50	761,259,594	175,991	8,710	4,326
2009	157.09	1,395,995,361	0.49	681,552,511	178,430	7,824	3,820
2010	161.61	2,012,457,274	0.47	955,016,908	180,865	11,127	5,280

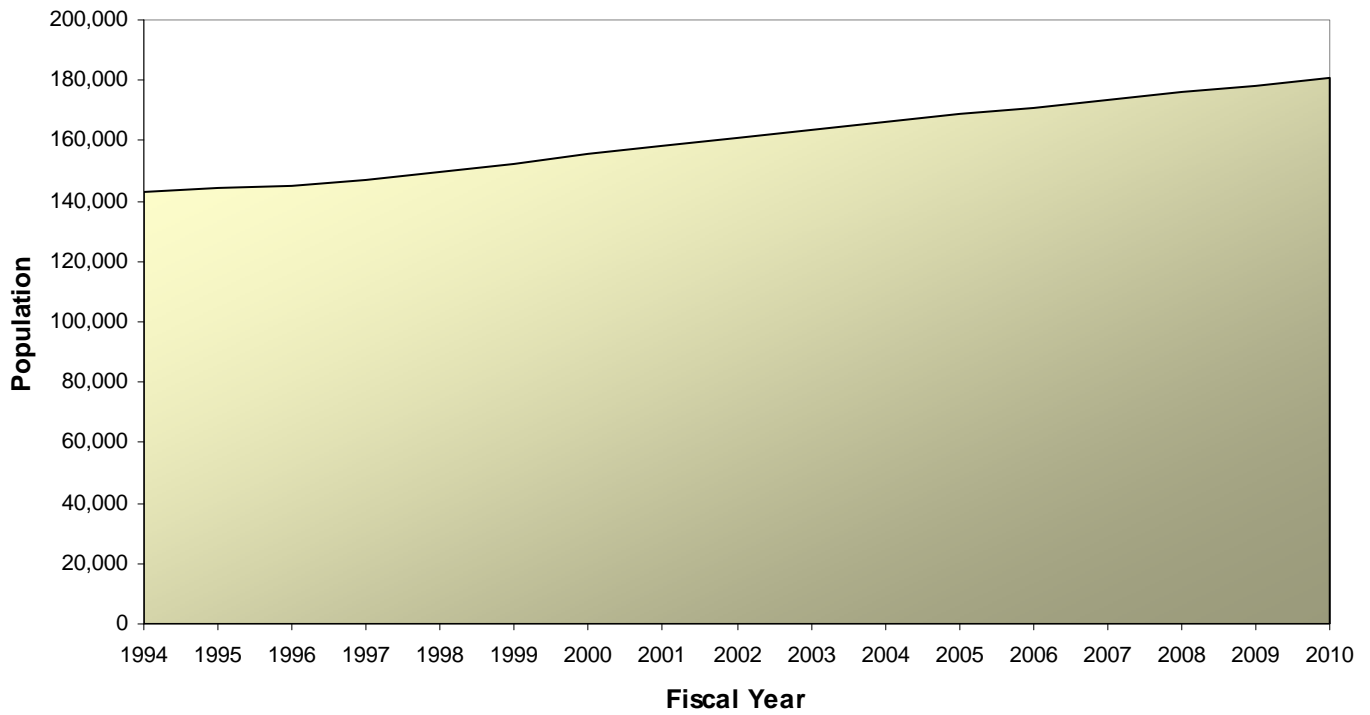
Notes: Guam CPI deflator is derived by the Department of Labor, Government of Guam, based on the Guam CPI Index; Guam CPI market basket was revised in 1996 and 2008. Guam CPI Annual Averages for 1998 through 2005 were revised by the Bureau of Statistics and Plans.

* Revised. Source: U.S. Census Bureau, International Data Base

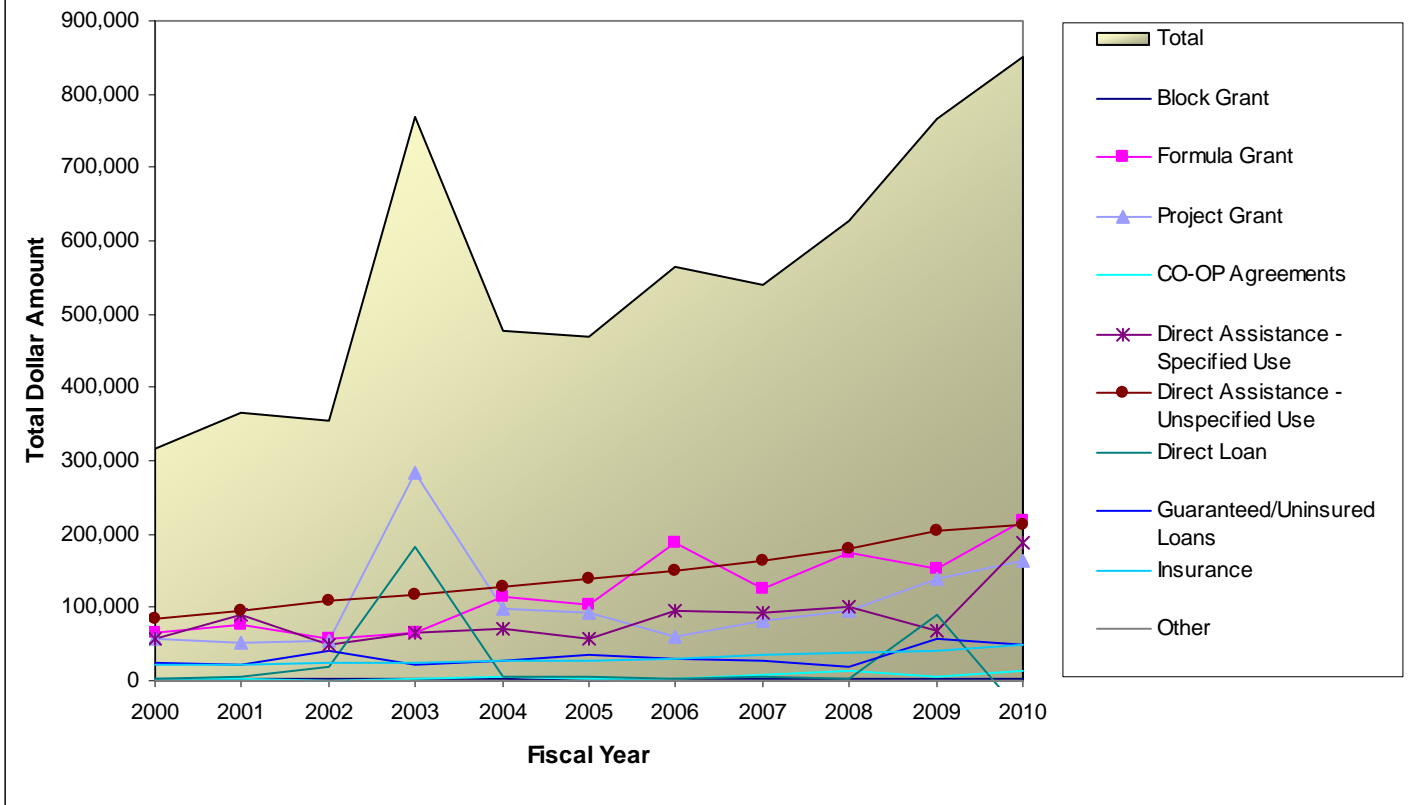
CPI Adjusted Federal Per Capita Expenditures for Guam



Guam Midyear Population Estimates



Federal Assistance Award Data System Summary of Grant Awards



Federal, State, and Local Governments

Federal Assistance Award Data System

Fiscal Year Summary Table

Dollar Amounts in Thousands

GUAM

Type of Assistance	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Block Grant	1,701	2,281	1,477	2,925	1,467	1,162	1,523	1,574	1,434	2,764	2,610
Formula Grant	65,951	75,639	57,077	66,056	113,615	103,963	187,863	126,140	173,586	153,842	218,829
Project Grant	57,558	50,811	53,670	284,810	99,134	93,258	61,282	82,020	96,290	139,901	163,873
CO-OP Agreements	2,133	2,198	1,032	3,403	5,282	3,896	2,986	8,650	14,308	6,576	12,457
Direct Assistance - Specified Use	56,353	89,992	48,290	65,255	71,285	57,967	95,641	91,409	101,568	68,289	187,050
Direct Assistance - Unspecified Use	83,473	96,559	108,373	117,122	127,417	138,838	151,342	163,644	180,352	204,428	212,582
Direct Loan	3,439	4,294	19,941	181,426	5,119	6,610	2,798	4,554	2,083	91,056	-45,851
Guaranteed/Uninsured	24,472	22,268	41,259	21,305	27,620	34,690	30,639	26,875	20,319	56,932	49,389
Insurance	21,680	22,028	23,708	25,554	26,777	28,344	29,898	34,209	37,471	41,872	49,757
Other	0	0	0	0	0	0	0	4	0	0	0
Total	316,760	366,070	354,827	767,856	477,716	468,728	563,972	539,079	627,411	765,660	850,696

KEY FINDINGS - GUAM AND OTHER INSULAR AREAS FY 2010

- ◆ Funding by Object Code Category differs considerably by Island area. Guam's share of federal expenditures are received in Grants 22.3%, Salaries and Wages 18.7%, Procurement Contracts 37.3%, Retirement/Disability Payments for Individuals 14.6%, Other Direct Payments for Individuals 5.4% and Direct Payments other than for Individuals 1.5%.
- ◆ By Defense / Non Defense breakouts, the majority of Guam's receipts were for Defense, whereas, for all of the other areas federal expenditures for Defense were relatively very small or non-existent.
- ◆ Federal receipts in the Commonwealth of the Northern Marianas Islands (CNMI) are primarily in the forms of Grants 75.8% and Retirement/Disability Payments 13.2%.
- ◆ In the Republic of the Marshall Islands (RMI) and Palau, nearly all of the federal funding is for Grants at 96.9% and 88.6%, respectively.
- ◆ In the Federated States of Micronesia, 93.8% of the federal funding is in the form of Grants.
- ◆ Federal expenditures in American Samoa are more diverse with expenditures for Grants 57.8%, Salaries and Wages 21.8% and Retirement/Disability Pay for Individuals at 15.9%.
- ◆ Comparing FY 2010 to FY 2009, federal expenditures increased on Guam by 42.2% and FSM was up 131.2%, whereas, CNMI was up 3.5%, RMI up 57.7%, Palau down 2.3% and American Samoa up 40.1%. The percentage changes vary considerably by area for different historical comparison periods.
- ◆ Per Capita Non Defense expenditures in FY 2010 for these areas range from \$1,396 to for the Republic of Palau to a high of \$7,608 for American Samoa with an average of \$4,223 for all areas combined.
- ◆ A variety of factors help explain the differences by area, some of the major factors are the level of defense activity, the level of defense procurement for construction & expansion, the number of federal employees, the number of persons receiving retirement/disability payments, the population and the participation in various federal programs and payments negotiated under compact or other agreements or settlements.
- ◆ More detailed expenditure data by federal program are available in the Consolidated Federal Funds Report (CFFR).

Annual Federal Expenditures United States Insular Areas in the Pacific

- ◆ Commonwealth of the Northern Marianas Islands (CNMI)
- ◆ Republic of the Marshall Islands (RMI)
- ◆ Republic of Palau (Belau)
- ◆ Federated States of Micronesia (FSM)
- ◆ American Samoa

CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1997-2010

Summary of Annual Federal Expenditure Data for THE NORTHERN MARIANAS ISLANDS (CNMI)

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	9,296,852	11,070,825	20,820,911	14,484,256	20,560,878	20,994,525	22,319,707	24,089,843
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	13,377,440	5,798,714	5,793,160	18,986	128,647	1,520,467	8,012,652	11,635,537
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	31,083	23,541	30,248	1,414,793	1,513,461	1,685,996	6,494,212	6,511,816
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	30,770,572	41,733,622	53,534,962	49,669,523	62,382,654	66,070,513	89,503,198	156,107,323
PROCUREMENT CONTRACTS (PC)	3,955,946	2,686,218	3,243,774	1,935,205	9,134,158	8,735,730	8,424,984	8,599,155
SALARIES AND WAGES (SW)	<u>1,930,506</u>	<u>2,049,921</u>	<u>2,053,448</u>	<u>2,434,866</u>	<u>2,531,855</u>	<u>3,055,165</u>	<u>5,897,816</u>	<u>6,264,205</u>
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>59,362,399</u>	<u>63,362,841</u>	<u>85,476,503</u>	<u>69,957,629</u>	<u>96,251,653</u>	<u>102,062,396</u>	<u>140,652,569</u>	<u>213,207,879</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	3,664,000	2,464,000	12,377,000	2,255,000	8,768,000	7,165,000	8,949,865	5,170,623
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	55,698,399	60,898,841	73,099,503	67,702,629	87,483,653	94,897,396	131,702,704	208,037,256
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	304,165	12,858,573	1,192,564	962,330	578,754	1,294,022	11,415,600	3,368,568
GUARANTEED/INSURED LOANS (GL)	93,750		6,490,000		12,750	647,000	262,500	773,308
INSURANCE (II)						273,384	273,384	73,174

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	15.7%	17.5%	24.4%	20.7%	21.4%	20.6%	15.9%	11.3%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	22.5%	9.2%	6.8%	0.0%	0.1%	1.5%	5.7%	5.5%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	0.1%	0.0%	0.0%	2.0%	1.6%	1.7%	4.6%	3.1%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	51.8%	65.9%	62.6%	71.0%	64.8%	64.7%	63.6%	73.2%
PROCUREMENT CONTRACTS (PC)	6.7%	4.2%	3.8%	2.8%	9.5%	8.6%	6.0%	4.0%
SALARIES AND WAGES (SW)	3.3%	3.2%	2.4%	3.5%	2.6%	3.0%	4.2%	2.9%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	6.2%	3.9%	14.5%	3.2%	9.1%	7.0%	6.4%	2.4%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	93.8%	96.1%	85.5%	96.8%	90.9%	93.0%	93.6%	97.6%
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	76.4%	100.0%	15.5%	100.0%	97.8%	58.4%	95.5%	79.9%
GUARANTEED/INSURED LOANS (GL)	23.6%	0.0%	84.5%	0.0%	2.2%	29.2%	2.2%	18.3%
INSURANCE (II)	0.0%	0.0%	0.0%	0.0%	0.0%	12.3%	2.3%	1.7%

2005	2006	2007	2008	2009	2010	Percentage Change From			
						2009	2005	2000	1997
25,788,045	27,088,464	28,144,686	30,253,956	33,568,710	32,971,031	-1.8%	27.9%	127.6%	254.6%
9,691,515	10,945,064	10,776,575	12,300,178	14,339,791	2,947,386	-79.4%	-69.6%	15424.0%	-78.0%
1,505,480	2,682,098	2,319,459	2,971,140	3,565,722	3,404,699	-4.5%	126.2%	140.6%	10853.6%
119,670,096	126,346,488	80,913,037	111,677,517	170,367,157	189,559,808	11.3%	58.4%	281.6%	516.0%
3,831,112	1,828,952	424,104	1,623,877	10,824,967	12,000,478	10.9%	213.2%	520.1%	203.4%
<u>6,610,656</u>	<u>7,993,070</u>	<u>7,736,823</u>	<u>8,118,840</u>	<u>8,810,524</u>	<u>9,097,505</u>	<u>3.3%</u>	<u>37.6%</u>	<u>273.6%</u>	<u>371.2%</u>
<u>167,096,904</u>	<u>176,884,136</u>	<u>130,314,684</u>	<u>166,945,508</u>	<u>241,476,871</u>	<u>249,980,907</u>	<u>3.5%</u>	<u>49.6%</u>	<u>257.3%</u>	<u>321.1%</u>

4,499,211	3,011,515	912,180	1,558,171	6,224,320	3,099,593	-50.2%	-31.1%	37.5%	-15.4%
162,597,693	173,872,621	129,402,504	165,387,337	235,252,551	246,881,314	4.9%	51.8%	264.7%	343.2%

9,242,589	1,743,728	1,369,594	133,736	21,000	6,700	-68.1%	-99.9%	-99.3%	-97.8%
239,440	650,000	1,625,000	0	0	900,000	-	275.9%	-	860.0%
73,174	73,174	660,125	108,000	108,000	0	-100.0%	-100.0%	-	-

2005	2006	2007	2008	2009	2010
15.4%	15.3%	21.6%	18.1%	13.9%	13.2%
5.8%	6.2%	8.3%	7.4%	5.9%	1.2%
0.9%	1.5%	1.8%	1.8%	1.5%	1.4%
71.6%	71.4%	62.1%	66.9%	70.6%	75.8%
2.3%	1.0%	0.3%	1.0%	4.5%	4.8%
4.0%	4.5%	5.9%	4.9%	3.6%	3.6%
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

2.7%	1.7%	0.7%	0.9%	2.6%	1.2%
97.3%	98.3%	99.3%	99.1%	97.4%	98.8%

96.7%	70.7%	37.5%	55.3%	16.3%	0.7%
2.5%	26.3%	44.5%	0.0%	0.0%	99.3%
0.8%	3.0%	18.1%	44.7%	83.7%	0.0%



CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1999-2010

Summary of Annual Federal Expenditure Data for REPUBLIC OF THE MARSHALL ISLANDS (RMI)

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	582,690	776,443	867,277	891,010	991,716	1,161,860	1,182,958	798,420
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	488,260		11,380	2,325	49,117	2,248,657	1,396,389	1,798,302
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	13,537,172	10,368,747	49,024,715	58,149,867	65,850,027	56,384,113	67,530,904	78,479,427
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	137,044,000	29,518,000	101,429,000	143,516,244	114,767,677	158,014,099	145,179,975	109,867,461
PROCUREMENT CONTRACTS (PC)								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>151,652,122</u>	<u>40,663,190</u>	<u>151,332,372</u>	<u>202,559,446</u>	<u>181,658,537</u>	<u>217,808,729</u>	<u>215,290,226</u>	<u>190,943,610</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	136,586,000	29,518,000	100,897,000	143,142,000	114,438,810	158,014,099	145,179,975	109,867,461
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	15,066,122	11,145,190	50,435,372	59,417,446	67,219,727	59,794,630	70,110,251	81,076,149
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	763,441	480,901	479,945	865,274	1,366,058	1,685,345	1,796,220	1,141,473
GUARANTEED/INSURED LOANS (GL)			383,046					

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	0.4%	1.9%	0.6%	0.4%	0.5%	0.5%	0.5%	0.4%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	0.3%	0.0%	0.0%	0.0%	0.0%	1.0%	0.6%	0.9%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	8.9%	25.5%	32.4%	28.7%	36.2%	25.9%	31.4%	41.1%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	90.4%	72.6%	67.0%	70.9%	63.2%	72.5%	67.4%	57.5%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	90.1%	72.6%	66.7%	70.7%	63.0%	72.5%	67.4%	57.5%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	9.9%	27.4%	33.3%	29.3%	37.0%	27.5%	32.6%	42.5%
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	100.0%	100.0%	55.6%	100.0%	100.0%	100.0%	100.0%	100.0%
GUARANTEED/INSURED LOANS (GL)	0.0%	0.0%	44.4%	0.0%	0.0%	0.0%	0.0%	0.0%

2007	2008	2009	2010	Percentage Change From			
				2009	2005	2000	1999
501,527	541,692	42,269	104,447	147.1%	-91.2%	-86.5%	-82.1%
2,301,258	2,985,189	3,748,261	575,000	-84.7%	-58.8%	-	17.8%
109,279,937	85,353,117	0	7,793	-	-100.0%	-99.9%	-99.9%
		135,798,795	126,383,460	-6.9%	-12.9%	328.2%	-7.8%
		593,330	772,310	30.2%	-	-	-
<u>112,082,722</u>	<u>88,879,998</u>	<u>140,182,655</u>	<u>127,843,010</u>	<u>-8.8%</u>	<u>-40.6%</u>	<u>214.4%</u>	<u>-15.7%</u>

		98,950	-23,808	-124.1%	-100.0%	-100.1%	-100.0%
112,082,722	88,879,998	140,083,705	127,866,818	-8.7%	82.4%	1047.3%	748.7%

2,243,904	2,014,488	2,023,148	451,935	-77.7%	-74.8%	-6.0%	-40.8%
		18,526,000	0	-100.0%	-	-	-

2007	2008	2009	2010
0.4%	0.6%	0.0%	0.1%
2.1%	3.4%	2.7%	0.4%
97.5%	96.0%	0.0%	0.0%
0.0%	0.0%	96.9%	98.9%
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>99%</u>

-	-	0.1%	0.0%
100.0%	100.0%	99.9%	100.0%

100.0%	100.0%	9.8%	100.0%
0.0%	0.0%	90.2%	0.0%



CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1999-2010

Summary of Annual Federal Expenditure Data for REPUBLIC OF PALAU (BELAU)

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	197,768	282,614	352,358	427,992	454,834	450,232	483,774	795,129
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)					1,361,368	2,758,311	668,500	2,544,662
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	9,070,151	5,207,468	34,985,771	40,802,221	50,710,773	47,402,520	44,912,840	33,730,913
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	88,728,000	10,685,000	400,000	1,075,523			6,424	
PROCUREMENT CONTRACTS (PC)								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>97,995,919</u>	<u>16,175,082</u>	<u>35,738,129</u>	<u>42,305,736</u>	<u>53,185,353</u>	<u>50,611,063</u>	<u>46,071,538</u>	<u>37,070,704</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	88,462,000	10,413,000	10,000	583,000	658,378			145,000
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	9,533,919	5,762,082	35,728,129	41,722,736	52,526,975	50,611,063	46,071,538	36,925,704
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)		15,240	681,549	551,980	560,315	406,780	138,780	57,330
GUARANTEED/INSURED LOANS (GL)	48,000			63,750		35,000,000	75,000	

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	0.2%	1.7%	1.0%	1.0%	0.9%	0.9%	1.1%	2.1%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	0.0%	0.0%	0.0%	0.0%	2.6%	5.5%	1.5%	6.9%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	9.3%	32.2%	97.9%	96.4%	95.3%	93.7%	97.5%	91.0%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	90.5%	66.1%	1.1%	2.5%	0.0%	0.0%	0.0%	0.0%
PROCUREMENT CONTRACTS (PC)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>99%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	90.3%	64.4%	0.0%	1.4%	1.2%	-	-	0.4%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	9.7%	35.6%	100.0%	98.6%	98.8%	100.0%	100.0%	99.6%
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	0.0%	100.0%	100.0%	89.6%	100.0%	1.1%	64.9%	100.0%
GUARANTEED/INSURED LOANS (GL)	100.0%	0.0%	0.0%	10.4%	0.0%	98.9%	35.1%	0.0%

2007	2008	2009	2010	Percentage Change From			
				2009	2005	2000	1999
868,360	906,043	212,491	295,703	39.2%	-38.9%	4.6%	49.5%
1,941,513	2,304,659	2,517,403	3,385,907	34.5%	406.5%	-	-
28,647,516	21,471,384	0		-	-100.0%	-100.0%	-100.0%
		21,361,086	24,350,478	14.0%	378954.8%	127.9%	-72.6%
		25,355	1,246,117	4814.7%	-	-	-
<u>31,457,389</u>	<u>24,682,086</u>	<u>24,116,335</u>	<u>29,278,205</u>	<u>21.4%</u>	<u>-36.5%</u>	<u>81.0%</u>	<u>-70.1%</u>

		51,530	134,719	161.4%	-	-98.7%	-99.8%
31,457,389	24,682,086	24,064,805	29,143,486	21.1%	-36.7%	405.8%	205.7%

201,125	470,520	912,990	55,410	-93.9%	-60.1%	263.6%	-
				-	-100.0%	-	-100.0%

2007	2008	2009	2010
2.8%	3.7%	0.9%	1.0%
6.2%	9.3%	10.4%	11.6%
91.1%	87.0%	0.0%	0.0%
0.0%	0.0%	88.6%	83.2%
0.0%	0.0%	0.1%	4.3%
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

-	-	0.2%	0.5%
100.0%	100.0%	99.8%	99.5%

100.0%	100.0%	100.0%	100.0%
0.0%	0.0%	0.0%	0.0%



CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1999-2010

Summary of Annual Federal Expenditure Data for [FEDERATED STATES OF MICRONESIA \(FSM\)](#)

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	218,710	348,088	418,870	437,816	471,117	474,524	578,234	820,658
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	-221,103	4,772,105	3,350,018	12,687,749	7,441,836	8,680,127	998,791	8,127,740
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	1,388,231							
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	21,862,365	22,136,639	93,768,779	125,554,851	136,328,493	93,913,695	113,668,752	90,919,606
PROCUREMENT CONTRACTS (PC)	933,000	6,000	937,000	1,150,117	1,022,303	89,908	120,331	127,810
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>24,181,203</u>	<u>27,262,832</u>	<u>98,474,667</u>	<u>139,830,533</u>	<u>145,263,749</u>	<u>103,158,254</u>	<u>115,366,108</u>	<u>99,995,814</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	0	0	0	0	0	0	0	32,000
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	24,181,203	27,262,832	98,474,667	139,830,533	145,263,749	103,158,254	115,366,108	99,963,814
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	2,009,205	1,534,155	1,091,169	1,439,647	4,407,659	2,064,400	2,293,266	1,964,718
GUARANTEED/INSURED LOANS (GL)								

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1999	2000	2001	2002	2003	2004	2005	2006
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	0.9%	1.3%	0.4%	0.3%	0.3%	0.5%	0.5%	0.8%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	-0.9%	17.5%	3.4%	9.1%	5.1%	8.4%	0.9%	8.1%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	5.7%	-	-	-	-	-	-	-
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	90.4%	81.2%	95.2%	89.8%	93.8%	91.0%	98.5%	90.9%
PROCUREMENT CONTRACTS (PC)	3.9%	0.0%	1.0%	0.8%	0.7%	0.1%	0.1%	0.1%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	-	-	-	-	-	-	-	0.0%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2007	2008	2009	2010	Percentage Change From			
				2009	2005	2000	1999
923,282	988,641	598,302	577,366	-3.5%	-0.2%	65.9%	164.0%
7,721,577	4,873,722	14,361,717	52,515	-99.6%	-94.7%	-98.9%	-123.8%
			45,835	-	-	-	-96.7%
162,016,131	111,583,125	254,972,325	234,259,534	-8.1%	106.1%	958.2%	971.5%
239,682	90,220	1,855,396	4,345,718	134.2%	3511.5%	72328.6%	365.8%
<u>170,900,672</u>	<u>117,535,708</u>	<u>271,787,740</u>	<u>239,280,968</u>	<u>-12.0%</u>	<u>107.4%</u>	<u>777.7%</u>	<u>889.5%</u>

0		1,850	973,795	52537.6%	-	-	-
170,900,672	117,535,708	271,785,890	238,307,173	-12.3%	106.6%	774.1%	885.5%

1,418,237	1,340,828	188,130	83,150	-55.8%	-96.4%	-94.6%	-95.9%
		13,120,000	25,925	-99.8%	-	-	-

2007	2008	2009	2010
0.5%	0.8%	0.2%	0.2%
4.5%	4.1%	5.3%	0.0%
-	-	-	0.0%
94.8%	94.9%	93.8%	97.9%
0.1%	0.1%	0.7%	1.8%
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

-	-	0.0%	0.4%
100.0%	100.0%	100.0%	99.6%

100.0%	100.0%	1.4%	76.2%
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CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1997-2010
Summary of Annual Federal Expenditure Data for AMERICAN SAMOA

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	23,989,384	28,866,113	28,611,085	33,935,564	39,657,450	39,394,664	40,987,629	43,972,927
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	629,434	6,055,156	407,227	919,286	653,521	2,302,602	7,205,754	8,770,589
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	17,538		-3,964				5,009,802	5,302,680
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	83,326,626	90,667,247	125,645,577	59,208,611	58,705,405	93,399,328	110,243,294	178,058,889
PROCUREMENT CONTRACTS (PC)	4,165,000	7,187,000	10,545,000	14,601,000	11,844,000	13,253,000	27,687,471	16,603,413
SALARIES AND WAGES (SW)	<u>2,408,272</u>	<u>2,571,306</u>	<u>2,789,667</u>	<u>2,799,141</u>	<u>5,420,049</u>	<u>5,845,055</u>	<u>6,954,168</u>	<u>9,225,310</u>
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>114,536,254</u>	<u>135,346,822</u>	<u>167,994,592</u>	<u>111,463,602</u>	<u>116,280,425</u>	<u>154,194,649</u>	<u>198,088,118</u>	<u>261,933,808</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	3,376,000	7,746,000	8,376,000	4,494,000	6,473,000	5,717,000	13,400,529	10,259,974
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	111,160,254	127,600,822	159,618,592	106,969,602	109,807,425	148,477,649	184,687,589	251,673,834
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	36,800					25,700	2,346,000	7,512,600
GUARANTEED/INSURED LOANS (GL)							3,000,000	37,500
INSURANCE (II)	1,633,821	16,476,768	2,495,200	1,501,000	10,703,900		435,200	868,301

Percentage Distribution

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	20.9%	21.3%	17.0%	30.4%	34.1%	25.5%	20.7%	16.8%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	0.5%	4.5%	0.2%	0.8%	0.6%	1.5%	3.6%	3.3%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.5%	2.0%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	72.8%	67.0%	74.8%	53.1%	50.5%	60.6%	55.7%	68.0%
PROCUREMENT CONTRACTS (PC)	3.6%	5.3%	6.3%	13.1%	10.2%	8.6%	14.0%	6.3%
SALARIES AND WAGES (SW)	2.1%	1.9%	1.7%	2.5%	4.7%	3.8%	3.5%	3.5%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
EXHIBIT								
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - DEFENSE	2.9%	5.7%	5.0%	4.0%	5.6%	3.7%	6.8%	3.9%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS - NON DEFENSE	97.1%	94.3%	95.0%	96.0%	94.4%	96.3%	93.2%	96.1%
OTHER FEDERAL ASSISTANCE								
DIRECT LOANS (DL)	2.2%	0.0%	0.0%	0.0%	0.0%	100.0%	40.6%	89.2%
GUARANTEED/INSURED LOANS (GL)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	51.9%	0.4%
INSURANCE (II)	97.8%	100.0%	100.0%	100.0%	100.0%	0.0%	7.5%	10.3%

						Percentage Change From			
2005	2006	2007	2008	2009	2010	2009	2005	2000	1997
45,741,841	48,351,657	50,796,999	52,434,106	58,540,197	60,683,442	3.7%	32.7%	78.8%	153.0%
7,386,471	9,418,930	9,144,235	11,399,579	13,379,180	13,802,269	3.2%	86.9%	1401.4%	2092.8%
326,262	292,110	71,954	56,002	783,208	1,014,364	29.5%	210.9%	-	5683.8%
148,240,579	151,703,027	128,114,994	169,404,353	212,563,049	407,747,385	91.8%	175.1%	588.7%	389.3%
32,075,276	30,890,892	19,766,153	17,902,151	2,389,727	25,431,708	964.2%	-20.7%	74.2%	510.6%
<u>9,512,130</u>	<u>5,416,592</u>	<u>5,442,941</u>	<u>6,217,651</u>	<u>79,972,124</u>	<u>6,372,611</u>	<u>-92.0%</u>	<u>-33.0%</u>	<u>127.7%</u>	<u>164.6%</u>
<u>243,282,559</u>	<u>246,073,208</u>	<u>213,337,276</u>	<u>257,413,842</u>	<u>367,627,485</u>	<u>515,051,779</u>	<u>40.1%</u>	<u>111.7%</u>	<u>362.1%</u>	<u>349.7%</u>

20,502,859	17,785,252	4,474,470	3,910,358	76,182,474	9,662,479	-87.3%	-52.9%	115.0%	186.2%
222,779,700	228,287,956	208,862,806	253,503,484	291,445,011	505,389,300	73.4%	126.9%	372.5%	354.6%

208,700			35,600		23,903,100	-	11353.3%	-	64854.1%
115,800	337,750			17,500	16,747,000	95597.1%	14362.0%	-	-
492,262	46,862	27,804			13,694,500	-	2682.0%	812.4%	738.2%

2005	2006	2007	2008	2009	2010
18.8%	19.6%	23.8%	20.4%	15.9%	11.8%
3.0%	3.8%	4.3%	4.4%	3.6%	2.7%
0.1%	0.1%	0.0%	0.0%	0.2%	0.2%
60.9%	61.6%	60.1%	65.8%	57.8%	79.2%
13.2%	12.6%	9.3%	7.0%	0.7%	4.9%
3.9%	2.2%	2.6%	2.4%	21.8%	1.2%
<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

8.4%	7.2%	2.1%	1.5%	20.7%	1.9%
91.6%	92.8%	97.9%	98.5%	79.3%	98.1%

25.6%	0.0%	0.0%	100.0%	0.0%	44.0%
14.2%	87.8%	0.0%	0.0%	100.0%	30.8%
60.3%	12.2%	100.0%	0.0%	0.0%	25.2%



Summary Comparison of Federal Expenditures United States Insular Areas in the Pacific

- ◆ Guam
- ◆ Commonwealth of the Northern Marianas Islands (CNMI)
- ◆ Republic of the Marshall Islands (RMI)
- ◆ Republic of Palau (Belau)
- ◆ Federated States of Micronesia (FSM)
- ◆ American Samoa

CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Years 1997-2010

Annual Summary Comparison of Total Federal Expenditure Data for United States Insular Areas in the Pacific

DIRECT EXPENDITURES OR OBLIGATIONS (FY)	1997	1998	1999	2000	2001	2002	2003	2004
Guam	846,988,278	998,246,673	844,214,145	841,883,211	907,955,255	1,113,816,284	1,538,678,342	1,249,430,179
Commonwealth of the Northern Marianas Islands (CNMI)	59,362,399	63,362,841	85,476,503	69,957,629	96,251,653	102,062,396	140,652,569	213,207,879
Republic of the Marshall Islands (RMI)				151,652,122	40,663,190	151,332,372	202,559,446	181,658,537
Republic of Palau (Belau)				97,995,919	16,175,082	35,738,129	42,305,736	53,185,353
Federated States of Micronesia (FSM)				24,181,203	27,262,832	98,474,667	139,830,533	145,263,749
American Samoa	114,536,254	135,346,822	167,994,592	111,463,602	116,280,425	154,194,649	198,088,118	261,933,808
TOTAL	1,020,886,931	1,196,956,336	1,097,685,240	1,297,133,686	1,204,588,437	1,655,618,497	2,262,114,744	2,104,679,505

CONSOLIDATED FEDERAL FUNDS REPORT: Fiscal Year 2010

Summary Comparison of Total Federal Expenditure Data by Category for United States Insular Areas in the Pacific

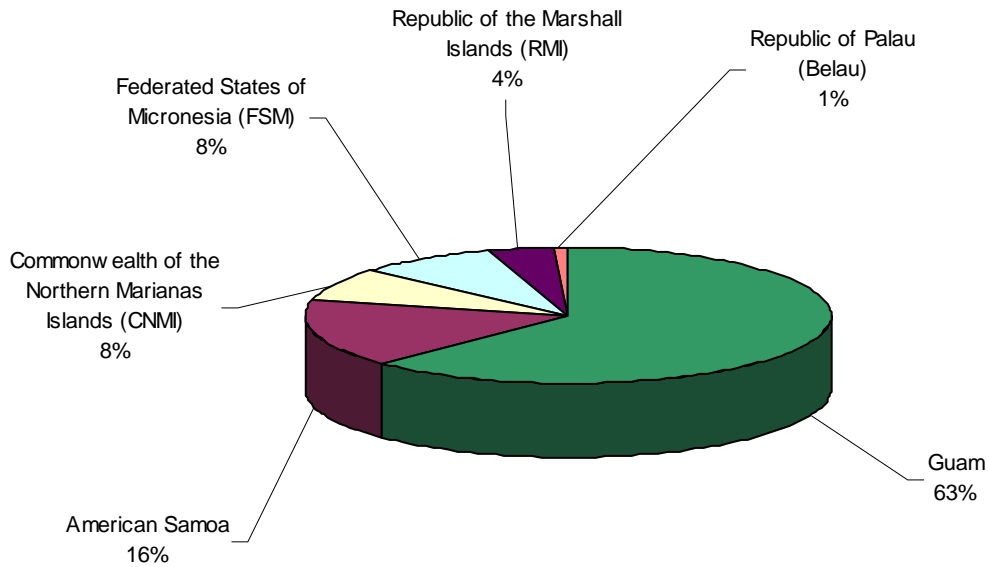
DIRECT EXPENDITURES OR OBLIGATIONS (FY 2010)	Guam	CNMI	RMI	Palau	FSM	American Samoa	Total
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	294,105,691	32,971,031	42,269	212,491	598,302	60,683,442	388,613,226
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	109,479,915	2,947,386	3,748,261	2,517,403	14,361,717	13,802,269	146,856,951
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	31,017,258	3,404,699	0	0	0	1,014,364	35,436,321
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	449,636,299	189,559,808	135,798,795	21,361,086	254,972,325	407,747,385	1,459,075,698
PROCUREMENT CONTRACTS (PC)	751,622,823	12,000,478	593,330	25,355	1,855,396	25,431,708	791,529,090
SALARIES AND WAGES (SW)	376,595,288	9,097,505	0	0	0	6,372,611	392,065,404
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	2,012,457,274	249,980,907	140,182,655	24,116,335	271,787,740	515,051,779	3,213,576,690

Percentage Distribution

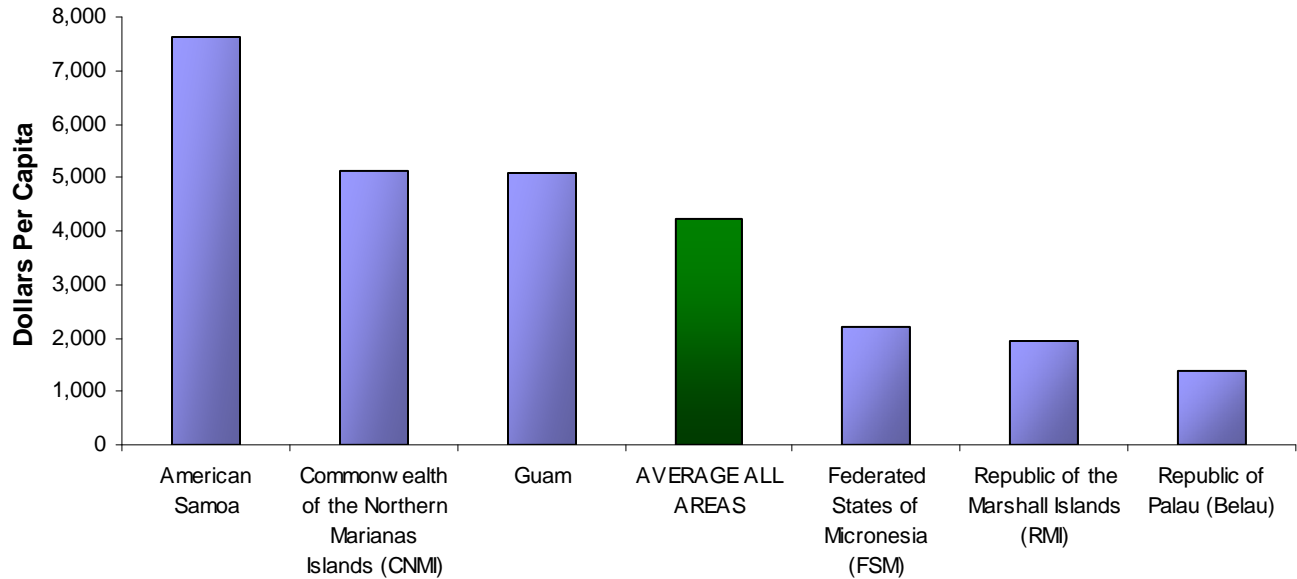
DIRECT EXPENDITURES OR OBLIGATIONS (FY 2010)	Guam	CNMI	RMI	Palau	FSM	American Samoa	All Areas Total
RETIREMENT / DISABILITY PAYMENTS FOR INDIVIDUALS (DR)	14.6%	13.2%	0.0%	0.9%	0.2%	11.8%	12.1%
OTHER DIRECT PAYMENTS FOR INDIVIDUALS (DO)	5.4%	1.2%	2.7%	10.4%	5.3%	2.7%	4.6%
DIRECT PAYMENTS OTHER THAN FOR INDIVIDUALS (DX)	1.5%	1.4%	0.0%	0.0%	0.0%	0.2%	1.1%
GRANTS (BLOCK, FORMULA, PROJECT, AND COOPERATIVE AGREEMENTS) (GG)	22.3%	75.8%	96.9%	88.6%	93.8%	79.2%	45.4%
PROCUREMENT CONTRACTS (PC)	37.3%	4.8%	0.4%	0.1%	0.7%	4.9%	24.6%
SALARIES AND WAGES (SW)	18.7%	3.6%	0.0%	0.0%	0.0%	1.2%	12.2%
TOTAL DIRECT EXPENDITURES OR OBLIGATIONS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2005	2006	2007	2008	2009	2010	Percentage Change From			
						2009	2005	2000	1997
1,412,772,522	1,380,351,038	1,478,875,722	1,532,802,724	1,395,995,361	2,012,457,274	44.2%	42.4%	139.0%	137.6%
167,096,904	176,884,136	130,314,684	166,945,508	241,476,871	249,980,907	3.5%	49.6%	257.3%	321.1%
217,808,729	215,290,226	190,943,610	112,082,722	88,879,998	140,182,655	57.7%	-35.6%	-7.6%	-
50,611,063	46,071,538	37,070,704	31,457,389	24,682,086	24,116,335	-2.3%	-52.3%	-75.4%	-
103,158,254	115,366,108	99,995,814	170,900,672	117,535,708	271,787,740	131.2%	163.5%	1024.0%	-
243,282,559	246,073,208	213,337,276	257,413,842	367,627,485	515,051,779	40.1%	111.7%	362.1%	349.7%
<u>2,194,730,031</u>	<u>2,180,036,254</u>	<u>2,150,537,810</u>	<u>2,271,602,857</u>	<u>2,236,197,509</u>	<u>3,213,576,690</u>	43.7%	46.4%	147.7%	214.8%

DIRECT EXPENDITURES OR OBLIGATIONS (FY 2010)



Per Capita Non Defense Expenditures FY 2010



DIRECT EXPENDITURES OR OBLIGATIONS (FY 2010)	Estimated Population Mid Year 2010	Total Non Defense Expenditures	Per Capita Expenditures
American Samoa	66,432	505,389,300	\$7,608
Commonwealth of the Northern Marianas Islands (CNMI)	48,317	246,881,314	\$5,110
Guam	180,865	919,821,187	\$5,086
AVERAGE ALL AREAS	489,506	2,067,409,278	\$4,223
Federated States of Micronesia (FSM)	107,154	238,307,173	\$2,224
Republic of the Marshall Islands (RMI)	65,859	127,866,818	\$1,942
Republic of Palau (Belau)	20,879	29,143,486	\$1,396

Technical Notes

Technical Notes

Notes: Throughout this publication, percentage figures may not exactly add to 100 due to rounding.

The following are excerpts from the Introduction section of the Consolidated Federal Funds Report for Fiscal Year 2010, issued September 2011.



The Consolidated Federal Funds Report (CFFR) is a presentation of data on federal government expenditures or obligations in state, county, and subcounty areas of the United States, including the District of Columbia and U.S. Outlying Areas. CFFR contains statistics on the geographic distribution of federal program expenditures, using data submitted by federal departments and agencies. These data have been consolidated and tabulated in a standard format by the U.S. Census Bureau under the auspices of the U.S. Office of Management and Budget.

REPORT COVERAGE

The Consolidated Federal Funds Report (CFFR) covers federal government expenditures or obligations for the object categories listed below. For fiscal year 2010, amounts reported totaled \$3.3 trillion for the direct expenditure or obligation categories, and \$1.8 trillion for other federal assistance (loans and insurance programs):

- Retirement and disability (\$915 billion)
- Other direct payments (\$819 billion)
- Grants (\$683 billion)
- Procurement contracts (\$517 billion)
- Salaries and wages (\$343 billion)
- Direct loans (\$88 billion)
- Guaranteed or insured loans (\$427 billion)

- Insurance (\$1.3 trillion)

Dollar amounts reported under these categories can represent either actual expenditures or obligations. As a general guide, the grants and procurement data in this report represent obligated funds, while direct payments and salaries and wages represent actual expenditures (outlays). Data on loan and insurance programs generally represent the contingent liability of the federal government.

Certain categories of federal government spending are intentionally excluded from this report. These include such items as interest paid on federal government debt, travel expenses when not provided under procurement contract, and international payments and foreign aid.

The financial activity of all federal government agencies is covered, with exceptions for those agencies that do not submit data to any of the federal statistical reporting systems that serve as sources of information for the CFFR.

Conceptual or functional exclusions and the agencies not covered in CFFR are discussed below, under the heading "Amounts Excluded From CFFR Coverage."

SUMMARY OF METHODOLOGY

This is a consolidated report, developed by bringing together available statistics on federal government expenditures or obligations. The first phase of the CFFR program is to identify the available data sources. The following reporting systems and agencies are used as primary data sources:

- U.S. Department of Defense
- Federal Assistance Award Data System
- Federal Procurement Data System
- Office of Personnel Management
- U.S. Postal Service

In addition to these primary sources, several other federal agencies are requested to provide data, usually for selected programs. Most of these are agencies that do not report under the requirements of the Federal Assistance Award Data System (FAADS).

Finally, selected data are from the information on payments to state or local governments reported by federal agencies for the U.S. Census Bureau's Federal Aid to States (FAS) survey. These data cover federal government grants that are not required to be reported in the FAADS, such as the federal government annual payment to the District of Columbia.

RELATIONSHIP TO FEDERAL ASSISTANCE AWARD DATA SYSTEM (FAADS)

The Federal Assistance Award Data System (FAADS) is a quarterly report of financial assistance awards made by each federal agency. Coverage includes most (but not all) grants, direct payments to individuals and others, insurance, and loans. Data submitted by federal agencies for the FAADS serve as the source for most of the statistics in this publication. The FAADS does not provide information on either salaries and wages or procurement contracts. All

Technical Notes

CFFR data not obtained through the FAADS are otherwise obtained from federal agencies.

The Office of Management and Budget selected the Census Bureau as executive agent, responsible for operating the FAADS. Data on financial assistance awards are submitted quarterly by federal government agencies. The Census Bureau collects these data and combines them to form a single quarterly compilation of federal government financial assistance awards. Each quarterly data set is distributed to the Congress and to state governments. In addition to grant awards, the FAADS program covers direct payments to individuals (such as retirement benefits), direct payments for specified use (such as food stamp awards), cooperative agreements, guaranteed loans, direct loans, and insurance programs of the federal government. All financial assistance awards in the FAADS are identified by a Catalog of Federal Domestic Assistance (CFDA) program number (or a pseudo code, if a CFDA number is unavailable).

For grants, the FAADS data represent the federal obligation incurred at the time the grant award transaction is obligated. The amounts reported do not represent actual expenditures, since obligations in one time period may not result in outlays during the same time period. Moreover, initial amounts obligated may be adjusted at a later date, either through enhancements or deobligations. These deobligations may appear in the CFFR data as negative amounts. Users should be aware of what these amounts represent and use care in interpreting such data.

For fiscal year 2010, CFFR derived data from the FAADS by summing the four quarterly reports that covered financial assistance awarded between October 1, 2009, and September 30, 2010. All program awards in FAADS are reported by state, county, and usually, city of recipient. Submitting agencies use either FIPS-55 geographic codes for states, counties, and places, or General Services Administration worldwide location codes.

RELATIONSHIP TO FEDERAL AID TO STATES (FAS)

The publication, *Federal Aid to States for Fiscal Year 2010* (FAS), presents state-by-state distributions of federal government expenditures for grants to state and local governments only. In the CFFR, federal grants generally represent obligations (not expenditures or outlays), and include grants to nongovernmental recipients, in addition to payments to state and local governments.

The *Federal Aid to States* report generally covers actual federal grant outlays to state and local governments, by agency and program. Data reported in the FAS are submitted to the Census Bureau in accordance with OMB Circular A-11 and the Census Bureau's annual *Federal Aid to States* reporting guidelines.

To the extent possible, the data on grants to state and local governments in FAS are reconciled with amounts in the federal budget. The definitions applied in the budget for grants to governments serves as the basis for reporting in the FAS publication.

DESCRIPTIONS AND DATA SOURCES

The descriptions that follow include explanations of the

coverage, conceptual basis for reporting (expenditures versus obligations), geographic basis for reporting, and other information important for interpreting the data in the CFFR. The use of the term FIPS geographic codes in the following text refers to the Federal Information Processing Standards codes maintained by the National Institute of Standards and Technology, U.S. Department of Commerce.

Total Expenditure

All amounts are aggregates. Data are rounded to millions of dollars. Total expenditure does not include data on contingent liabilities (loans and insurance), which are separately listed.

Retirement and Disability

In the CFFR, data covering federal government direct payments are separated into two object categories: direct payments for retirement and disability benefits, and all other direct payments. Retirement and disability programs include federal employee retirement and disability benefits, social security payments of all types, selected Veterans Administration programs, and selected other federal programs.

Both the FAADS and the Catalog of Federal Domestic Assistance (CFDA) categorize direct payments in a different manner from the CFFR. Both the FAADS and the CFDA subdivide direct payments into the two subcategories, "Direct Payments for a Specified Use" and "Direct Payments with Unrestricted Use." Neither subdivision is recognized in the CFFR. The CFFR instead subdivides direct payments into three object types: object code DR for "Retirement and Disability Payments to Individuals," object code DO for "Other Direct Payments for Individuals," and object code DX for "Direct Payments Other than for Individuals." Only object code DR is presented. Object codes DO and DX are also presented.

The CFDA defines "Direct Payments for a Specified Use" as "Financial assistance provided directly to individuals, private firms, and other private institutions to encourage or subsidize a particular activity by conditioning the receipt of assistance on a particular performance by the recipient. This does not include solicited contracts for the procurement of goods and services for the federal government." The FAADS similarly defines "Direct Payments for a Specified Use" as "a subsidy or other nonreimbursable direct financial aid."

The CFDA defines "Direct Payments With Unrestricted Use" as "Financial assistance provided directly to beneficiaries who satisfy eligibility requirements with no restrictions imposed on the recipient as to how the money is spent. Included are payments under retirement, pension, and compensation programs." The FAADS defines "Direct Payments With Unrestricted Use" with such examples as "retirement, pension, veterans benefits, etc."

Except Retirement and Disability, are compiled from amounts reported by the Federal Agencies for the Federal Assistance Award Data System (FAADS). Reported amounts represent obligations of federal funds during the fiscal year. Direct payments for individuals are shown by state and county area only, in accordance with the reporting

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requirements of the FAADS.

Other Direct Payments

Programs classified as other direct payments include two CFFR object categories. The first object category (code "DO") is direct payments for individuals, other than for retirement and disability. The second object category (code "DX") is direct payments, other than for individuals. The first object category contains far more expenditure than the second object category. For convenience of presentation, these two object categories are combined in the CFFR publication, but are available separately in the CFFR database.

Amounts shown in Other Direct Payments, come from the FAADS, except for those programs listed below. These amounts generally represent obligations incurred during the fiscal year. The four quarterly FAADS data sets are consolidated to obtain fiscal year totals. Direct payments for individuals are reported by state and county area only.

Excess earned income tax credits represent federal government payments during calendar year 2010 for tax year 2009. Information is from the Department of the Treasury, Internal Revenue Service, Statistics of Income Division. Amounts reflect only the excess earned income tax credits actually refunded. Aggregate figures by state are reported. No substate detail is available.

Crop Insurance data on the amount of indemnity payment (claims) and premium subsidies are provided by the U.S. Department of Agriculture. Coverage includes the claims paid directly by the federal government to farmers, and premium subsidies to private insurers. Federal indemnity payments to private insurance carriers are not reported. Amounts reflect the resident county of the claimant for direct payment, or location of county of the private carrier for premium subsidies. Data reflect actual expenditures during fiscal year 2010.

FEMA provides county level data for payments under the National Flood Insurance program. Amounts represent claims and adjustor expenses.

The U.S. Department of Veterans Affairs provides state-level data on face value of life insurance programs.

Legal Services Corporation expenditures data are from that agency. The Legal Services Corporation payments represent annualized grants and contracts, by state, made by this agency from the subsidy it receives from the federal government. U.S. Postal Service expenditures for current operations, other than procurement and salaries and wages, are provided by the Postal Service as part of that agency's total submission for CFFR. Data are provided by state and county area, with the distribution based on the methodology described later for Postal Service salaries and wages.

Data for the federal government (employer) share of premiums on federal employee life and health insurance are from OPM, Center for Retirement and Insurance Services.

All expenditures for life and health insurance premiums are assigned to the "state undistributed" level of geography. For both the life and health insurance programs, the amounts

reported represent only the employer (federal government) share of the premiums.

The U.S. Department of Education reports fiscal year 2010 payments under the Federal Family Education Loan program. Amounts under the other direct payments for individuals category include interest subsidies. Amounts under the direct payments, other than for individuals, category include default payments, advances, and administrative cost allowances for guarantee agencies.

Supplemental Nutrition Assistance Program (SNAP) data, formerly known as food stamps, are supplied by the Department of Agriculture for the FAADS. Amounts reflect the actual value of benefits awarded, by state, during the fiscal year. Figures may differ slightly from amounts representing the value of benefits redeemed or processed through the Federal Reserve System.

Statistics on federal expenditures for unemployment compensation are compiled from information obtained from the Department of Labor. Amounts reported include all benefit payments made from the Unemployment Compensation Trust Fund, regardless of the source of funding for the payments. Thus, amounts reported include regular and extended benefits to unemployed workers, and benefits to ex-civilian and ex-military federal employees. Prior to 1989, only benefit payments financed by the federal government were included in this publication.

The Office of Justice Programs provides data for payments under the Public Safety Officers' Benefit Program (CFDA 16.571) of the U.S. Department of Justice.

Medicare data are reported by the U.S. Department of Health and Human Services for the FAADS. All amounts reflect obligations during the fiscal year, with the state-by-state distribution estimated. All amounts are reported by recipient location. Excluded from the amounts reported are payments to recipients in foreign countries.

Grants

The grants category in the CFFR combines two grants categories listed in the CFDA and four grants categories found in the FAADS. The CFDA distinguishes two categories of grants: Formula Grants and Project Grants. The FAADS subdivides Formula Grants into two further categories: Block Grant and Formula Grant. The FAADS also subdivides Project Grants into two further categories: Project Grant and Cooperative Agreement.

The CFDA defines "Formula Grants" as "Allocations of money to states or their subdivisions in accordance with a distribution formula prescribed by law or administrative regulation, for activities of a continuing nature not confined to a specific program." The CFDA defines "Project Grants" as "The funding, for fixed or known periods, of specific projects or the delivery of specific services or products without liability for damages for failure to perform. Project grants include fellowships, scholarships, research grants, training grants, traineeships, experimental and demonstration grants, evaluation grants, planning grants, technical assistance grants, survey grants, construction grants, and unsolicited contractual agreements." No further definitions are provided in the FAADS or FAS.

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The principal source of the grants data in the CFFR is the information submitted quarterly for the FAADS. For grants, the FAADS data represent the federal obligation incurred at the time the grant is awarded. The grants data from FAADS that are carried forward to the CFFR total about 98 percent of all grants reported. (See section above, "Relationship to Federal Assistance Award Data System (FAADS)" for further information about FAADS.)

The remaining grants data for the CFFR are from data submitted to the Census Bureau pursuant to the annual Federal Aid to States (FAS) survey, and OMB Circular A-11. These submissions are required annually of all federal government agencies that make payments to state or local governments. Selected grant programs data are obtained from the Federal Aid to States (FAS) data base to ensure comprehensive coverage in the CFFR. FAS data are available only at the state area level of reporting. (See section above, "Relationship to Federal Aid to States (FAS)" for further information about FAS.)

Procurement

Statistics covering federal government procurement contracts, are provided by the U.S. Postal Service (USPS) for Postal Service procurement and by the Federal Procurement Data System (FPDS) within the General Services Administration for procurement actions of nearly all other federal agencies, including the U.S. Department of Defense.

Amounts provided by the USPS represent actual outlays for contractual commitments, while amounts provided by the FPDS represent the value of obligations for contract actions, and do not reflect actual federal government expenditures. In general, only current year contract actions are reported for data provided by the FPDS; however, multiple-year obligations may be reflected for contract actions of less than 3 years' duration.

The FPDS collects procurement statistics on a monthly basis from most federal government departments and agencies. Excluded from the procurement totals reported are the amounts for the judicial and legislative branches of government and most intergovernmental transfers of funds. Also excluded from the totals are amounts for procurement in foreign countries.

Procurement data awarded by the USPS include all outlays made under formal contractual agreements. FPDS data include contractual actions for construction, purchases of equipment, and other purchases of tangible items by the federal government. Also included with the FPDS data are contractual actions for services often not generally associated with procurement, such as the purchase of utilities, building leases, and other services entered into via contractual agreement.

Procurement data provided by the FPDS are distributed according to place of performance, by zip code which is matched to corresponding FIPS state/county/place geographic codes. These geographic codes are matched against the government unit codes comprising the geographic basis for the CFFR, and assigned to any units where a match is found. Unmatched data records are distributed to "balance of county" represented by the state/

county portion of the FIPS geographic code.

Government "purchase card" data have also been included from the General Services Administration. In order to improve data accuracy and avoid duplicate counting, the FPDS has instituted new reporting features that specifically identify purchase card transactions as either small "micro-purchases" or traditional contract payments that utilize the purchase card. Any purchase card action over the micro-purchase threshold is reported separately through the FPDS.

Salaries and Wages

Amounts reported for federal government salaries and wages are from four sources: the Department of Defense, USPS, U.S. Coast Guard (previously within the U.S. Department of Transportation and now a part of the U.S. Department of Homeland Security), and the OPM. All amounts represent outlays during the federal government's fiscal year.

The Defense Department provides information on military payrolls, with separate amounts for active military and inactive military (Reserve and National Guard). These data are from the Directorate for Information Operations and Reports of the Washington Headquarters Services, Department of Defense. (Note that salaries and wages data covering civilian employees of the Defense Department are from the Office of Personnel Management, as described below.) The submission from the Defense Department is an electronic file containing data records that are distributed using FIPS geographic codes for states and counties. For 2009 and 2010, the Department of Defense updated their methodology for reporting the salaries and wages data for the CFFR, which accounts for the increases in these data.

Amounts reported represent estimates of fiscal year outlays by state and county and include gross compensation. This covers salaries and wages, housing allowances, and, in general, all other personnel compensation, except retired military pay, which is reported under the separate category, retirement and disability direct payments for individuals. Other features of the Department of Defense salaries and wages include:

1. Amounts for military personnel stationed overseas are excluded from totals.
2. Salaries and wages for inactive personnel refer to military Reserve and National Guard payroll.
3. Amounts reported reflect the place of employment (duty station) rather than home residence.

Salaries and wages data for USPS employees are provided by USPS. Amounts represent actual outlays during the fiscal year, but with the national total distributed among the states and counties on an estimated basis. Estimates are derived by calculating the "per employee" payroll cost and applying this cost to each postal facility based upon the number of employees. The USPS data are geographically distributed based upon place of employment (postal facility), rather than place of residence. Data records are submitted in an electronic file and contain FIPS state and county area codes.

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Statistics on salaries and wages for uniformed employees of the U.S. Coast Guard are reported by the U.S. Coast Guard, now a unit of the Department of Homeland Security. Data are reported by ZIP Code, for the place of employment. Amounts are then aggregated by county area.

Salaries and wages for all other federal employees are from the OPM. Coverage includes all other federal civilian employees (excluding the Central Intelligence Agency, Defense Intelligence Agency, and the National Security Agency) employed in the United States and the outlying areas. Data are reported separately for each major federal agency. The data include:

- Basic annual salaries
- Premium pay (overtime, night differential, cost of living allowances, station allowances, holiday pay, and any retroactive pay, but excludes lump sum pay for annual leave)
- Lump sum payments (for annual leave)

OPM national totals represent actual expenditures or outlays during the fiscal year. The geographic distribution of these amounts by state (or outlying area) and county are estimated, based upon place of employment.

Direct Loans, Guaranteed Loans, and Insurance

The CFDA defines "Direct Loans" as "Financial assistance provided through the lending of federal monies for a specific period of time, with a reasonable expectation of repayment. Such loans may or may not require the payment of interest." The CFDA defines "Guaranteed/Insured Loans" as "Programs in which the federal government makes an arrangement to indemnify a lender against part or all of any defaults by those responsible for the repayment of loans." The CFDA defines "Insurance" as "Financial assistance provided to assure reimbursement for losses sustained under specified conditions. Coverage may be provided directly by the federal government or through private carriers and may or may not involve the payment of premiums." The FAADS and CFFR use the same categories and provide no separate definitions.

All data on loans and insurance programs of the federal government, with the exception of data on flood insurance and student loan programs, come from the FAADS. Guaranteed loans, direct loans, and insurance are reported in the FAADS by state and county area, or by state, county, and place. Data on the Federal Family Education Loan program (CFDA number 84.032) are not reported for the Federal Assistance Award Data System, and are obtained separately from the Department of Education. National Flood Insurance data (CFDA number 97.022), reflecting insurance in force on September 30, 2010, are from FEMA, Department of Homeland Security.

Loan and insurance program amounts reflect the volume of loan or insurance activities. These amounts represent either direct loans made to certain categories of borrowers, or the federal government contingent liability for loans guaranteed and direct insurance against loss.

Loans and insurance data do not represent actual

expenditures associated with the loan or insurance programs. Any actual outlays under these programs, such as insurance claims paid by the federal government, appear in the direct payments categories in the CFFR. Federal government contingent liability can vary by program, and caution should be used in comparing one federal loan or insurance program to another, or in interpreting the data presented to reflect actual federal outlays over time. The following also should be noted:

1. Amounts guaranteed or insured do not necessarily represent future outlays.
2. All amounts reflect the dollar value of loans or insurance coverage provided during the fiscal year, and not the cumulative totals of such activity over the life of the program.
3. Direct loans are not reported on a net basis, as in the federal budget, but rather are shown in terms of total amounts loaned.
4. Programs otherwise similar can vary in the share of the total liability that the federal government guarantees or insures. Certain veterans guaranteed loan programs are guaranteed only up to a stated maximum dollar value, for example. In these cases, the federal government contingent liability is less than the total value of the loan or insured policy agreement.

Miscellaneous Calculations

Per capita federal expenditure amounts are computed using resident population as of April 1, 2010.

Defense Department and All Other Agencies

The Defense Department and other agency expenditure amounts are computed from data in Retirement and Disability, Other Direct Payments, Grants, Procurement, and Salaries and Wages. Figures for all Department of Defense agencies are tallied to arrive at a total for Department of Defense expenditures. This total is then netted from the grand total of federal government expenditures, and the residual categorized as nondefense expenditures. This procedure is followed for each state and outlying area. The defense/nondefense totals are then used to compute per capita and percent distribution amounts, using the procedure described above.

Data in the column on U.S. Department of Energy defense related activities are included in the columns for "All other federal agencies," rather than Department of Defense.

Recent Legislative Changes

The American Recovery and Reinvestment Act of 2009 was signed into law on February 17, 2009. The Recovery Act is intended to provide a stimulus to the U.S. economy in the wake of the economic downturn. The measures are worth approximately \$787 billion. These measures include federal tax relief, expansion of unemployment benefits and other social welfare provisions, and domestic spending in education, health care, and infrastructure, including the energy sector. When applicable to the scope of coverage, the fiscal year 2010 CFFR will include data on these programs, however specific dollar amounts may not be identifiable.



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