

NOTE 4: Investments (continued)

Treasury securities provide the component entity with authority to draw upon the Treasury to make future benefit payments or other expenditures. When the Department requires redemption of these securities to make expenditures, the Government finances those expenditures out of

accumulated cash balances, by raising taxes or other receipts, by borrowing from the public or repaying less debt, or by curtailing other expenditures. The Government finances most expenditures in this way.

5 ACCOUNTS AND LOANS RECEIVABLE, NET

The Department's Accounts Receivable and Loans Receivable, Net at September 30, 2017 and 2016, are summarized here (*dollars in millions*). All are entity receivables.

	2017			2016		
	Entity Receivables	Allowance for Uncollectible	Net Receivables	Entity Receivables	Allowance for Uncollectible	Net Receivables
Intragovernmental Accounts Receivable	\$ 111	\$ (1)	\$ 110	\$ 118	\$ (24)	\$ 94
Non-Intragovernmental Accounts and Loans Receivable	130	(37)	93	95	(36)	59
Total Receivables	\$ 241	\$ (38)	\$ 203	\$ 213	\$ (60)	\$ 153

The allowances for uncollectible accounts are recorded using aging methodologies based on analysis of historical collections and write-offs.

The total accounts and loans receivable for 2017, net of allowance for uncollectible accounts, is \$203 million. This balance consists of \$111 million in Federal intragovernmental reimbursable agreements for providing goods and services to other Federal agencies. The \$130 million in Accounts and Loans Receivables due from non-Federal entities (see Accounts and Loans Receivable in Note 1) consists mainly of \$127 million of civil monetary fines and penalties and Value Added Taxes. The remaining \$3 million is repatriation loans and associated administration fees.



The Harry S Truman Building, headquarters for the State Department, is seen in Washington, D.C. ©AP Image