

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

Background

Borrowing authority is a type of budget authority that permits agencies to incur obligations and make payments to liquidate the obligations out of borrowed moneys. Usually the law authorizing the borrowing specifies that you must borrow from the Treasury, but in a few cases it authorizes borrowing directly from the public. Laws that authorize borrowing for business-like operations require the program to repay the borrowing, with interest, out of business proceeds. In rare instances, usually based on an appropriation or authorizing language, an agency may use offsetting collections to liquidate obligations that were initially incurred against authority to borrow when the borrowing was not exercised.

Borrowing authority is composed of two authority types:

- *Definite borrowing authority*, where a specific amount of authority that cannot be exceeded. Authority is recorded at the beginning of the program and carried forward until the authority is rescinded or completely consumed or until the program is terminated, whichever comes first. This is a no-year account and the authority does not expire, but unused authority must be reapportioned each year.
- *Indefinite borrowing authority*, where the amount of authority is not predetermined and authority is available as needed to cover obligations incurred. This is normally accounted for through a no-year account and the authority does not expire, but unused authority must be reapportioned each year.

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USSGL ACCOUNTS ILLUSTRATED

<u>Budgetary Accounts</u>	<u>Proprietary Accounts</u>
<u>Resource Accounts</u> 4044 Anticipated Reductions to Borrowing Authority 4070 Anticipated Collections from Federal Sources 4140 Substitution of Borrowing Authority 4141 Current Year Borrowing Authority Realized 4143 Reduction of Borrowing Authority 4149 Borrowing Authority Carried Forward 4201 Total Actual Resources Collected 4277 Other Actual Collections - Federal <u>Status of Resource Accounts</u> 4450 Unapportioned Authority 4510 Apportionments 4610 Allotments – Realized Resources 4801 Undelivered Orders - Obligations, Unpaid 4902 Delivered Orders - Obligations, Paid	<u>Assets</u> 1010 Fund Balance with Treasury <u>Liabilities</u> 2110 Accounts Payable <u>Net Position</u> 3100 Unexpended Appropriations - Cumulative 3310 Cumulative Results of Operations <u>Revenue</u> 5700 Expended Appropriations <u>Expenses</u> 6100 Operating Expenses/Program Cost

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Explanation of Illustrated Accounts:

Based on an appropriation or authorizing language, an agency can receive an appropriation or offsetting collection to liquidate obligations initially incurred against authority to borrow when the borrowing was not exercised. For purposes of this scenario, the borrowing authority is substituted by an offsetting collection.

As a result of the substitution, the resources have to be adjusted to reflect the substitution of the borrowing authority. If not adjusted, then resources will be counted twice and total resources will be overstated. The withdrawn portion of the offsetting collection used to liquidate obligations initially incurred against the authority to borrow is reported in USSGL account 4140. This amount is also reported on the SF 133, line 6D (Other authority withdrawn) and P&F schedule lines 6853 and 6953 (Portion substituted for borrowing authority). The following account is illustrated in this scenario.

- **4140 Substitution of Borrowing Authority** - the amount of borrowing authority replaced by appropriations or offsetting collections that were initially used to liquidate obligations incurred against authority to borrow.

At the end of the fiscal year, any unobligated balances for indefinite borrowing authority should be zero. USSGL account 4143 is used to record the withdrawal of indefinite borrowing authority that is not needed to cover obligations. The withdrawn amount is reported on the SF 133, line 6D (Other authority withdrawn) and P&F schedule lines 4700 and 6710 and 6716 (Borrowing authority). The following account is illustrated in this scenario.

- **4143 Reductions of Borrowing Authority** - the amount of indefinite borrowing authority reduced by legislation or administrative action during the fiscal year.

Scenario Guidelines:

This scenario includes two years of activity for definite and indefinite borrowing authority. The agency has authority to borrow and has incurred obligations against borrowing authority. The agency also anticipates offsetting collections. Based on appropriation language or legislation, the agency uses offsetting collections to liquidate the obligations initially incurred against authority to borrow, when the borrowing is not exercised.

This scenario does not address credit reform accounting. Credit reform accounting guidance will be included in separate scenarios. The following borrowing authority scenarios are included:

- Scenario A: Definite Borrowing Authority - Portion Substituted for Borrowing Authority (Offsetting Collections)
- Scenario B: Indefinite Borrowing Authority - Portion Substituted for Borrowing Authority (Offsetting Collections)

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

Scenario A: Definite Borrowing Authority - Portion Substituted for Borrowing Authority (Offsetting Collections)

Year 1

1. To record borrowing authority.

Year 1				
Budgetary Entry				TC
DR 4141 Current Year Borrowing Authority Realized	1,000			A152
CR 4450 Unapportioned Authority		1,000		

- 2a. To record anticipated collections.

Year 1				
Budgetary Entry				TC
DR 4070 Anticipated Collections from Federal Sources	400			A140
CR 4450 Unapportioned Authority		400		

- 2b. To record anticipated reduction of borrowing authority due to the anticipated collections. The borrowing authority will be substituted by offsetting collections.

Year 1				
Budgetary Entry				TC
DR 4450 Unapportioned Authority		400		A164
CR 4044 Anticipated Reductions to Borrowing Authority			400	

3. To record borrowing authority apportioned by OMB and available for allotment.

Year 1				
Budgetary Entry				TC
DR 4450 Unapportioned Authority		800		A116
CR 4510 Apportionments			800	

4. To record allotment of apportioned borrowing authority.

Year 1				
Budgetary Entry				TC
DR 4510 Apportionments		800		A120
CR 4610 Allotments - Realized Resources			800	

**Portion Substituted for Borrowing Authority
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5. To record an unexpended obligation for authority previously allotted.

Year 1				
Budgetary Entry				TC B204
DR 4610 Allotments Realized Resources	800			
CR 4801 Undelivered Orders – Obligations, Unpaid		800		

- 6a. To record receipt of previously anticipated collections.

Year 1				
Budgetary Entry				TC C110
DR 4277 Other Actual Collections	400			
CR 4070 Anticipated Collections from Federal Sources		400		
Proprietary Entry				
DR 1010 Fund Balance with Treasury	400			
CR 5900 Other Revenue		400		

- 6b. Based on an appropriation or authorizing language authorizing language, the agency substituted borrowing authority with offsetting collections.

Year 1				
Budgetary Entry				New TC A159
DR 4044 Anticipated Reductions to Borrowing Authority	400			
CR 4140 Substitution of Borrowing Authority		400		

7. To record payment and disbursement of funds.

Year 1				
Budgetary Entry				TC B107
DR 4801 Undelivered Orders – Obligations, Unpaid	400			
CR 4902 Delivered Orders – Obligations, Paid		400		
Proprietary Entry				
DR 6100 Operating Expenses/Program Costs	400			
CR 1010 Fund Balance with Treasury		400		

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Pre - Closing Trial Balance
Year 1**

USSGL Account	Debit	Credit
Budgetary		
4140		400
4141	1,000	
4277	400	
4450		200
4801		400
4902	0	400
Total	<u>1,400</u>	<u>1,400</u>
5900		
6100		400
Total	<u>400</u>	<u>0</u>
	<u>400</u>	<u>400</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
SF 133: Report On Budget Execution And Budgetary Resources
Year 1**

BUDGETARY RESOURCES

1. Budget authority	
B. Borrowing authority (4141E)	1,000
3. Spending authority from offsetting collections:	
A1. Collected (4277E)	400
6. Permanently not available:	
D Other withdrawn (4140E)	<u>(400)</u>
7. Total budgetary resources	<u><u>1,000</u></u>

STATUS OF BUDGETARY RESOURCES

8. Obligations incurred:	
A. Direct (4801E-B + 4901E-B + 4902E)	800
10. Unobligated balance not available:	
D. Other (4450E)	<u>200</u>
11. Total status of budgetary resources	<u><u>1,000</u></u>

RELATIONSHIP OF OBLIGATIONS TO OUTLAYS

12. Obligated balance, net as of October 1 (4801B + 4901B)	
13. Obligated balance transferred, net	
14. Obligated balance, net, end of period	
C. Undelivered orders (4801E)	400
D. Accounts payable (4901E)	0
15. Outlays:	
A. Collections (4277E)	400
B. Disbursements (4902E)	400

**Definite Borrowing Authority
FMS-2108 Year End Closing Statement
Year 1**

(Record Type 7 – .951 Authority to Borrow from the Treasury)	<u>Main</u>	<u>B.A.</u>
Col. 2 Balance of borrowing authority (4149B)		0
Col. 3 Increases and rescissions (4141E+4140E)		600
Col. 4 Borrowings (4145)		0
Col. 5 N/A		
Col. 6 Balance (4140E+4141E+ 4145E+4149B) calc (2+3-4-5)		600
Col. 9 Undelivered Orders (4801E)	400	
Col. 10 Accounts Payable and Other Liabilities (4901E)	0	
Col. 11 Unobligated Balance calc (5+6+7+8 = 9+10+11) (4450E)	200	

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
Program And Financing (Schedule P)
Year 1**

TOTAL NEW OBLIGATIONS:

1000 Total New Obligations (4801E-B + 4901E-B + 4902E) 800

BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION:

2140 Unobligated balance carried forward, start of year 0
 2200 New budget authority (gross) (Sum Ins. 4000...6990) 1,000
 2270 Balance of authority to borrow withdrawn (4144E) 0
 2390 Total budgetary resources available for obligation (sum 2140 through 2385) 1,000
 2395 Total new obligations (-) (800)
 2440 Unobligated balance carried forward, end of year (4450E) 200

NEW BUDGETARY AUTHORITY (GROSS), DETAIL:

Mandatory:

6710 Authority to borrow (4141E) 1,000
 6900 Spending authority from offsetting collections (4277E) 400
 6953 Portion substituted for borrowing authority (-) (4140E) (400)
 (domain value of "S" for authority type)
 6990 Total spending authority for offsetting collections 0

CHANGE IN OBLIGATED BALANCES

7240 Obligated balance, start of year 0
 7310 Total new obligation (4801E-B+4901E-B+4902E) 800
 7320 Total outlays (4802E-B +4902E) (400)
 7440 Obligated balance, end of year (4801E+4901E) 400

OUTLAYS (GROSS), DETAIL:

8697 Outlays from new mandatory authority (4802E-B+4902E) 400
 8698 Outlays from mandatory balances (4802E-B + 4902E) 0
 8700 Total outlays (4802E-B, 4902E) 400

OFFSETS:

8800 Federal sources (4277E) (400)

NEW BUDGET AUTHORITY AND OUTLAYS:

8900 Budget authority (net) 600
 9000 Outlays (net) 0

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Balance Sheet
Year 1**

Assets	
Intragovernmental	
1. Fund Balance with Treasury (1010E)	0
15. Total assets	<u>0</u>
Liabilities	
Intragovernmental	
16. Accounts payable (2110E)	0
27. Total liabilities	<u>0</u>
Net Position	
29. Unexpended appropriation (3100E)	0
30. Cumulative Results of Operations (3310E)	0
31. Total net position	<u>0</u>
32. Total liabilities and net position	<u>0</u>

**Definite Borrowing Authority
Statement of Net Cost
Year 1**

Program Costs	
1. Intragovernmental gross costs (6100E)	400
2. Less: Intragovernmental earned revenue (5900E)	(400)
3. Intragovernmental net costs	<u>0</u>
10. Total net costs of operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
Statement of Changes in Net Position
Year 1**

	<u>Cumm. Results</u>	<u>Unexp. Approp.</u>
1. Beginning Balance (3100E and 3310E)	0	0
3. Beginning Balance as adjusted	0	0
Budgetary Financing Sources:		
4. Appropriations received (3101E)		0
7. Appropriations used (3107E) (5700E)	0	0
16. Total Financing Sources	<u>0</u>	<u>0</u>
17. Net Cost of Operations	<u>0</u>	<u>0</u>
18. Ending Balances	<u>0</u>	<u>0</u>

**Definite Borrowing Authority
Statement of Financing
Year 1**

Resources Used to Finance Activities	
Budgetary Resources Obligated	
1. Obligations incurred (4801E-B +4902E)	0
2. Less: Spending Authority from offsetting collections (4277E)	(400)
11. Total resources used to finance activities	(400)
12. Change in budgetary resources obligated for goods, services and benefits Ordered but not yet provided (4801E-B)	(400)
17. Total resources used to finance items not part of the net cost of operations	(400)
18. Total resources used to resources used to finance net cost of operations (lines 11-17)	<u>0</u>
30. Net Cost of Operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
Closing Entry - Year 1**

8. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4140 Substitution of Borrowing Authority	400		F208
DR 4149 Borrowing Authority Carried Forward	600		
CR 4141 Current Year Borrowing Authority Realized		1,000	

9. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4902 Delivered Orders - Obligations, Paid	400		F204
CR 4201 Total Actual Resources - Collected		400	

10. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4201 Total Actual Resources - Collected	400		F204
CR 4277 Other Actual Collections Federal		400	

11. Closing of revenue account to cumulative results of operations.

Year 1			
Budgetary Entry			TC
DR 5900 Other Revenue	400		F228
CR 3310 Cumulative Results of Operations		400	
DR 3310 Cumulative Results of Operations	400		
DR 6100 Operating Expenses/Program Costs		400	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Post - Closing Trial Balance
Year 1**

USSGL Account	Debit	Credit
Budgetary		
4149	600	
4450		200
4801	<u>0</u>	<u>400</u>
Total	<u>600</u>	<u>600</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

Definite Authority -Year 2

1a. To record anticipated collections.

Year 2			
Budgetary Entry			TC
DR 4070 Anticipated Collections from Federal Sources	300		A140
CR 4450 Unapportioned Authority		300	

1b. To record anticipated reduction of borrowing authority due to the anticipated collections. The borrowing authority will be substituted by offsetting collections.

Year 2			
Budgetary Entry			TC
DR 4450 Unapportioned Authority	300		A164
CR 4044 Anticipated Reductions to Borrowing Authority		300	

2a. To record receipt of previously anticipated collections.

Year 2			
Budgetary Entry			TC
DR 4277 Other Actual Collections	300		C110
CR 4070 Anticipated Collections from Federal Sources		300	
Proprietary Entry			
DR 1010 Fund Balance with Treasury	300		
CR 5900 Other Revenue		300	

2b. Based on an appropriation or authorizing language, the agency substituted borrowing authority with offsetting collections.

Year 2			
Budgetary Entry			New
DR 4044 Anticipated Reductions to Borrowing Authority	300		TC
CR 4140 Substitution of Borrowing Authority		300	A159

3. To record payment and disbursement of funds.

Year 2			
Budgetary Entry			TC
DR 4801 Undelivered Orders – Obligations, Unpaid	300		B107
CR 4902 Delivered Orders – Obligations, Paid		300	
Proprietary Entry			
DR 6100 Operating Expenses/Program Costs	300		
CR 1010 Fund Balance with Treasury		300	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Pre - Closing Trial Balance
Year 2**

USSGL Account	Debit	Credit
Budgetary		
4140		300
4149	600	
4277	300	
4450		200
4801		100
4902	<u>0</u>	<u>300</u>
Total	<u><u>900</u></u>	<u><u>900</u></u>
5900		300
6100	<u>300</u>	<u>0</u>
Total	<u><u>300</u></u>	<u><u>300</u></u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
SF 133: Report On Budget Execution And Budgetary Resources
Year 2**

BUDGETARY RESOURCES

1. Budget authority	
B. Borrowing authority (4141E)	0
2. Unobligated balance:	
A. Beginning of period (4149B+4201B+4801B)	200
3. Spending authority from offsetting collections:	
A1. Collected (4277E)	300
6. Permanently not available:	
D. Other authority withdrawn (4140E)	<u>(300)</u>
7. Total budgetary resources	<u><u>200</u></u>

STATUS OF BUDGETARY RESOURCES

8. Obligations incurred:	
A. Direct (4801E-B + 4901E-B + 4902E)	0
10. Unobligated balance not available:	
D. Other (4450E)	<u>200</u>
11. Total status of budgetary resources	<u><u>200</u></u>

RELATIONSHIP OF OBLIGATIONS TO OUTLAYS

12. Obligated balance, net as of October 1 (4801B + 4901B)	400
13. Obligated balance transferred, net	
14. Obligated balance, net, end of period:	
C. Undelivered orders (4801E)	100
D. Accounts payable (4901E)	0
15. Outlays:	
A. Collections (4277E)	300
B. Disbursements (4902E)	300

**Definite Borrowing Authority
FMS-2108 Year End Closing Statement
Year 2**

(Record Type 7 – .951 Authority to Borrow from the Treasury)	<u>Main</u>	<u>B.A.</u>
Col. 2 Balance of borrowing authority		600
Col. 3 Increases and rescissions (4141E+4140E)		(300)
Col. 4 Borrowings (4145E)		0
Col. 5 N/A		0
Col. 6 Balance (4141E+ 4140E+4149B) calc (2+3-4-5)		300
Col. 9 Undelivered Orders (4801E)	100	
Col. 10 Accounts Payable and Other Liabilities (4901E)	0	
Col. 11 Unobligated Balance calc (5+6+7+8 = 9+10+11) (4450E)	200	

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
Program And Financing (Schedule P)
Year 2**

TOTAL NEW OBLIGATIONS:

1000 Total New Obligations (4801E-B + 4901E-B + 4902E) 0

BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION:

2140 Unobligated balance carried forward, start of year 200
 2200 New budget authority (gross) (Sum lns. 4000...6990) 0
 2270 Balance of authority to borrow withdrawn (4144E) 0
 2390 Total budgetary resources available for obligation (sum 2140 through 2385) 200
 2395 Total new obligations (-) 0
 2440 Unobligated balance carried forward, end of year (4450E) 200

NEW BUDGETARY AUTHORITY (GROSS), DETAIL:

Mandatory:

6710 Authority to borrow (4141E) 0
 6900 Spending authority from offsetting collections (4277E) 300
 6953 Portion substituted for borrowing authority (-) (4140E) (300)
 (domain value of "S" for authority type)
 6990 Spending authority from offsetting collections (total) 0

CHANGE IN OBLIGATED BALANCES:

7240 Obligated balance, start of year (4801B+4901B) 400
 7310 Total new obligations 0
 7320 Total outlays (gross) (-) (4902E) (300)
 7440 Obligated balance, end of year (4801E+4901E) 100

OUTLAYS (GROSS), DETAIL:

8697 Outlays from new mandatory authority (4802E-B+4902E) 0
 8698 Outlays from mandatory balances (4802E-B + 4902E) 300
 8700 Total outlays (4802E-B, 4902E) 300

OFFSETS:

8800 Federal sources (4277E) (300)

NEW BUDGET AUTHORITY AND OUTLAYS:

8900 Budget authority (net) (300)
 9000 Outlays (net) 0

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Balance Sheet
Year 2**

Assets	
Intragovernmental	
1. Fund Balance with Treasury (1010E)	0
15. Total assets	<u>0</u>
Liabilities	
Intragovernmental	
16. Accounts payable (2110E)	0
27. Total liabilities	<u>0</u>
Net Position	
29. Unexpended appropriation (3100E)	0
30. Cumulative Results of Operations (3310E)	0
31. Total net position	<u>0</u>
32. Total liabilities and net position	<u>0</u>

**Definite Borrowing Authority
Statement of Net Cost
Year 2**

Program Costs	
1. Intragovernmental gross costs (6100E)	300
2. Less: Intragovernmental earned revenue	(300)
3. Intragovernmental net costs	<u>0</u>
10. Total net costs of operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Definite Borrowing Authority
Statement of Changes in Net Position
Year 2**

	<u>Cumm. Results</u>	<u>Unexp. Approp.</u>
1. Beginning Balance (3100E and 3310E)	0	0
3. Beginning Balance as adjusted	0	0
Budgetary Financing Sources:		
4. Appropriations received (3101E)		0
7. Appropriations used (3107E) (5700E)	0	0
16. Total Financing Sources	<u>0</u>	<u>0</u>
17. Net Cost of Operations	<u>0</u>	<u>0</u>
18. Ending Balances	<u>0</u>	<u>0</u>

**Definite Borrowing Authority
Statement of Financing
Year 2**

Resources Used to Finance Activities	
Budgetary Resources Obligated	
1. Obligations incurred (4801E-B + 4901E-B+ 4902E)	400
2. Less: Spending authority from offsetting collections (4277E)	<u>(300)</u>
11. Total resources used to finance activities	100
12. Change in budgetary resources obligated for goods, services and benefits Ordered but not yet provided (4801E-B)	100
17. Total resources used to finance items not part of the net cost of operations	<u>100</u>
18. Total resources used to resources used to finance net cost of operations (lines 11-17)	<u>0</u>
30. Net Cost of Operations	<u>0</u>

**Portion Substituted for Borrowing Authority
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**Definite Borrowing Authority
Closing Entry - Year 2**

4. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4140 Substitution of Borrowing Authority	300		F208
CR 4149 Borrowing Authority Carried Forward		300	

5. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4902 Delivered Orders - Obligations, Paid	300		F204
CR 4201 Total Actual Resources - Collected		300	

6. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4201 Total Actual Resources - Collected	300		F204
CR 4277 Other Actual Collections Federal		300	

7. Closing of revenue account to cumulative results of operations.

Year 2			
Budgetary Entry			TC
DR 5900 Other Revenue	300		F228
CR 3310 Cumulative Results of Operations		300	
DR 3310 Cumulative Results of Operations	300		
DR 6100 Operating Expenses/Program Costs		300	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Definite Borrowing Authority
Post - Closing Trial Balance
Year 2**

USSGL Account	Debit	Credit
Budgetary		
4149	300	
4450		200
4801	<u>0</u>	<u>100</u>
Total	<u><u>300</u></u>	<u><u>300</u></u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Scenario B: Indefinite Borrowing Authority - Portion Substituted for
Borrowing Authority (Offsetting Collections)**

Indefinite Borrowing Authority - Year 1

1. To record the estimate of borrowing to cover obligations for the current year.

Year 1				
Budgetary Entry				TC
DR 4042 Estimated Borrowing Authority	1,000			A162
CR 4450 Unapportioned Authority		1,000		

- 2a. To record anticipated collections.

Year 1				
Budgetary Entry				TC
DR 4070 Anticipated Collections from Federal Sources	400			A140
CR 4450 Unapportioned Authority		400		

- 2b. To record anticipated reduction of borrowing authority due to the anticipated collections. The borrowing authority will be substituted by offsetting collections.

Year 1				
Budgetary Entry				TC
DR 4450 Unapportioned Authority	400			A164
CR 4044 Anticipated Reductions to Borrowing Authority		400		

3. To record budget authority apportioned by OMB and available for allotment.

Year 1				
Budgetary Entry				TC
DR 4450 Unapportioned Authority	800			A116
CR 4510 Apportionments		800		

4. To record the allotment of borrowing authority.

Year 1				
Budgetary Entry				TC
DR 4510 Apportionments	800			A120
CR 4610 Allotments - Realized Resources		800		

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

5. To record an unexpended obligation for authority previously allotted and the realization of contract authority.

Year 1				
<u>Budgetary Entry</u>				
a. 4610 Allotments Realized Resources	800			TC B204
CR 4801 Undelivered Orders – Obligations, Unpaid		800		
b. 4141 Current Year Borrowing Authority Realized	800			TC
CR 4042 Estimated Borrowing Authority			800	A154

- 6a. To record receipt of previously anticipated collections.

Year 1				
<u>Budgetary Entry</u>				
DR 4277 Other Actual Collections	400			
CR 4070 Anticipated Collections from Federal Sources		400		TC C110
<u>Proprietary Entry</u>				
DR 1010 Fund Balance with Treasury	400			
CR 5900 Other Revenue			400	

- 6b. Based an appropriation or authorizing language, the agency substituted borrowing authority with offsetting collections.

Year 1				
<u>Budgetary Entry</u>				
DR 4044 Anticipated Reductions to Borrowing Authority	400			New TC A159
CR 4140 Substitution of Borrowing Authority			400	

7. To record payment and disbursement of funds.

Year 1				
<u>Budgetary Entry</u>				
DR 4801 Undelivered Orders – Obligations, Unpaid	400			TC B107
CR 4902 Delivered Orders – Obligations, Paid		400		
<u>Proprietary Entry</u>				
DR 6100 Operating Expenses/Program Costs	400			
CR 1010 Fund Balance with Treasury			400	

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Adjusting Entry - Year 1**

8. To adjust the estimated borrowing authority to zero and record reduction of unobligated balance for indefinite borrowing authority.

Year 1			
<u>Budgetary Entry</u>			TC
a.	DR 4141 Current Year Borrowing Authority Realized	200	A154
	CR 4042 Estimated Borrowing Authority	200	
b.	DR 4450 Unapportioned Authority	200	TC
	CR 4143 Reduction of Borrowing Authority	200	B204

**Indefinite Borrowing Authority
Pre - Closing Trial Balance
Year 1**

USSGL Account	Debit	Credit
Budgetary		
4140		400
4141	1,000	
4143		200
4277	400	
4801		400
4902	0	400
Total	<u>1,400</u>	<u>1,400</u>
5900		400
6100	400	0
Total	<u>400</u>	<u>400</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
SF 133: Report On Budget Execution And Budgetary Resources
Year 1**

BUDGETARY RESOURCES

1. Budget authority	
B. Borrowing authority (4141E)	1,000
3. Spending authority from offsetting collections:	
A1. Collected (4277E)	400
6. Permanently not available:	
D. Other withdrawn (4140E + 4143E)	<u>(600)</u>
7. Total budgetary resources	<u><u>800</u></u>

STATUS OF BUDGETARY RESOURCES

8. Obligations incurred:	
B. Direct (4801E-B + 4901E-B + 4902E)	800
10. Unobligated balance not available:	
D. Other (4450E)	<u>0</u>
11. Total status of budgetary resources	<u><u>800</u></u>

RELATIONSHIP OF OBLIGATIONS TO OUTLAYS

12. Obligated balance, net as of October 1 (4801B + 4901B)	
13. Obligated balance transferred, net	
14. Obligated balance, net, end of period	
C. Undelivered orders (4801E)	400
D. Accounts payable (4901E)	0
15. Outlays:	
A. Collections (4277E)	400
B. Disbursements (4902E)	400

**Indefinite Borrowing Authority
FMS-2108 Year End Closing Statement
Year 1**

(Record Type 7 – .951 Authority to Borrow from the Treasury)	<u>Main</u>	<u>B.A.</u>
Col. 2 Balance of borrowing authority		0
Col. 3 Increases (4141E)		1,000
Col. 4 Borrowings (4145E)		0
Col. 5 Adjustments (4140E+4143E)		(600)
Col. 6 Balance (4140E+4141E+4143E+4145E+4149B) calc (2+3-4-5)		400
Col. 9 Undelivered Orders (4801E)	400	
Col. 10 Accounts Payable and Other Liabilities (4901E)	0	
Col. 11 Unobligated Balance calc (5+6+7+8 = 9+10+11) (4450E)	0	

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Program And Financing (Schedule P)
Year 1**

TOTAL NEW OBLIGATIONS:

1000 Total New Obligations (4801E-B + 4901E-B + 4902E) 800

BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION:

2140 Unobligated balance carried forward, start of year 0
 2200 New budget authority (gross) (Sum lns. 4000...6990) 800
 2270 Balance of authority to borrow withdrawn (4144E) 0
 2390 Total budgetary resources available for obligation (sum 2140 through 2385) 800
 2395 Total new obligations (-) (800)
 2440 Unobligated balance carried forward, end of year (4450E) 0

NEW BUDGETARY AUTHORITY (GROSS), DETAIL:

Mandatory:

6710 Authority to borrow (4141E+4143E) 800
 6900 Spending authority from offsetting collections (4277E) 400
 6953 Portion substituted for borrowing authority (-) (4140E) (400)
 (domain value of "S" for authority type)
 6990 Spending authority from offsetting collections (total) 0

CHANGE IN OBLIGATED BALANCES:

7240 Obligated balance, start of year (4801B+4901B) 0
 7310 Total new obligations 800
 7320 Total outlays (gross) (-) (4902E) (400)
 7440 Obligated balance, end of year (4801E+4901E) 400

OUTLAYS (GROSS), DETAIL:

8697 Outlays from new mandatory authority (4802E-B+4902E) 400
 8698 Outlays from mandatory balances (4802E-B + 4902E) 0
 8700 Total outlays (4802E-B, 4902E) 400

OFFSETS:

8800 Federal sources (4277E) (400)

NEW BUDGET AUTHORITY AND OUTLAYS:

8900 Budget authority (net) 400
 9000 Outlays (net) 0

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Indefinite Borrowing Authority
Balance Sheet
Year 1**

Assets	
Intragovernmental	
1. Fund Balance with Treasury (1010E)	0
15. Total assets	<u>0</u>
Liabilities	
Intragovernmental	
16. Accounts payable (2110E)	0
27. Total liabilities	<u>0</u>
Net Position	
29. Unexpended appropriation (3100E)	0
30. Cumulative Results of Operations (3310E)	0
31. Total net position	<u>0</u>
32. Total liabilities and net position	<u>0</u>

**Indefinite Borrowing Authority
Statement of Net Cost
Year 1**

Program Costs	
1. Intragovernmental gross costs (6100E)	400
2. Less: Intragovernmental earned revenue (5900E)	(400)
3. Intragovernmental net costs	<u>0</u>
10. Total net costs of operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Statement of Changes in Net Position
Year 1**

	<u>Cumm. Results</u>	<u>Unexp. Approp.</u>
1. Beginning Balance (3100E and 3310E)	0	0
3. Beginning Balance as adjusted	0	0
Budgetary Financing Sources:		
4. Appropriations received (3101E)		0
7. Appropriations used (3107E) (5700E)	0	0
16. Total Financing Sources	<u>0</u>	<u>0</u>
17. Net Cost of Operations	<u>0</u>	<u>0</u>
18. Ending Balances	<u>0</u>	<u>0</u>

**Indefinite Borrowing Authority
Statement of Financing
Year 1**

Resources Used to Finance Activities	
Budgetary Resources Obligated	
1. Obligations incurred (4801E-B +4902E)	0
2. Less: Spending Authority from offsetting collections (4277E)	(400)
11. Total resources used to finance activities	(400)
12. Change in budgetary resources obligated for goods, services and benefits Ordered but not yet provided (4801E-B)	(400)
17. Total resources used to finance items not part of the net cost of operations	(400)
18. Total resources used to resources used to finance net cost of operations (lines 11-17)	<u>0</u>
30. Net Cost of Operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Closing Entry - Year 1**

9. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4143 Reduction of Borrowing Authority	200		F208
DR 4140 Substitution of Borrowing Authority	400		
DR 4149 Borrowing Authority Carried Forward	400		
CR 4141 Current Year Borrowing Authority Realized		1,000	

10. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4902 Delivered Orders - Obligations, Paid	400		F204
CR 4201 Total Actual Resources - Collected		400	

11. Closing of fiscal year borrowing authority.

Year 1			
Budgetary Entry			TC
DR 4201 Total Actual Resources - Collected	400		F204
CR 4277 Other Actual Collections Federal		400	

12. Closing of revenue account to cumulative results of operations.

Year 1			
Budgetary Entry			TC
DR 5900 Other Revenue	400		F228
CR 3310 Cumulative Results of Operations		400	
DR 3310 Cumulative Results of Operations	400		
DR 6100 Operating Expenses/Program Costs		400	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Indefinite Borrowing Authority
Post - Closing Trial Balance
Year 1**

USSGL Account	Debit	Credit
Budgetary		
4149	400	
4801	<u>0</u>	<u>400</u>
Total	<u><u>800</u></u>	<u><u>800</u></u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

Indefinite Authority -Year 2

1a. To record anticipated collections.

Year 2			
<u>Budgetary Entry</u>			TC
DR 4070 Anticipated Collections from Federal Sources	300		A140
CR 4450 Unapportioned Authority		300	

1b. To record anticipated reduction of borrowing authority due to the anticipated collections. The borrowing authority will be substituted by offsetting collections.

Year 2			
<u>Budgetary Entry</u>			TC
DR 4450 Unapportioned Authority	300		A164
CR 4044 Anticipated Reductions to Borrowing Authority		300	

2a. To record receipt of previously anticipated collections.

Year 2			
<u>Budgetary Entry</u>			TC
DR 4277 Other Actual Collections	300		C110
CR 4070 Anticipated Collections from Federal Sources		300	
<u>Proprietary Entry</u>			
DR 1010 Fund Balance with Treasury	300		
CR 5900 Other Revenue		300	

2b. Based on an appropriation or authorizing language, the agency substituted borrowing authority with offsetting collections.

Year 2			
<u>Budgetary Entry</u>			New
DR 4044 Anticipated Reductions to Borrowing Authority	300		TC
CR 4140 Substitution of Borrowing Authority		300	A159

3. To record payment and disbursement of funds.

Year 2			
<u>Budgetary Entry</u>			TC
DR 4801 Undelivered Orders – Obligations, Unpaid	300		B107
CR 4902 Delivered Orders – Obligations, Paid		300	
<u>Proprietary Entry</u>			
DR 6100 Operating Expenses/Program Costs	300		
CR 1010 Fund Balance with Treasury		300	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Indefinite Borrowing Authority
Pre - Closing Trial Balance
Year 2**

USSGL Account	Debit	Credit
Budgetary		
4140		300
4149	400	
4277	300	
4801		100
4902	<u>0</u>	<u>300</u>
Total	<u>700</u>	<u>700</u>
5900		300
6100	<u>300</u>	<u>0</u>
Total	<u>300</u>	<u>300</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
SF 133: Report On Budget Execution And Budgetary Resources
Year 2**

BUDGETARY RESOURCES

1. Budget authority	
B. Borrowing authority (4141E)	0
2. Unobligated balance:	
A. Beginning of period (4149B+4201B+4801B)	0
3. Spending authority from offsetting collections:	
A1. Collected (4277E)	300
6. Permanently not available:	
D. Other authority withdrawn (4140E)	<u>(300)</u>
7. Total budgetary resources	<u><u>0</u></u>

STATUS OF BUDGETARY RESOURCES

8. Obligations incurred:	
A. Direct (4801E-B + 4901E-B + 4902E)	0
10. Unobligated balance not available:	
D. Other (4450E)	<u>0</u>
11. Total status of budgetary resources	<u><u>0</u></u>

RELATIONSHIP OF OBLIGATIONS TO OUTLAYS

10. Obligated balance, net as of October 1 (4801B + 4901B)	400
13. Obligated balance transferred, net	
14. Obligated balance, net, end of period:	
C. Undelivered orders (4801E)	100
D. Accounts payable (4901E)	0
15. Outlays:	
A. Collections (4277E)	300
B. Disbursements (4902E)	300

**Indefinite Borrowing Authority
FMS-2108 Year End Closing Statement
Year 2**

(Record Type 7 – .951 Authority to Borrow from the Treasury)	<u>Main</u>	<u>B.A.</u>
Col. 2 Balance of borrowing authority (4149E)		400
Col. 3 Increases (4141E)		0
Col. 4 Borrowings (4145E)		0
Col. 5 Adjustments (4140E)		(300)
Col. 6 Balance (4141E+ 4145E+4140E+4149B) calc (2+3-4-5)		100
Col. 9 Undelivered Orders (4801E)	100	
Col. 10 Accounts Payable and Other Liabilities (4901E)	0	
Col. 11 Unobligated Balance calc (5+6+7+8 = 9+10+11) (4450E)	0	

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Program And Financing (Schedule P)
Year 2**

TOTAL NEW OBLIGATIONS:

1000 Total New Obligations (4801E-B + 4901E-B + 4902E) 0

BUDGETARY RESOURCES AVAILABLE FOR OBLIGATION:

2140 Unobligated balance carried forward, start of year 0
 2200 New budget authority (gross) (Sum lns. 4000...6990) 0
 2270 Balance of authority to borrow withdrawn (4144E) 0
 2390 Total budgetary resources available for obligation (sum 2140 through 2385) 0
 2395 Total new obligations (-) 0
 2440 Unobligated balance carried forward, end of year (4450E) 0

NEW BUDGETARY AUTHORITY (GROSS), DETAIL:

Mandatory:

6710 Authority to borrow (4141E+4143E) 0
 6900 Spending authority from offsetting collections (4277E) 300
 6953 Portion substituted for borrowing authority (-) (4140E) (300)
 (domain value of "S" for authority type)
 6990 Spending authority from offsetting collections (total) 0

CHANGE IN OBLIGATED BALANCES:

7240 Obligated balance, start of year (4801B+4901B) 400
 7310 Total new obligations 0
 7320 Total outlays (gross) (-) (4902E) (300)
 7440 Obligated balance, end of year (4801E+4901E) 100

OUTLAYS (GROSS), DETAIL:

8697 Outlays from new mandatory authority (4802E-B+4902E) 0
 8698 Outlays from mandatory balances (4802E-B + 4902E) 300
 8700 Total outlays (4802E-B, 4902E) 300

OFFSETS:

8800 Federal sources (4277E) (300)

NEW BUDGET AUTHORITY AND OUTLAYS:

8900 Budget authority (net) (300)
 9000 Outlays (net) 0

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Indefinite Borrowing Authority
Balance Sheet
Year 2**

Assets	
Intragovernmental	
1. Fund Balance with Treasury (1010E)	0
15. Total assets	<u>0</u>
Liabilities	
Intragovernmental	
16. Accounts payable (2110E)	0
27. Total liabilities	<u>0</u>
Net Position	
29. Unexpended appropriation (3100E)	0
30. Cumulative Results of Operations (3310E)	0
31. Total net position	<u>0</u>
32. Total liabilities and net position	<u>0</u>

**Indefinite Borrowing Authority
Statement of Net Cost
Year 2**

Program Costs	
1. Intragovernmental gross costs (6100E)	300
2. Less: Intragovernmental earned revenue	(300)
3. Intragovernmental net costs	<u>0</u>
10. Total net costs of operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Statement of Changes in Net Position
Year 2**

	<u>Cumm. Results</u>	<u>Unexp. Approp.</u>
1. Beginning Balance (3100E and 3310E)	0	0
3. Beginning Balance as adjusted	0	0
Budgetary Financing Sources:		
4. Appropriations received (3101E)		0
7. Appropriations used (3107E) (5700E)	0	0
16. Total Financing Sources	<u>0</u>	<u>0</u>
17. Net Cost of Operations	<u>0</u>	<u>0</u>
18. Ending Balances	<u>0</u>	<u>0</u>

**Indefinite Borrowing Authority
Statement of Financing
Year 2**

Resources Used to Finance Activities	
Budgetary Resources Obligated	
1. Obligations incurred (4801E-B + 4901E-B+ 4902E)	400
2. Less: Spending authority from offsetting collections (4277E)	<u>(300)</u>
11. Total resources used to finance activities	100
12. Change in budgetary resources obligated for goods, services and benefits Ordered but not yet provided (4801E-B)	100
17. Total resources used to finance items not part of the net cost of operations	<u>100</u>
18. Total resources used to resources used to finance net cost of operations (lines 11-17)	<u>0</u>
30. Net Cost of Operations	<u>0</u>

**Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario**

**Indefinite Borrowing Authority
Closing Entry - Year 2**

4. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4140 Substitution of Borrowing Authority	300		F208
CR 4149 Borrowing Authority Carried Forward		300	

5. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4902 Delivered Orders - Obligations, Paid	300		F204
CR 4201 Total Actual Resources - Collected		300	

6. Closing of fiscal year borrowing authority.

Year 2			
Budgetary Entry			TC
DR 4201 Total Actual Resources - Collected	300		F204
CR 4277 Other Actual Collections Federal		300	

7. Closing of revenue account to cumulative results of operations.

Year 2			
Budgetary Entry			TC
DR 5900 Other Revenue	300		F228
CR 3310 Cumulative Results of Operations		300	
DR 3310 Cumulative Results of Operations	300		
DR 6100 Operating Expenses/Program Costs		300	

***Portion Substituted for Borrowing Authority
(Offsetting Collections)
Scenario***

**Indefinite Borrowing Authority
Post - Closing Trial Balance
Year 2**

USSGL Account	Debit	Credit
Budgetary		
4149	100	
4801	<u>0</u>	<u>100</u>
Total	<u><u>100</u></u>	<u><u>100</u></u>