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REPORT TO THE CONGRESS

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Budgetary And Fiscal Information  
Needs Of The Congress

B-115398

BY THE COMPTROLLER GENERAL  
OF THE UNITED STATES

NOV. 10, 1972

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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-115398

01 To the President of the Senate and the  
Speaker of the House of Representatives

We have revised our February 17, 1972, report on the budgetary and fiscal information needs of the Congress to incorporate additional needs and clarification of some needs based on comments received from committees and members of Congress.

We will continue to work with the committees and members to further define their budgetary and fiscal information requirements and with the executive branch to develop budgetary and fiscal information systems that will meet these requirements pursuant to the Legislative Reorganization Act of 1970 (84 Stat. 1140).

Copies of this report are being sent to all committees and members of Congress; the Director, Office of Management and Budget; the Secretary of the Treasury; and the heads of the departments and agencies.

*James B. Stacks*

Comptroller General  
of the United States

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COMPTROLLER GENERAL'S  
REPORT TO THE CONGRESSBUDGETARY AND FISCAL  
INFORMATION NEEDS OF THE CONGRESS  
B-115398D I G E S TWHY THE SURVEY WAS MADE

1 The Legislative Reorganization Act  
of 1970 requires the Office of Man-27  
agement and Budget and the Depart- 38  
2/ ment of the Treasury to develop  
standard classifications of pro-  
grams, activities, receipts, and  
expenditures of Federal agencies  
and a standardized information and  
data processing system for budget-  
ary and fiscal data.

The Comptroller General is required  
to insure that the interests and  
needs of the Congress are taken into  
consideration in the establishment  
and operation of the information  
system.

To ascertain the kinds of infor-  
mation the Congress needs, the  
General Accounting Office (GAO)  
conducted a survey of 258 persons  
representing 44 committees and 69  
members of Congress.

The results of the survey were  
described in a report which was  
sent to all committees and members  
of Congress on February 17, 1972,  
for their review and comment.

This is a revised report incorpora-  
ting the additional needs identified  
by committees and members of Con-  
gress.

RESULTS OF THE SURVEY

The Congress needs to easily obtain  
information on:

- Federal programs and projects:  
Basic financial information, such  
as on budget requests, authoriza-  
tions, appropriations, obliga-  
tions, expenditures, and informa-  
tion essential to the assessment  
of results and impacts. (See  
p. 9.)
- Federal fiscal policies: Socio-  
economic information and national  
estimates, such as gross national  
product, consumer income, and  
cost-of-living indices; Federal  
subsidy programs; tax expenditures;  
and foreign currency holdings;  
and other information indicating  
impact. (See p. 12.)
- Federal financial actions affect-  
ing States and political subdivi-  
sions: Information on revenues,  
outlays, domestic assistance pro-  
grams, and other information  
essential to the assessment of  
results and impacts related to  
States and their political sub-  
divisions. (See p. 16.)
- Classification structures for  
aggregating budgetary and fiscal  
information: The above categories

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of financial information must be aggregated, accumulated, or summarized by such congressional user patterns as authorizing and appropriating legislation, committee jurisdictions, responsible Federal organizations, program objectives or subject areas, political subdivisions, rural and urban areas, and target groups. (See p. 18.)

The Congress needs a wide range of reporting capabilities, ranging from annual reporting to immediate access through computer terminals. The Congress also needs to be able to identify and reach primary sources of information, as well as sources of additional pertinent information. The Congress needs further a readily accessible analytical capability. (See p. 9.)

#### GAO PLANS

GAO has initiated further interviews of congressional staffs regarding their specific data requirements within the broad areas of needs defined so far. These requirements will be systematically documented and communicated to the executive branch for their use in system development or modification. GAO will maintain close contact with the committees and the execu-

tive branch during the systems development or modification.

GAO recognizes that, because the scope of the information needs is very broad, the development of standard classifications and a standard information and data processing system to serve the executive and legislative branches is a major, long-term project and requires the cooperation and coordination of all elements of the Federal Government. Accordingly GAO has created a permanent, full-time staff that will continue until the system is functioning satisfactorily.

#### MATTERS FOR CONSIDERATION BY THE CONGRESS

Copies of this report are being sent to all committees and members of Congress

- to inform them of GAO's description of information needs and
- to advise them of GAO plans for continuing work with the committees and members to document their detailed data requirements for each of the general information needs described in this report.

CHAPTER 1INTRODUCTION

The Legislative Reorganization Act of 1970 (84 Stat. 1140) contains the following requirements relating to budgetary and fiscal information.

## BUDGETARY AND FISCAL DATA PROCESSING SYSTEM

Sec. 201. The Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General of the United States, shall develop, establish, and maintain, insofar as practicable, for use by all Federal agencies, a standardized information and data processing system for budgetary and fiscal data.

## BUDGET STANDARD CLASSIFICATIONS

Sec. 202. (a) The Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General, shall develop, establish, and maintain standard classifications of programs, activities, receipts, and expenditures of Federal agencies in order—

(1) to meet the needs of the various branches of the Government; and

(2) to facilitate the development, establishment, and maintenance of the data processing system under section 201 through the utilization of modern automatic data processing techniques.

The initial classifications under this subsection shall be established on or before December 31, 1971.

## AVAILABILITY TO CONGRESS OF BUDGETARY, FISCAL, AND RELATED DATA

Sec. 203. Upon request of any committee of either House, or of any joint committee of the two Houses, the Secretary of the Treasury and the Director of the Office of Management and Budget shall—

(1) furnish to such committee or joint committee information as to the location and nature of data available in the various Federal agencies with respect to programs, activities, receipts, and expenditures of such agencies; and

(2) to the extent feasible, prepare for such committee or joint committee summary tables of such data.

The congressional intent expressed in House Report 91-1215 relating to title II of the act is summarized as follows:

--The general purpose of section 201 and of section 202 is to involve the Congress in, and to make available to the Congress whatever benefits may accrue from, the development of the standardized system in the executive branch.

## BEST DOCUMENT AVAILABLE

--The Comptroller General will not participate directly in the development, establishment, and maintenance of the standardized information and data processing system, but such activities will be carried out in cooperation with him. The Comptroller General, in effect, is to act as the agent of the Congress, to insure that the interests of the Congress in making use of that system will be represented and taken into consideration in its development, establishment, and maintenance.

It is intended that the Secretary of the Treasury and the Director of the Office of Management and Budget will keep the Comptroller General fully informed on all aspects of these activities, will consult him as necessary, and will give the most serious attention to any suggestions he may offer relating to such activities.

--The role of the Comptroller General as described above in relation to section 201 is equally applicable to section 202(a).

--The general purpose of section 203 is to provide Congress with assistance in locating and obtaining existing information relating to the programs, activities, receipts, and expenditures of Federal agencies.

In August 1972 the Joint Committee on Congressional Operations in House Report 92-1337 described the efforts being made to implement sections 201-203 of the act. Following is their summary of recommendations.

### SUMMARY OF JOINT COMMITTEE RECOMMENDATIONS

To move this project forward in a timely and orderly manner, the Joint Committee recommends the following:

- The OMB, which has assumed primary responsibility within the executive, must develop at the earliest possible time an effective plan—not now in evidence—for implementing title II and incorporating congressional requirements. Such planning should include a firm schedule for major elements of the work involved as well as a realistic budget request for the technical and management staff needed by OMB, the Treasury Department and other executive agencies for its timely and successful completion.



- The Congress should specifically require the OMB and the Treasury Department, in cooperation with the Comptroller General, to develop, establish, and maintain an up-to-date inventory of executive branch fiscal, budgetary, and program-related information and data sources. As the agent of Congress, the Comptroller General should be directed: (1) to review this inventory on a continuing basis and determine whether it is satisfying congressional needs and requirements; and (2) to provide assistance, upon request, to committees and Members of Congress in accessing the sources identified in the inventory and in appraising and analyzing information obtained from them.

To insure that congressional needs already identified in our hearings and supplementary studies are accommodated, we also recommend the following:

- The OMB should be required to notify the Congress immediately whenever any Executive action effectively precludes the obligation or expenditure of appropriated funds and significantly affects the operation of a legislatively prescribed program or activity. Further, this Office should be required to provide to Congress regular summaries of these so-called impoundment actions, including the amounts and programs, projects, or activities affected.
- The OMB should be required to bring the Federal Domestic Assistance Catalog up to date for publication on a regular, twice yearly schedule. Moreover, the Office should be required to maintain the catalog in machine-readable form, continuously updated to include current status information on the various Federal grant programs and funds available for them.

Our purpose in making these recommendations is the same as the general intent of title II.

We are not seeking to strengthen either the Congress or the Executive at the expense of the other. Our purpose is to overhaul and supplement existing fiscal, budgetary, accounting, and management information systems to better serve the needs of both branches. What we expect is a parallel development, to make more meaningful information more readily available to Congress and to other users throughout the Federal establishment.

We recognize that the costs of this effort will be substantial. Ultimately, however, the benefits of better informed public policy decisions—and conservation of the Federal tax dollar—will be passed along to the American people.

In the details of the report, the Joint Committee expanded on its second recommendation which makes it clearer that its intent is that the primary source of the information and analysis is the executive branch and that the role of the General Accounting Office is to provide assistance when difficulties are encountered. In fulfilling routine requests for information, the number of organizations involved between the requester and the source should be minimized.

\*\*\* to facilitate congressional access as well as the necessary review of present executive reporting capabilities and practices, the OMB and Treasury Department—in cooperation with the Comptroller General—should be required to (1) develop, establish, and maintain an up-to-date inventory of sources of basic financial information on Federal programs and projects, fiscal policies, and financial actions affecting State and local governmental units; and (2) assist Congress in securing data from these sources and in analyzing such data. This inventory should include a synopsis of reports prepared in accordance with statutory requirements by each agency along with a listing of the agencies' major fiscal, budgetary, and program-related data files and a brief description of their content. As the agent of Congress, the Comptroller General should be directed to (1) review the inventory and related information services on a continuing basis to determine whether they are satisfying congressional needs and requirements; (2) recommend any changes in the inventory and services which may from time to time be necessary to improve their usefulness to Congress; and (3) provide, upon request, assistance to committees and Members of Congress in accessing the sources identified in the inventory and in appraising and analyzing information obtained from them."

To carry out our responsibilities under sections 201-203 of the act, we have created a permanent, full-time staff to work with the committees and the executive branch system developers. This staff will be the congressional budgetary and fiscal information users' representative.

During fiscal year 1972, we conducted an interview survey of congressional users of budgetary and fiscal information, the results of which were described in a report which was sent to all committees and members of Congress on February 17, 1972, for their review and comments. This report is a revision of the earlier report incorporating the additional needs identified by members and committees. In our initial and followup efforts, we interviewed 258 persons representing 44 committees and 69 members of Congress, as follows (for details, see app. V):

<u>Offices</u>	<u>Number of offices</u>	
	<u>Contacted</u>	<u>Interviewed</u>
Senate standing committees	17	17
House standing committees (note a)	20	20
Joint committees	7	7
Senate members	100	16
House members	<u>433</u>	<u>53</u>
Total	<u>577</u>	<u>113</u>

<sup>a</sup>The House Committee on Standards of Official Conduct has been excluded, by agreement with the Committee, on the basis of its unique area of jurisdiction.

The general congressional needs for budgetary and fiscal information, based on our survey and subsequent follow-up efforts, are described in chapter 2 and in appendixes I, II, III, and IV, which contain examples, levels, and structures of some specific information needs and an outline of the Federal financial cycle. Chapter 3 identifies the continuing work to specify the congressional needs for budgetary and fiscal information to the level of detail necessary for executive branch implementation of the standard classifications and the data processing system.

## CHAPTER 2

### CONGRESSIONAL NEEDS FOR BUDGETARY AND FISCAL INFORMATION

Members of Congress and their staffs must consult numerous sources to monitor the basic financial status and operations of Federal programs and projects, Federal fiscal policies, national economic conditions, and Federal financial actions affecting States and their political subdivisions.

Much of the information described in this chapter currently is obtained from a variety of sources, including the President's budget, Federal agency justifications, special analyses, private sector compilations, and congressional staff studies.<sup>1</sup>

The use of multiple information sources requires extensive staff work and usually makes analyses or simple comparisons extremely difficult because of a lack of such factors as standard definitions, uniform accounting and reporting procedures, and compatible coding or data systems. Hence the standard classifications and the data processing system required by the act must provide a uniform and compatible foundation of basic financial information to satisfy the information needs of the Congress.

In summary the Congress needs to easily obtain information on:

- Federal programs and projects: Basic financial information, such as on budget requests, authorizations, appropriations, obligations, expenditures, and information essential to the assessment of results and impacts.

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<sup>1</sup>For example, appendix I contains a general description of the basic financial information needs of two House committees and the staff work necessary to meet these needs.

- Federal fiscal policies: Socioeconomic information and national estimates, such as gross national product, consumer income, and cost-of-living indices; Federal subsidy programs; tax expenditures; foreign currency holdings; and other information indicating impact.
- Federal financial actions affecting States and political subdivisions: Information on revenues, outlays, domestic assistance programs, and other information essential to the assessment of results and impacts related to States and their political subdivisions.
- Classification structures for aggregating budgetary and fiscal information: The above three broad categories of financial information must be responsive to a variety of classification structures based on definable user patterns. Congressional user patterns identified in our survey include authorizing and appropriating legislation, committee jurisdictions, responsible Federal organizations, program objectives or subject areas, political subdivisions, rural and urban areas, and target groups. These structures and user patterns are discussed in more detail on pages 18 through 21.

On the basis of these extensive needs, it is expected that the Congress will require a wide range of access and reporting capabilities, ranging from annual reporting to an ability to obtain data immediately through use of a computer terminal. To the extent feasible, the accounting systems of the Federal Government should provide the needed data. In addition, the Congress needs the ability (1) to obtain budgetary and fiscal information through easily identifiable sources, (2) to identify sources of additional pertinent information, and (3) to effectively access these sources and to analyze responses.

#### FEDERAL PROGRAMS AND PROJECTS

The Congress must have the ability to easily obtain, in a form readily adaptable for congressional use, basic financial information directly related to the programs and projects that it authorizes and funds. This information is of primary concern to a substantial number of the standing

TABLE

committees and to many members of Congress. The complex and varied organization of these information needs requires the information to be aggregated, accumulated, or summarized within several classification structures on the basis of definable congressional user patterns. These classification structures are discussed on pages 18 through 21. As an illustration of structure complexity, appendixes II and III contain an initial assessment of the detailed levels of such needs for a House subcommittee and a House committee, respectively.

### Basic financial information

The Congress needs the following basic financial information for each Federal program or project. (See app. IV for a description of the Federal financial cycle which forms the conceptual framework for this description.)

- Budget amounts requested by the Federal agency.
- Amounts requested in the President's budget.
- References to authorizing legislation.
- Amounts authorized.
- Estimated 5-year costs.
- References to appropriating legislation.
- Amounts appropriated.
- Amounts of all other types of budget authority, including contract authority, authorizations to spend debt receipts, reappropriations, reauthorizations, loan authority, and supplemental budget authority.
- Amounts apportioned by the Office of Management and Budget.
- Amounts impounded by executive branch action.
- Amounts obligated by the Federal agency.

- Amounts expended (cash basis) or loaned by the Federal agency.
- Amounts transferred among Federal agencies.
- Amounts reprogramed.
- Amounts of funds not used.

Each of the foregoing amounts should be identified by the dates of action and the time periods covered.

The basic financial information needs, identified above, apply to supplemental budget requests and subsequent processes as well as to the regular or basic budget requests and processes.

## FEDERAL FISCAL POLICIES

Congressional fiscal policy considerations involve the entire national economic condition which, in turn, depends on measurements and indicators derived from a broad range of Federal Government information sources. The variety and number of these multiple information sources, especially relating to national estimates and socioeconomic indicators, have posed comparability and reliability problems to the congressional users of such information.

As an example of congressional fiscal policy considerations requiring socioeconomic information, the staff of the Joint Committee on Internal Revenue Taxation developed revenue allocation formulas as part of proposed revenue-sharing legislation. The Committee staff would like to have been able to consider an allocation method based on cost-of-living differentials among various areas of the country. The preferred cost-of-living information would cover the entire country and, to facilitate congressional decisionmaking, would contain individual indices for counties, cities, and local governmental units. The House Committee on Ways and Means believes that cost-of-living information would also be useful for all Federal programs which have some type of "equalization element."

The information provided by Federal Government sources does not cover the entire country and includes only a few standard metropolitan statistical areas, which are inconsistent with the governmental units mentioned above. As a result, considerable staff time has been spent in developing an alternative approach, on the basis of available Federal Government information, that will yield formulas for revenue allocation. Hence the standard classifications and the data processing system required by the act must provide, to the maximum extent feasible, a uniform and compatible foundation of national estimates and socioeconomic data to satisfy the Federal fiscal policy information needs of the Congress.

The Senate Committee on Rules and Administration commented that the Congress needs better Federal fiscal information. The Committee specifically indicated the need for better and more timely information concerning the Federal Government's position on receipts and expenditures.



The determination of Federal fiscal policies is a major concern of the Congress as a whole. The congressional needs for Federal fiscal policy information are separated into the following categories.

National estimates and  
socioeconomic information

The Joint Committee on Internal Revenue Taxation and the Joint Economic Committee provide information and guidance to the Congress on the determination of Federal fiscal policies. The general needs of these Committees include the following national estimates and socioeconomic information.

- Operation and status of the economy, including gross national product factors, investments, plant utilization, demand and savings deposits, balance of payments, international trade balances, and statistics on employment and unemployment.
- Statistics on income and taxes accumulated by various categories, such as corporations, individuals, consumers, and poverty levels by geographic area.
- Statistics which measure social well-being, such as measures of health, housing, pollution, and education.
- Federal revenues and expenditures reported weekly, monthly, quarterly, and annually and their estimated future levels.
- National and geographic area price and cost indicators, including consumer and wholesale price indices, cost-of-living indices, and various trend estimates.
- State and local governmental tax collections.

Federal subsidy programs information

The staff of the Joint Economic Committee has prepared a study entitled "The Economics of Federal Subsidy Programs" which represents an initial effort to set forth the analytical principles and the factual data necessary to understand and evaluate Federal subsidy programs.

The Federal economic assistance provided through subsidy programs has the effect of altering the output, supply, or use of the item and the related economic behavior. The assistance may take the form of:

1. Explicit cash payments.
2. Implicit payments through:
  - a. A reduction of a specific tax liability. (Some tax expenditures mentioned in the next section are included here as subsidies.)
  - b. Loans at interest rates below the Government borrowing rate or from loan guarantees.
  - c. Provisions of goods and services at prices or fees below market value.
  - d. Government purchases of goods and services above market prices.
  - e. Certain Government regulatory actions that alter particular market prices.

The report stated that the lack of access to executive branch data on subsidies was one of the factors prohibiting a complete reporting of all relevant data on subsidies. The report stated also that no accounting was made of Government subsidies that were granted as a result of Government purchases of goods and services above market price or of the regulatory subsidies. The Joint Economic Committee staff feels that all subsidy programs should be properly identified and accounted for and that such information should be included in the standard data processing system.

Other congressional interest in Federal subsidy programs information included the need for estimates on a regular basis of the monetary benefit to various recipient income groups resulting from Federal subsidy programs. The estimates should also be provided in aggregate form.

## Tax expenditures information

Tax expenditures<sup>1</sup> or tax allowances are of current interest to the Joint Committee on Internal Revenue Taxation, the Joint Economic Committee, and several members of Congress. The general needs of these Committees and members of Congress include the following tax expenditures information.

- Identification of income and tax expenditure exemption amounts of nonprofit organizations and income amounts of similar taxable organizations. This information is to be accumulated by the States and their political subdivisions.
- Identification of tax expenditure amounts related to various segments of the economy, such as employment and profits. This information is to be accumulated by States and their political subdivisions.
- Better estimates of revenues lost as a result of tax expenditures, such as the oil depletion allowance. This information is to be accumulated by States and their political subdivisions.
- Estimates on a regular basis of the monetary benefit to representative income groups resulting from key tax preferences. The estimates should also be provided in aggregate form.
- A precise and standard classification of tax legislation intended to gain revenue and tax legislation (tax expenditures) for achieving social and economic objectives.

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<sup>1</sup>The amount of revenue which would have been received in the Treasury but for provisions of subtitle A of the Internal Revenue Code of 1954 and other laws of the United States which (a) exclude or exempt items of income for purposes of the taxes imposed by such subtitle, (b) allow deductions in determining the amount of taxable income, (c) allow credits against the taxes so imposed, (d) defer the imposition of the taxes so imposed, or (e) grant preferential rates or otherwise provide special tax treatment to types of income subject to the taxes so imposed.

## Foreign currencies information

Information on the disposition of receipts maintained in foreign currency holdings is of interest to the Senate Committee on Foreign Relations and to the House Committee on Foreign Affairs. The general needs of these Committees include the following foreign currencies information. -

- Amounts of foreign currency holdings by countries.
- Sources of receipts or identification of programs generating such receipts.
- Identifications of responsible management organizations or controlling Federal agencies.
- Purposes and authorities for expenditures of foreign currency holdings.

## FEDERAL FINANCIAL ACTIONS AFFECTING STATES AND POLITICAL SUBDIVISIONS

The availability; accuracy; and, in some cases, existence of information relating to Federal financial actions affecting States and their political subdivisions pose a significant and time-consuming problem to the members of Congress and their staffs. The members of Congress need to easily and rapidly obtain accurate basic financial information (e.g., revenues and outlays) and domestic assistance program information accumulated by States and their political subdivisions.

At present much of the basic financial information relating to Federal revenues and outlays by political subdivisions is not available or useful. There is no report of Federal revenues by congressional districts, and the current Federal outlays report is a mixture of obligations, expenditures, loans, and rough statistical allocations.

Although the current Catalog of Federal Domestic Assistance contains some useful financial and operational program information, members' staffs must spend considerable time in obtaining additional necessary domestic assistance program information. Hence the standard classifications

and the data processing system required by the act must provide, to the maximum extent feasible, a uniform foundation, based on political subdivisions, of basic financial and Federal domestic assistance program data to satisfy the information needs of the Congress in this area.

The needs for information on Federal financial actions affecting States and their political subdivisions are of primary concern to a significant number of the members of Congress and their staffs.

#### Basic financial information

The general needs of the members of Congress relating to Federal actions affecting States and their political subdivisions include the following basic financial information.

- Federal revenue amounts by States, congressional districts, and other political subdivisions.
- Federal outlay amounts separately identifying amounts expended (cash basis) by States, congressional districts, and other political subdivisions.

#### Domestic assistance program information

The general needs of the members of Congress relating to Federal financial actions affecting States and their political subdivisions include the following Federal domestic assistance program information.

- Grant programs available, including any requirements for matching funds.
- Identifications of the Federal organizations managing the programs.
- Amounts of funds available.
- Total dollar amounts of applications on file.
- Status of applications in the grant process, including amounts of matching funds supplied by grantees.

CLASSIFICATION STRUCTURES FOR AGGREGATING  
BUDGETARY AND FISCAL INFORMATION

The Congress needs to have budgetary and fiscal information related to Federal programs and projects, Federal fiscal policies, and Federal actions affecting the States and political subdivisions in a form readily adaptable for congressional use. Hence the information must be aggregated, accumulated, or summarized within several classification structures on the basis of the following congressional user patterns identified in our survey.

- Authorizing and appropriating legislation and responsible congressional committees.
- Responsible Federal Government organizations.
- Federal program and project objectives or subject areas.
- Political subdivisions.
- Rural and urban areas.
- Target groups.

These congressional user patterns are the foundation on which the classification structures are to be developed. The user patterns are briefly discussed in the sections below.

Authorizing and appropriating legislation  
and responsible congressional committees

The Congress needs to easily determine the financial status of programs or projects created by the Congress. It is also necessary to easily identify the committees having primary interest or jurisdiction over specific programs or projects. The authorizing committees are interested in following the financial actions taken on the programs and projects they authorized for purposes of oversight, including subsequent authorization or reprogramming.

The appropriating committees need the ability to easily ascertain the amounts authorized as well as the financial actions taken after appropriations. Those committees concerned with general oversight and investigation need to relate the Federal activities, programs, or projects under review or investigation to the congressional intent of the authorizing and appropriating legislation.

#### Responsible Federal Government organizations

The Congress needs to easily identify the organizations responsible for the management of programs or projects. It is important to have information about programs or projects aggregated at the appropriate levels of management responsibility, regardless of whether they are called offices, agencies, bureaus, or divisions.

#### Federal program and project objectives or subject areas

The following examples cited during our survey by congressional staffs are illustrative of areas not now adequately covered.

- Human resources and manpower programs: According to the staff of the Joint Economic Committee, there is a need in the President's budget for a listing of programs by meaningful subcategories, specifically human resources and manpower programs. The staff has elaborated by saying that there is a need for program standardization so that specific program activities would be defined consistently throughout the Federal Government. Although the Special Analyses of the Budget identifies these subcategories, it does not identify the specific human resources or manpower programs of interest.
  
- Welfare programs: The House Committee on Ways and Means stated that a large portion of the welfare appropriations are provided by annual supplementals. The Committee needs financial information on proposed supplemental budget requests for welfare programs from the point the requests are developed by the agencies

through incorporation in the President's supplemental budget, the congressional process (authorization and appropriation) and subsequent action by the executive branch. The Committee also needs to know the number of persons affected by or covered in the welfare programs in order to assist in making meaningful program evaluations.

- Environment: The staff of the Senate Committee on Public Works stated that the inclusion of a functional category for environment would be useful. The staff members were interested specifically in programs and Federal agencies dealing with air and water pollution. The staff members of a senator stated that they were interested in having a functional breakdown which would summarize national environment activities.
- Foreign countries: According to the staff of the Senate Committee on Foreign Relations, there is a need for detailed information on all U.S. resources and personnel devoted to achieving U.S. objectives in foreign countries. This information should be broken down by country and by agency within each country. Specifically for foreign aid, there is a need for a more exact distinction between economic and military aid to individual countries. Concerning military aid, the staff needs to know by country the total amounts of military grants, surplus credit sales, commercial sales, and loans. Closely related to this is a need for better information on export licenses outstanding for the sale of arms. In addition, the staff needs (1) 5-year projections by country on economic and military aid, (2) information on reprogramming and transfer of funds, and (3) information on unexpended balances at the end of each year.
- Aircraft noise abatement: The staff of the House Committee on Science and Astronautics has stated that it needs periodic access to cost and budget data on aircraft noise abatement activities conducted by other departments, including programs and projects which are similar or complementary to National Aeronautics and Space Administration and National Science Foundation activities.



- Water and sewers: The staff of the House Committee on Banking and Currency expressed a need for information on grants for basic sewer and water facilities. The staff of a senator expressed a need for better, more timely information on programs, specifically the Indian water and sewer programs.
- Service charges to nongovernment recipients: The Senate Committee on Government Operations expressed a need for financial information on service charges made to nongovernment recipients identified by agency and summarized by type of service.

### Political subdivisions

Information on the impact of programs and projects on geographic areas must be related to such political subdivisions as States, counties, cities, and congressional districts. Information aggregated on the basis of standard metropolitan statistical areas, as used increasingly by the executive branch, is not as useful to the Congress.

### Rural and urban areas

There is a need for more detailed information on rural and urban areas, including the identification of the impact of Federal Government financial actions on such areas.

### Target groups

There is a need for more detailed information on various target groups, including the identification of the impact of Federal Government financial actions on such groups. Congressional staffs have cited such groups as minority groups, the unemployed, veterans, consumers, and juvenile delinquents.

CHAPTER 3PLANS FOR REDUCING GENERAL INFORMATION NEEDS TODETAILED DATA REQUIREMENTS

The development of the standard classifications and the data processing system, which will satisfy the needs discussed in chapter 2 and the needs of the executive branch, is recognized to be a major, long-term project requiring the cooperation and coordination of all elements of the Federal Government.

As detailed congressional requirements become reasonably well defined, we will make them available to the executive branch, which has the primary development responsibilities, so that it may continue with the implementation of the classifications and data processing system.

We are working with the executive branch system developers and with the congressional information users to insure that the needs of the Congress are considered adequately. We have obtained a significant amount of detail regarding the general statements of needs contained in chapter 2, which will be used in our continuing work with the system developers. We intend to review with potential congressional users the standard classifications of programs, activities, receipts, and expenditures proposed by the executive branch.

In addition, we will be working with each committee staff to define specific information requirements in a structure which is most meaningful to the committee. (As an illustration, see apps. II and III.) We intend to perform similar work associated with the information needs of the members of Congress. We have developed the interview and documentation procedures we will use during the study. We are planning to be able to furnish the executive branch with requirements documentation as it is completed so the systems development work can be initiated as soon as possible. We initiated the detailed requirements interviews in August 1972, and we expect to complete our requirements study with all committees by the end of 1973. Also during this time we will be planning and arranging for the congressional access and use of the data from the executive branch systems.

We will also work with the congressional offices and the executive branch to determine the type of directory of information sources which will satisfy the congressional needs and will be feasible of development and maintenance by the executive branch.

During our survey of the congressional needs for budgetary and fiscal information, a number of problems relating to currently provided information were identified. Some of these problems could be resolved on a short-term basis without impact on the executive branch system development effort.

We are working with the committees directly concerned with (1) the oversight of the Legislative Reorganization Act of 1970 and (2) the operation of information and computer services of the Senate and House, including the Senate Committees on Government Operations and Rules and Administration; the House Committees on Administration, Government Operations, and Rules; and the Joint Committee on Congressional Operations. This working relationship will be maintained for the purpose of resolving specific problems of other committees and members and of monitoring the implementation of the standard classifications and the data processing system on a continuing basis throughout the life of this project.

EXAMPLES OF NEED FOR  
FEDERAL FINANCIAL INFORMATION

(Note: This appendix is referenced on p. 8.)

The following examples describe, in general, the basic financial information needs and staff work necessary to meet these needs of two authorizing House committees. These needs should be met through the standard classifications and the data processing system required by the Legislative Reorganization Act of 1970.

HOUSE COMMITTEE ON EDUCATION AND LABOR

The staff of the House Committee on Education and Labor described some of its needs for basic financial information as related to Federal programs and projects. It found that broad budget categories commingle programs that had been authorized by several different acts. Therefore the staff, using the existing budget categories, reformats them by authorizing and appropriating legislation to make the categories more meaningful to the Committee members in terms of the original legislation. Furthermore this reformatting includes the amounts authorized and appropriated in order that the Committee can track the progress of the legislation it sponsors. The budget reformatting allows the staff to respond to queries regarding the total budget request for all programs under title II of the Higher Education Act, an item of information that cannot be found in the current budget format.

The staff of the Committee finds it useful to be made aware of amounts apportioned by the Office of Management and Budget to facilitate an evaluation of program direction and progress as related to the original congressional intent.

The Committee needs clear, concise responses on the amount of funds obligated and expended by Federal agencies. Also, to hold the responsible Federal agency managers accountable for such funds, it should know how rapidly appropriated funds are being spent and the amount of remaining unused funds.

HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

The staff of the House Committee on Merchant Marine and Fisheries expressed a need to have basic financial information easily related to authorizing and appropriating legislation by program. Although the funding for an aggregated program category appears in the budget, this does not mean that there is effective implementation of the public law that authorized a specific program within the category. The Staff said that it might eventually be determined that a particular public law was not being funded at all, since it had been included in one program category with programs authorized by several other laws.

The staff of the Committee needs the specific amounts requested and appropriated so that it can determine the extent to which the program is conforming to the intent of the public law. For example, the Federal program dealing with conservation of anadromous fish requires a budget and appropriations breakdown by research and fish hatcheries. This level of detail is not included in the budget and must be obtained from the appropriate Federal agency.

INITIAL ASSESSMENT OF LEVELS OF  
FEDERAL PROGRAM AND PROJECT INFORMATION NEEDS OF  
THE GOVERNMENT ACTIVITIES SUBCOMMITTEE OF  
THE HOUSE GOVERNMENT OPERATIONS COMMITTEE

(Note: This appendix is referenced on pp. 10 and 22.)

The following outline represents an initial, but not necessarily complete, assessment of the needs of the Government Activities Subcommittee of the House Government Operations Committee for financial information that the Subcommittee would use as a basis for studies of the efficiency and effectiveness of Federal programs and projects. It is believed that the indicated areas of interest can serve as a useful example to reflect the level and structure that must be satisfied to be responsive to the information needs of the Congress. Accordingly this example should be of assistance to the executive branch task groups that are developing such structures and to other committees with whom we will be working.

The following outline is presented in the general structure and format desired by the Subcommittee. For this example, there was no attempt made to compare the needs reflected herein with the needs of other committees to identify similar needs. Accordingly, as further work is done to define and document congressional needs, it may be that certain similar needs can be restated, refined, and/or modified in order to achieve greater uniformity. Also existing agency structures will be considered with the view of trying to minimize the impact on executive departments and agencies.

- I. Program categories summarized along functional lines in accordance with the President's Memorandum to the Heads of Departments and Agencies dated August 25, 1965; e.g., Veterans Administration.
  - A. Compensation for service-connected disabilities and death.
    1. Compensation for veterans disabilities

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2. Veterans compensation for specific injuries and losses
  3. Compensation to survivors
  4. Miscellaneous
  5. Administrative support
- B. Alleviation of financial needs of veterans and survivors not connected with military service.
1. Veterans pensions
  2. Survivors pensions
  3. Burial allowances and related benefits
  4. Administrative support
- C. Educational and training assistance.
1. Readjustment educational assistance to veterans
  2. Rehabilitative training of disabled veterans
  3. Educational assistance to children of deceased and disabled veterans
  4. Administrative support
- D. Housing and other credit assistance.
1. Credit assistance for houses, farms, and businesses
  2. Servicing and management of loans and properties
  3. Administrative support
- E. Insurance.
1. Veterans life insurance trust funds

2. Veterans life insurance revolving funds
3. Servicemen's group life insurance
4. Administrative support

F. Health services.

1. Medical care
2. Medical and prosthetic research
3. Research and development in hospital technology
4. Education and training
5. Medical support and miscellaneous services
6. Construction facilities

G. General direction and support (agency-level staff offices).

1. Office of the Administrator
2. Information Service
3. General Counsel
4. Board of Veterans Appeals
5. Assistant Administrator for Personnel
6. Assistant Administrator for Management Engineering
7. Administrative Services
8. Office of the Comptroller
9. Investigation and Security Service

II. The following information format should be provided for the department or agency as a whole and for each program and subprogram category in the department or agency program categories breakdown.



100	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM		
200	CODE	CODE	CODE		
300	ANALYSIS AND CONTROL CODES				
400	FISCAL YEAR				
	Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended	
500	"In house" inputs				
510	Personnel				
511	Comp				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	Funds distributed				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total				
			Prior Fiscal Year		
800	Input-output ratio				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

All information derived for presentation on lines 500 through 700 in the above format should conform to accepted Government accounting standards and practices. Input-output ratios on lines 800 through 881 are provided in the above format for comparisons of dollar-input of computed values of products or services provided by the agency or program.

In addition, the total number of personnel employed should be provided and summarized by grade structure and by employment category both for the agency as a whole and for the individual program categories of the agency.

- III. Individual program and subprogram levels in the summarization of program categories should provide the following additional information.
- A. References to the statutory authority to carry out the program.
  - B. Identification of key officials in charge of policymaking and of operations.
  - C. Identification of the types of capital equipment employed in the program. This information could be provided by one standardized, modern, cost accounting method employed throughout the Government to account for capital equipment.
  - D. Identification of all programs and subprograms which are similar in function or purpose throughout the Federal Government.

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The financial information for each of the above four areas should also include the amounts for the following technical areas.

Aerodynamics and design  
 Propulsion  
 Stability and control  
 Structures  
 Avionics  
 Operational support systems

Further detail is needed on an individual-agency basis concerning the same four areas (exploratory, etc.). Since the detail will vary from agency to agency, the following example has been provided to indicate the general level of detail desired. The Committee has emphasized that this example serves to indicate the general level of structure needs and that they may not need detailed information about all the individual programs and projects listed. However, they need the information on selected projects, e.g., V/STOL development, Aircraft propulsion technology, and others at the time they evaluate similar work in National Aeronautics and Space Administration (NASA).

Army

Exploratory development:  
 Aircraft weapons technology  
 Aircraft avionics technology  
 Air mobility support  
 Aerodynamics technology  
 Air mobility readiness technology  
 System synthesis analysis  
 Aircraft propulsion technology  
 Aircraft structures technology  
 Subtotal

Advanced development:  
 Aircraft power plants and propulsion

Navy

Exploratory development:  
 Aircraft, general exploratory development

Advanced development:  
 Airborne ASW detection  
 Avionics  
 Air/Surface fire control  
 V/STOL development  
 Advanced aircraft propulsion system  
 Destroyer helicopter system

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Advanced helicopter development	Airborne life-support system
Aircraft weapons	CV ASW tactical support center
Aircraft avionics	Other
Aeronautical evaluation	Subtotal-
Air mobility support	
Heavy-lift helicopter	
Aerial STANO system	Engineering development:
Subtotal	CVS ASW aircraft (VSX) S-3A
Engineering development:	Avionics development (VAST)
Aircraft avionics	F-14B
Aircraft weapons	Crane, heavy-lift
Aircraft power plants	Laser target designator
Air mobility support	Aircraft handling and service equipment
Utility tactical transport aircraft (UTTAS)	Airborne ASW developments
Air mobility readiness technology	Aircraft IR suppression
Aerial STANO system	Visual target acquisition/identification
Subtotal	Other
Operational systems development:	Subtotal
Advanced aerial fire support system (AH-56A)	
	Operational systems development:
	Early warning aircraft squadrons (E-2C)
	S-3A aircraft
	Aircraft propulsion evaluation
	Aircraft flight test, general
	F-14B squadrons
	EA-6B aircraft

Direction Jezebel  
sonar system  
A-7E  
Helicopter avionics  
system  
Subtotal

C. Aircraft noise abatement.

D. Aircraft safety research.

Broad categories:

Handling qualities  
Fatigue  
Engine reliability

Specific categories:

Turbulence and its detection  
VGH (Velocity, acceleration, and altitude)  
Severe storms  
Icing  
Lightning  
Warm fog modification  
Crashworthiness  
Fire hazards  
Turbine burst  
Trailing vortex hazards  
Collision hazard warning  
Tire skidding, braking, and ground stability  
Radiation

E. Construction.

Comparable Government-wide construction information, including units of measure, quantity, and unit cost information, is needed to provide the capability for better evaluation of NASA construction projects.

The following examples generally indicate the level of detail needed for comparative purposes.

Kennedy Space Center, NASA:

Mobile service tower and umbilical tower  
Aerospace equipment enclosure modification

- Guidance optical alignment shelter
- Facility electrical power
- Vehicle/spacecraft air-conditioning shelter
- Liquid hydrogen system
- Liquid oxygen system
- Gaseous/liquid nitrogen system
- Gaseous/liquid helium
- Vertical integration building modifications
- Solid motor assembly building modifications

Goddard Space Flight Center, NASA:

- Utility building
- Mechanical distribution
- Electrical distribution
- Antenna and van foundation pads
- Utilities
- Roads, walks, parking area
- Security fence
- Site development

F. Civil service personnel summaries.

- Grade distribution by job classification
- Attrition rates
- Average salaries

G. Summaries of support-service contract employees.

II. Individual agency.

National Aeronautics and Space Administration

A. Research and Development.

Office of Manned Space Flight:

- Apollo program:
  - Spacecraft
  - Saturn V
  - MSF operations

Space-flight operations program:

- Skylab
- Space shuttle
- Orbital systems and experiments

Advanced missions program:  
Advanced missions studies

Office of Space Science Applications:

Physics and astronomy program:  
Large observations  
Orbiting explorers  
Suborbital programs  
Supporting activities

Lunar and planetary exploration program:

Mariner  
Viking  
Outer planet mission  
Pioneer/helios  
SR&T advanced studies  
Planetary astronomy  
Data analysis  
Planetary quarantine

Space applications program:

Earth resources survey  
Applications technical satellites  
Nimbus  
Synchronous meteorological satellites  
Cooperative applications satellites  
Global atmospheric research program  
Meteorological soundings  
TIROS/TOS improvements  
Radio interference and propagation program  
Geodetic satellites  
Earth observation satellites studies  
SR&T/advanced studies

Launch vehicle procurement program:

SR&T/advanced studies  
Scout  
Delta  
Centaur  
Titan III C

Office of Advanced Research and Technology:

Aeronautical research and technology program:  
Technology program



Experimental .OL research airplane  
 Aerodyamics and vehicle systems  
 Life sciences  
 Propulsion  
 Operating systems  
 Materials and structures  
 Guidance, control, and information systems  
 Power  
 Supercritical technology  
 Graduate research and studies program

Space research and technology program:  
 Space propulsion and power generation  
 Materials and structures  
 Guidance, control, and information systems  
 Safety and operating systems  
 Entry technology

Nuclear power and propulsion program:  
 Nuclear power research and technology  
 Nuclear propulsion:  
   NERVA  
   Nuclear propulsion R&T  
   NRDS operations  
 Electrophysics

Office of Tracking and Data Acquisition:  
 Tracking and data acquisition program:  
   Operations  
   Equipment  
   SR&T

Office of Technology Utilization:  
 Technology utilization program:  
   New technology identification and evaluation  
   Publication  
   New technology dissemination  
   Program evaluation

#### B. Construction of facilities.

The general levels of information for the construction of facilities should be the same as that of the research and development with the addition of type, purpose, and location of construction as shown in the example below.

## Construction of facilities:

## Apollo program:

## Spacecraft

(type, purpose, and location of construction)

## Saturn V

(type, purpose, and location of construction)

## MSF operations

(type, purpose, and location of construction)

## C. Research and program management.

This information should be presented in four ways. The first should follow the research and development breakdown. The second should be by object classification, as follows:

- Personnel compensation
- Personnel benefits
- Benefits for former personnel
- Travel and transportation of persons
- Transportation of things
- Rent, communications, and utilities
- Printing and reproduction
- Other services
- Supplies and materials
- Equipment
- Lands and structures
- Grants, subsidies, and contributions
- Insurance claims and idemnities

The third should be by installation; e.g., Kennedy Space Center, Goddard Space Flight Center, Wallops Station. The fourth should be by function, as follows:

- Personnel
- Travel
- Facilities services
- Technical services
- Administrative support

## D. NASA programs.

Financial information should be grouped by NASA program, as in the following example.

## Apollo program:

R&amp;D

Construction of facilities

Research and program management

E. Manned Space Flight Field Centers  
(Kennedy, Houston, Marshall).Total civil service personnel and annual  
costs (by center)Total contractor personnel and annual costs  
(by center)

Research and development (by project)

Construction of facilities (by project)

Research and program management (by object  
class)

## DESCRIPTION OF THE FEDERAL FINANCIAL CYCLE (note a)

(Note: This appendix is referenced on p. 10.)

The Federal financial cycle involves the following processes:

- Executive branch formulation and transmittal of the budget.
- Congressional authorization and appropriation.
- Budget execution and control by the Office of Management and Budget.
- Budget authority and related transactions by the Federal agencies.
- Revenue collection.

EXECUTIVE BRANCH FORMULATION  
AND TRANSMITTAL OF THE BUDGET

The President's transmittal of his budget proposals to the Congress early in each calendar year has been preceded by many months of planning and analysis throughout the executive branch. For example, formulation of the fiscal 1973 budget began in the spring of 1971.

During the period of budget formulation, there is a continuous exchange of information, proposals, evaluations, and policy determinations among the President, the Office of Management and Budget, and the various Federal agencies. Consideration is given to tentative assumptions on the economic environment, projections of revenue expected, and the

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<sup>a</sup>The primary sources for this description are the Budget of the United States Government, Fiscal Year 1973, pp. 482 to 492, and Glossary of Terms Relating To The Budget And Fiscal Provisions Of The Legislative Reorganization Act of 1970, U.S. General Accounting Office, December 1971.

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aggregate expenditure range which would be appropriate in view of current fiscal policies.

In the spring each Federal agency evaluates its programs, identifies policy issues, and makes budgetary projections. During this period consideration is given to important program modifications or innovations and to alternative long-range program plans. After review by the Federal agencies and the Office of Management and Budget, preliminary plans are presented to the President for his consideration. At about the same time, the President receives projections of the economic outlook and revenue estimates prepared jointly by the Treasury Department, the Council of Economic Advisers, and the Office of Management and Budget.

After a review of the preliminary plans and projections, the President establishes general budgetary and fiscal policy guidelines for the fiscal year beginning about 12 months later. Tentative policy determinations and outlay ceilings are established subsequently for the Federal agencies as guidelines for preparation of their budget.

Individual Federal agency budgets are reviewed in detail by the Office of Management and Budget throughout the fall and early winter and are presented to the President for decision. Overall fiscal policy problems which relate to total budget receipts and outlays are reviewed again. Thus the first process in the Federal financial cycle involves the simultaneous consideration of individual programs, total outlays, and total receipts in relation to the condition of the national economy.

The results of these executive branch actions are transmitted to the Congress in the form of the President's budget and, subsequently, in the form of proposed legislation. These transmittals provide the initiating basis for the next process in the Federal financial cycle.

### CONGRESSIONAL AUTHORIZATION AND APPROPRIATION

Congressional review starts when the President sends his budget to the Congress in January. The Congress can change, eliminate, or add programs not requested by the President. It can increase or decrease the amounts

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recommended by the President for financing existing and proposed new programs. In addition, the Congress acts upon legislation determining taxes and other means of raising revenues.

The congressional process generally is divided between authorization of programs and, subsequently, the granting of budget authority. The Congress first enacts legislation which authorizes a Federal agency to implement a particular program. This authorization usually establishes a limit on the amount that can later be appropriated for the program. Programs may be authorized for a year, a specified number of years, or any indefinite period.

The granting of budget authority usually requires a separate action subsequent to the program authorization. The most common form of budget authority is the appropriation, which allows Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. In most cases budget authority becomes available each year only as voted by the Congress. In some cases the Congress has voted permanent budget authority under which funds become available annually without further congressional action. Most trust funds and appropriations to pay interest on the public debt are established by permanent budget authority.

Requests for changes in revenue laws and for appropriations are first considered in the House of Representatives. The Committee on Ways and Means reviews proposed revenue legislation, and the Committee on Appropriations studies the proposed appropriations legislation and examines in detail each Federal agency's performance. Each of these two House Committees makes recommendations to the House concerning the action to be taken on the proposed legislation.

The approved House revenue and appropriation legislation is forwarded to the Senate, where the Senate Finance and Appropriations Committees consider additional statements and justifications from the Federal agencies. Each of these two Senate Committees recommends the action to be taken by the Senate. In case of disagreement between the House and Senate, selected members of both bodies meet in a conference committee to resolve the issues. The conference committee's

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report and recommended legislation is returned to both bodies for approval. The legislation then is transmitted to the President for his approval or veto.

These determinations of the Congress lay the basic policy foundation and financial constraints for the execution of budget authority by the executive branch.

### BUDGET EXECUTION AND CONTROL BY THE OFFICE OF MANAGEMENT AND BUDGET

Central control over most of the budget authority made available to the Federal agencies is maintained through a system of apportionment.

Under the law and delegation by the President, the Director of the Office of Management and Budget distributes appropriations and other budget authority to each Federal agency by time periods (usually by quarters) or by activities. Obligations may not be incurred in excess of the amount apportioned. The objective of the apportionment system is to plan the effective and orderly use of available authority and to prevent, where possible, the need for requesting additional or supplemental authority. Any type of executive action which effectively precludes the obligation or expenditure of appropriated funds causes these funds to be impounded.

The control by the Office of Management and Budget over budget authority granted by the Congress provides the basic mechanism for managing the financial transactions of the Federal agencies.

### BUDGET AUTHORITY AND RELATED TRANSACTIONS BY FEDERAL AGENCIES

Federal agencies are permitted to enter into obligations only when they have been granted legal authority to do so. Hence the amounts authorized by the Congress are called budget authority. The portion of budget authority requested for the expenditure account is called new obligational authority. The portion of budget authority requested for the loan account is called loan authority.

Budget authority usually takes the form of appropriations which permit obligations to be incurred and payments to be made. Obligations incurred include amounts of orders placed, contracts awarded, services received, and similar transactions. Obligations may be paid in the period in which incurred or in some future period. Some budget authority is in the form of contract authority to be incurred prior to an appropriation. Obligations incurred under contract authority are paid from either subsequent appropriations or realized revenue.

Another type of budget authority is the authority to spend debt receipts by incurring obligations and making payments from moneys borrowed (bonds and notes) by the Federal Government. When budget authority is made available for a specific period of time, any part not used for obligations during that period expires and cannot be used. These unused balances, however, may be made available by congressional reauthorization and reappropriation.

Reprogramming is the utilization of appropriated funds by Federal agencies for purposes other than the intended purposes when appropriated. In some instances Federal agencies have been permitted by the Congress to exercise this option up to a certain percentage of a program's appropriation.

All budget authority is liquidated by payments called outlays. In general, outlays are composed of payments of obligations incurred in the loan account (called net lending) and payments of obligations incurred in the expenditure account (called expenditures).

The primary sources for outlays are the moneys collected by the Federal Government pursuant to the tax authority granted by the Congress.

#### REVENUE COLLECTION

Revenues represent amounts collected and deposited in Federal agency receipt accounts and are classified as (1) receipts from the public or (2) intrabudgetary transactions. Receipts from the public may be classified as governmental receipts or proprietary receipts. Governmental



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receipts include collections derived from corporate income taxes, individual income taxes, social insurance taxes, and contributions. Proprietary receipts are derived from Federal Government activities which are operated as business-type enterprises. Intrabudgetary transactions are deposits in receipt accounts representing payments from other appropriations or funds.

Tax expenditures or tax allowances are the amounts of revenue which would have been received in the Treasury in the absence of certain exceptions. These exceptions include provisions of subtitle A of the Internal Revenue Code of 1954 and other laws of the United States that exempt income from taxation, allow tax credits and deductions, defer taxes, or grant preferential tax rates.

## LIST OF CONGRESSIONAL OFFICE

## INTERVIEWS AND CORRESPONDENCE

(Note: This appendix is referenced on p. 6.)

The following listing identifies the congressional offices participating in our survey, the number of persons interviewed from each office, and office correspondence received as of August 31, 1972.

<u>Congressional office</u>	<u>Number of persons inter- viewed</u>	<u>Corre- spondence received</u>
Senate standing committees:		
Committee on Aeronautical and Space Sciences	3	
Committee on Agriculture and For- estry	5	
Committee on Appropriations	9	
Committee on Armed Services	1	
Committee on Banking, Housing and Urban Affairs	6	X
Committee on Commerce	2	X
Committee on the District of Colum- bia	2	X
Committee on Finance	8	
Committee on Foreign Relations	2	X
Committee on Government Operations	2	X
Committee on Interior and Insular Affairs	4	
Committee on the Judiciary	2	
Committee on Labor and Public Wel- fare	1	X
Committee on Post Office and Civil Service	2	
Committee on Public Works	10	
Committee on Rules and Administra- tion	2	X
Committee on Veterans' Affairs	<u>2</u>	
Total	<u>63</u>	

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<u>Congressional office</u>	Number of persons inter- viewed	Corre- spondence received
House standing committees:		
Committee on Agriculture	3	
Committee on Appropriations	4	X
Committee on Armed Services	2	
Committee on Banking and Currency	5	
Committee on the District of Colum- bia	2	
Committee on Education and Labor	3	
Committee on Foreign Affairs	1	
Committee on Government Operations	8	
Committee on House Administration	4	X
Committee on Interior and Insular Affairs	1	
Committee on Internal Security	1	
Committee on Interstate and Foreign Commerce	3	
Committee on the Judiciary	1	
Committee on Merchant Marine and Fisheries	6	
Committee on Post Office and Civil Service	5	
Committee on Public Works	2	
Committee on Rules	5	X
Committee on Science and Astro- nautics	9	X
Committee on Veterans' Affairs	1	
Committee on Ways and Means	<u>4</u>	X
Total	<u>70</u>	

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<u>Congressional office</u>	Number of persons inter- viewed	Corre- spondence received
Joint committees:		
Joint Committee on Atomic Energy	1	
Joint Committee on Congressional Operations	1	X
Joint Committee on Defense Produc- tion	3	
Joint Committee on Internal Revenue Taxation	6	
Joint Committee on Printing	2	X
Joint Economic Committee	5	
Joint Committee on Reduction of Federal Expenditures	<u>3</u>	
Total	<u>21</u>	
Total committees	<u>154</u>	
Senate members:		
Aiken, George D. (Vermont)	1	X
Allott, Gordon (Colorado)	2	
Baker, Howard H., Jr. (Tennessee)	1	
Beall, J. Glenn, Jr. (Maryland)	2	
Bellmon, Henry L. (Oklahoma)	2	
Bentsen, Lloyd M. (Texas)	2	
Chiles, Lawton Mainor, Jr. (Florida)	1	
Gravel, Mike (Alaska)	1	
Griffin, Robert P. (Michigan)	6	
Harris, Fred R. (Oklahoma)		X
Mansfield, Mike (Montana)		X
Mathias, Charles McC., Jr. (Maryland)	1	
Mondale, Walter F. (Minnesota)	1	
Montoya, Joseph M. (New Mexico)	1	
Roth, William V., Jr. (Delaware)	1	X
Scott, Hugh (Pennsylvania)	1	X
Stevens, Ted (Alaska)		X
Stevenson, Adlai E., III (Illinois)	3	
Symington, Stuart (Missouri)	4	
Thurmond, Strom (South Carolina)		X
Young, Milton R. (North Dakota)		X
Total	<u>30</u>	

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<u>Congressional office</u>	Number of persons inter- viewed	Corre- spondence received
House members:		
Abbitt, Watkins M. (Virginia)	1	
Abernethy, Thomas G. (Mississippi)	1	
Alexander, Bill (Arkansas)	1	
Anderson, William R. (Tennessee)		X
Andrews, Mark (North Dakota)	1	X
Baring, Walter S. (Nevada)		X
Biaggi, Mario (New York)		X
Bolling, Richard (Missouri)	1	
Brown, Garry (Michigan)	1	
Burke, J. Herbert (Florida)	2	X
Burlison, Bill D. (Missouri)	1	
Cabell, Earle (Texas)		X
Casey, Bob (Texas)	1	X
Cleveland, James C. (New Hampshire)		X
Daniel, W. C. (Virginia)		X
Davis, John W. (Georgia)		X
Devine, Samuel L. (Ohio)	1	
Dickinson, William L. (Alabama)	1	
Dorn, Wm. Jennings Bryan (South Carolina)		X
Dow, John G. (New York)	1	
Edwards, Jack (Alabama)	1	
Eshleman, Edwin D. (Pennsylvania)	1	
Evans, Frank E. (Colorado)	2	
Findley, Paul (Illinois)		X
Flynt, John J., Jr. (Georgia)		X
Fraser, Donald M. (Minnesota)	1	
Grasso, Ella T. (Connecticut)		X
Gude, Gilbert (Maryland)	2	X
Hall, Durward G. (Missouri)	1	
Hansen, Julia Butler (Washington)		X
Hansen, Orval (Idaho)		X
Harrington, Michael J. (Massa- chusetts)	1	
Hillis, Elwood H. (Indiana)		X
Hogan, Lawrence J. (Maryland)	1	
Horton, Frank (New York)	1	X

## BEST DOCUMENT AVAILABLE

<u>Congressional office</u>	<u>Number of persons inter- viewed</u>	<u>Corre- spondence received</u>
House members (continued):		
Hungate, William L. (Missouri)	1	
Leggett, Robert L. (California)	1	
Link, Arthur A. (North Dakota)		X
McCloskey, Paul N., Jr. (California)	1	
McEwen, Robert C. (New York)	2	
Mathias, Robert B. (Bob) (California)	2	
Matsunaga, Spark M. (Hawaii)	1	X
Mazzoli, Romano L. (Kentucky)		X
Michel, Robert H. (Illinois)	3	
Mikva, Abner J. (Illinois)	1	
Mollohan, Robert H. (West Virginia)	1	
Mosher, Charles A. (Ohio)	2	
Murphy, John M. (New York)	3	X
Nelsen, Ancher (Minnesota)	2	
Pirnie, Alexander (New York)	1	
Price, Melvin (Illinois)	1	X
Purcell, Graham (Texas)		X
Quie, Albert H. (Minnesota)	1	
Quillen, James H. (Tennessee)		X
Randall, Wm. J. (Missouri)		X
Reuss, Henry S. (Wisconsin)	1	
Robinson, J. Kenneth (Virginia)	1	X
Rodino, Peter W., Jr. (New Jersey)	2	
Roncalio, Teno (Wyoming)	2	X
Roush, J. Edward (Indiana)	3	
Scherle, William J. (Iowa)		X
Schneebeli, Herman T. (Pennsylvania)	3	
Schwengel, Fred (Iowa)	2	X
Skubitz, Joe (Kansas)	1	
Slack, John (West Virginia)	1	
Smith, H. Allen (California)		X
Smith, Neal (Iowa)	1	
Steiger, Sam (Arizona)		X
Steiger, William A. (Wisconsin)		X
Stratton, Samuel S. (New York)	2	
Talcott, Burt L. (California)	2	