

## ACCOUNTING SYMBOLIZATION

- 1. REASON FOR ISSUE:** To update Department of Veterans Affairs (VA) Accounting Symbolization, policy, formerly contained in VA Manual MP-4, Part V, Chapter 5.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This Directive sets forth the types of expenditure and receipt accounts used within the VA based on symbols and titles assigned by the Department of the Treasury.
- 3. RESPONSIBLE OFFICE:** The Accounting Policy Division (047GA1), Office of the Deputy Assistant Secretary for Financial Management is responsible for the material contained in this Directive.
- 4. RELATED HANDBOOK:** VA Handbook 4550, Appropriation/Fund Symbols and Titles.
- 5. RESCISSION:** VA Manual MP-4, Part V, Chapter 5.

**CERTIFIED BY:**

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**BY DIRECTION OF THE  
SECRETARY  
OF VETERANS AFFAIRS**

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**Distribution: RPC 0415**

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## ACCOUNTING SYMBOLIZATION

**1. PURPOSE AND SCOPE.** This directive describes the governmentwide policies which set the framework for accounting for resources made available to VA. It outlines the accounts used to record outlays (expenditure accounts) and income (receipt accounts) for budgeting or management information as well as for accounting purposes. This framework is established by the Secretary of the Treasury consistent with the principles

and standards prescribed by the Comptroller General of the United States, based on the authority in 31 U.S.C. 3513, "Financial Reporting and Accounting System."

## **2. POLICY**

**Accounts in the President's Budget.** All budget and off-budget accounts are classified as being either expenditure or receipt (including offsetting receipt) accounts. Budget and off-budget transactions fall within either of two fund groups: (1) federal funds (general and special), and (2) trust funds. (Off-budget transactions are those which should be in the budget, based on budgeting concepts, but are excluded by law; e.g., Social Security trust fund receipts and reimbursements were excluded from budgets submitted by the President or passed by Congress by Section 13301 of Subtitle C of Public Law 101-508, dated November 5, 1990).

**(1) Federal Funds.** This group includes accounts composed of moneys collected and spent by the federal government other than those designated as trust funds. Federal fund accounts include the following:

### **(a) General Fund Accounts**

**1. General Fund Receipt Account.** This is a receipt account credited with all collections that are not earmarked by law for a specific purpose. These collections are presented in the Budget of the United States Government as either governmental (budget) receipts or offsetting receipts. Governmental receipts represent collections from the public based on the government's exercise of its sovereign powers. Total governmental receipts are compared with total outlays in calculating the budget surplus or deficit. Offsetting receipts are treated as reductions in budget authority and outlays. Collections covering payments for hospitalization and medical services rendered to persons other than those entitled to service under the laws bestowing such benefits to veterans will be deposited as reimbursements to the appropriation current at the time of rendition of service.

**2. General Fund Expenditure Account.** This is an appropriation account established to record amounts appropriated by law for the general support of federal government activities and the subsequent expenditure of these funds. It includes spending for both annual and permanent appropriations. Amounts available under these appropriations for specific purposes are restricted by various limitations.

### **(b) Special Fund Accounts**

**1. Special Fund Receipt Account.** This is a receipt account credited with collections that are earmarked by law but included in the federal funds group rather than classified as trust fund collections since the collections are not generated from a continuing cycle of business-type operations. These collections are presented in the Budget of the United States Government as either governmental (budget) receipts or offsetting receipts.

**2. Special Fund Expenditure Account.** This is an appropriation account established to record appropriations, obligations, and outlays financed by the proceeds of special fund receipts..

**(c) Public Enterprise Revolving Fund Accounts.** These are expenditure accounts authorized by law to be credited with offsetting collections, primarily from the public, that are generated by and earmarked to finance a continuing cycle of business-type operations. Such funds may be financed in part from appropriations.

**(d) Intragovernmental Fund Accounts.** These are expenditure accounts authorized by law to facilitate financing transactions primarily within and between federal agencies on a revolving fund basis.

**(2) Trust Funds.** This group includes accounts designated as "trust funds" by law or terms of a trust agreement. Trust funds may be on-budget or off-budget. Trust fund accounts include the following:

**(a) Trust Fund Receipt Account.** This is an account used to record receipts held in trust in accordance with an agreement or statute and which may be expended only in accordance with the terms of such agreement or statute.

**(b) Trust Fund Expenditure Account.** This account is established to record amounts appropriated from trust fund receipts to be expended in carrying out specific purposes or programs according to the terms of a trust agreement or statute.

**(c) Trust Revolving Fund Account.** This is a combined receipt and expenditure account used when the trust corpus (principle) is established to perform a business-type operation.

## **b. Accounts for Purposes Other Than Budget Presentation**

**(1) Deposit Fund Accounts.** These are non budgetary accounts established to receive and expend funds which are held in suspense pending a determination of their disposition and funds for which the government is acting solely as a banker, fiscal agent, or custodian. Deposit fund balances are accounted for as liabilities of the federal government.

**(2) Foreign Currency Fund Accounts.** These accounts are established in Treasury for foreign currency that is acquired without payment of United States dollars.

**(3) Receipt Clearing Accounts.** Accounts set up to hold general, special, or trust fund receipts (and expenditures) temporarily, pending charge or credit to the applicable federal or trust fund accounts.

**(4) Transfer Appropriation Accounts.** Accounts established to receive and disburse allocations. Such allocations and transfers are not adjustments to budget authority or

balances of budget authority. Rather, the transactions and any adjustments therein are treated as nonexpenditure transfers at the time the allocation is made.

### **c. Credit Reform Accounts**

**(1) General.** Title V of Public Law 101-508, dated November 5, 1990, is cited as the Federal Credit Reform Act of 1990. This title was enacted to:

- (a) Measure more accurately the costs of Federal credit programs;
- (b) Place the cost of credit programs on a budgetary basis equivalent to other Federal spending;
- (c) Encourage the delivery of benefits in the form most appropriate to the needs of beneficiaries, and
- (d) Improve the allocation of resources among credit programs and between credit and other spending programs.

**(2) Accounts.** The Federal Credit Reform Act requires that the net present value of the estimated long-term cost to the government of new direct loans and loan guarantees (the credit subsidy cost) be financed from new budget authority and be recorded as budget outlays at the time the direct or guaranteed loans are disbursed. In turn, it authorizes the creation of non budgetary financing accounts to receive this subsidy cost payment. The accounts used in credit reform accounting are of three types:

**(a) Credit Program Account.** A budget account into which an appropriation to cover the cost of a direct loan or loan guarantee program is made and from which such cost is disbursed to the financing account.

**(b) Financing Account.** The non-budget account or accounts associated with each credit program account which holds balances, receives the cost payment from the credit program account, and also includes all other cash flows to and from the Government resulting from direct loan obligations or loan guarantee commitments made on or after October 1, 1991.

**(c) Liquidating Account.** A budget that includes all cash flows to and from the Government resulting from direct loan obligations or loan guarantee commitments made prior to October 1, 1991.

### **d. Account Symbols Scheme**

**(1) Receipt Account Classification.** Normally receipt account symbols consist of seven digits, except for receipt clearing accounts and available receipt accounts. The first two digits identify the agency administratively responsible for accounting for the receipts, e.g., 36 for VA. The last four digits identify the account within that fund group and major

class, in accordance with the table in Volume 1, Treasury Financial Manual, Part 2, Chapter 1500.

**(2) Expenditure Account Classification.** Expenditure account symbols consist of seven or more digits. The first two digits identify the agency responsible for the account; the next one or two digits/characters identify the period of availability for obligation; and the remaining four digits represent the account number assigned by Treasury. The periods of availability are distinguished as follows:

**(a) Annual Appropriations.** A single digit (0 through 9) is used to indicate the fiscal year of availability for incurring obligations of a one year appropriation, e.g., 3670151 represents Fiscal Year 1997 funds for the VA's General Operating Expense appropriation.

**(b) Multiple-Year Appropriations.** Two digits separated by a slash (/) are used to indicate an appropriation available for incurring obligations for a definite period in excess of one year. The digit preceding the slash indicates the first fiscal year of availability, and the digit immediately following the slash indicates the final year of availability, e.g., 367/80161 represents Fiscal Years 1997 and 1998 funds for the VA's research appropriation.

**(c) No-Year Appropriations.** An X is used to indicate a no-year appropriation, which is available for incurring obligations for an indefinite period of time.

**3. RESPONSIBILITIES.** The Deputy Assistant Secretary for Financial Management will ensure that the handbook related to this directive is updated to reflect the account symbols and titles assigned to the Department by Treasury.

#### **4. REFERENCES**

- a. Federal Account Symbols and Titles, Supplement to Volume 1, Treasury Financial Manual.
- b. Volume 1, Treasury Financial Manual, Chapter 1500 - Description of Accounts Relating to Financial Operations.
- c. GAO Policy and Procedures Manual for Guidance of Federal Agencies, Title 7 - Fiscal Procedures, dated May 1993.
- d. Glossary of Terms Used in the Federal Budget Process (Exposure Draft), Revised January 1993 - accounting and Financial Management Division, General Accounting Office.

